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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended June 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)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $.01 par value	NASDAQ Global Select Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes o No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. o Yes ☒ No

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. ☒ Yes 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 (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes o No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

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 definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒	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 ☒ No

Aggregate market value, based upon the closing sale price of the shares as reported by the NASDAQ Global Select Market, of voting stock held by non-affiliates at December 31, 2013: $1,252,547,383 (excludes shares held by executive officers and directors). Exclusion of shares held by any person should not be construed to indicate that such person possesses the power, direct or indirect, to direct or cause the direction of management or policies of the registrant, or that such person is controlled by or under common control with the registrant. Common Stock outstanding at August 20, 2014: 85,907,896 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement to be delivered to shareholders in connection with the Annual Meeting of Shareholders to be held on November 11, 2014 are incorporated by reference into Part III.

ImmunoGen, Inc.
Form 10-K

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Item 1. ***Business***

In this Annual Report on Form 10-K, ImmunoGen, Inc. (ImmunoGen, Inc., together with its subsidiaries, is referred to in this document as "we", "us", "ImmunoGen", or the "Company"), incorporates by reference certain information from parts of other documents filed with the Securities and Exchange Commission. The Securities and Exchange Commission allows us to disclose important information by referring to it in that manner. Please refer to all such information when reading this Annual Report on Form 10-K. All information is as of June 30, 2014 unless otherwise indicated. For a description of the risk factors affecting or applicable to our business, see "Risk Factors," below.

Overview

We are a biotechnology company that develops targeted anticancer therapeutics. All of our wholly owned clinical and preclinical product candidates are antibody-drug conjugates, or ADCs. An ADC is a type of medicine that uses a monoclonal antibody to deliver a therapeutic agent to targeted cells.

We developed our ADC technology to enable the creation of highly effective, well-tolerated anticancer products. An ADC with our technology comprises an antibody that binds specifically to an antigen target found on the surface of cancer cells with one of our potent cancer-cell killing agents, or payloads, attached to the antibody using one of our engineered linkers. An ADC compound's antibody component enables it to bind to cancer cells that have its antigen on their surface and the payload agent serves to kill these cancer cells. We have tubulin-acting payload agents, such as DM1 and DM4, which are maytansinoids, and, more recently, we developed DNA-acting payload agents, such as DGN462, which we call IGNs. Our linkers are engineered to keep our payload agents securely attached to the antibody while traveling through the bloodstream and then control its release and activation once inside a cancer cell. The antibody component of an ADC may serve only as a targeting vehicle or it may also have anticancer activity, depending on the antigen target and the antibody selected.

We develop our own product candidates using our ADC technology. We now have three wholly owned, clinical-stage anticancer compounds—IMGN853, IMGN289, and IMGN529—and have reported preclinical data for IMGN779, which we expect to be our next clinical-stage compound. IMGN779 is the first ADC with our IGN technology. We license to other companies limited rights to use our ADC technology with their antibodies to create products. The most advanced compound with our ADC technology is Roche's marketed product, Kadcyla® (ado-trastuzumab emtansine). Kadcyla was first commercialized in early 2013 and we began earning royalties on Kadcyla sales at that time. Seven other ADC compounds and one non-ADC, or "naked," antibody product candidate are in clinical testing through our partnerships. Our partnership agreements entitle us to earn milestone payments with agreed-upon achievements and, for therapies successfully developed and commercialized, royalties on product sales. Our current partners are: Amgen Inc., Bayer HealthCare (a subgroup of Bayer AG), Biotest AG, Eli Lilly and Company, or Lilly, Novartis Institutes for BioMedical Research, Inc., or Novartis, the Roche Group 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 were organized as a Massachusetts corporation in 1981. Our principal offices are located at 830 Winter Street, Waltham, Massachusetts (MA) 02451, and our telephone number is 781-895-0600. We maintain a website at *www.immunogen.com*, where certain information about us is available. Please note that information contained on the website is not a part of this document. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to those reports are available free of charge through the "Investor Information" section of our website as soon as reasonably practicable after those materials have been electronically filed with, or furnished to, the Securities and Exchange Commission. We have adopted a Code of Corporate Conduct that applies

to all our directors, officers and employees and a Senior Officer and Financial Personnel Code of Ethics that applies to our senior officers and financial personnel. Our Code of Corporate Conduct and Senior Officer and Financial Personnel Code of Ethics are available free of charge through the "Investor Information" section of our website.

Pipeline: Wholly Owned and Partner Product Candidates

Listed in the tables below are the disclosed compounds in development through our own programs and our collaborations with other companies. All of these compounds are ADCs with the exception of SAR650984, which is a therapeutic antibody, and all of these compounds are in early clinical testing (Phase I and/or Phase II) with the exception of Kadcyla, which is marketed, and IMGN779, which is in preclinical testing. Additional earlier-stage compounds are in development by us and several of our partners. The results in early clinical trials may not be predictive of results obtained in subsequent clinical trials and there can be no assurance that any of our or our collaborators' product candidates, other than Kadcyla, will advance or will demonstrate the level of safety and efficacy necessary to obtain regulatory approval.

Compounds Wholly Owned by ImmunoGen

Compound	Lead Indication(s)	Target
IMGN853	Ovarian cancer, endometrial cancer	Folate receptor a
IMGN289	Head and neck cancers, non-small cell lung cancers	EGFR
IMGN529	Non-Hodgkin lymphoma	CD37
IMGN779	Acute myeloid leukemia	CD33

Collaborative Partner Compounds

Compound	Lead Indication(s)	Target	Partner
Kadcyla	Previously treated HER2-positive metastatic breast cancer	HER2	Roche
AMG 172	Kidney cancer	CD70	Amgen
AMG 595	Glioblastoma	EGFRvIII	Amgen
BAY 94-9343	Mesothelioma, ovarian cancer	Mesothelin	Bayer
BT-062	Multiple myeloma, breast, bladder cancers	CD138	Biotest
SAR3419	Diffuse large B-cell lymphoma	CD19	Sanofi
SAR650984	Multiple myeloma	CD38	Sanofi
SAR566658	Solid tumors	CA6	Sanofi
SAR408701	Solid tumors	CEACAM5	Sanofi

IMGN853

We created our IMGN853 product candidate as a treatment for ovarian cancer, endometrial cancer, and potentially other cancers that highly express folate receptor a, or FRa. This ADC comprises a FRa-binding antibody with our potent DM4 payload agent attached using one of our engineered linkers.

IMGN853 is currently in Phase I clinical testing. During the initial dose-finding clinical research, IMGN853 was found to be generally well tolerated and to demonstrate evidence of anticancer activity. In July 2014, it was granted orphan drug status for ovarian cancer by the US FDA.

IMGN853 is now beginning assessment specifically for the treatment of FRa-positive platinum-resistant ovarian cancer and relapsed endometrial cancer. In this assessment, IMGN853 is being dosed once every three weeks. ImmunoGen research has indicated that dosing IMGN853 more frequently could further enhance efficacy without reducing tolerability, and dose finding is now underway with

IMGN853 dosed weekly for three weeks followed by one week without treatment. ImmunoGen plans to select between these two schedules for more advanced IMGN853 clinical trials.

IMGN289

Our EGFR-targeting ADC, IMGN289, is a potential new treatment for cancers that highly express EGFR. These include squamous cell carcinoma of the head and neck, or SCCHN, and types of non-small cell lung cancer (NSCLC), including both squamous cell and non-squamous cell NSCLCs. IMGN289 comprises an ImmunoGen EGFR-binding antibody with our DM1 payload agent attached using one of our engineered linkers. In preclinical testing, the antibody component of IMGN289 was found to have meaningful anticancer activity against EGFR-positive cancer cells sensitive to EGFR inhibition. In these preclinical studies, the full product candidate, inclusive of the DM1, demonstrated superior activity against these cancers and also against EFGR-positive cancers not sensitive to EGFR inhibitors. This is attributed to the DM1 being able to kill EGFR-positive cancer cells through its mechanism, interference with tubulin formation, that is independent of the EGFR pathway.

IMGN289 advanced into clinical testing in late 2013. It is currently in the dose-finding portion of a Phase I clinical trial and no clinical data has been reported.

IMGN529

Our IMGN529 ADC is a potential new treatment for cancers that highly express CD37, such as non-Hodgkin lymphoma, or NHL, and chronic lymphocytic leukemia. ImmunoGen scientists have found the expression profile of CD37 on NHL subtypes to be similar to that of CD20, the target of Roche's Rituxan® (rituximab).

IMGN529 comprises an ImmunoGen CD37-targeting antibody with our DM1 payload agent attached using one of our engineered linkers. In preclinical testing, the antibody demonstrated notable anticancer activity that was further enhanced by the addition of the DM1. IMGN529 is currently in the dose-finding portion of a Phase I clinical trial assessing it in patients with NHL previously treated with other anticancer agents. Initial evidence of anticancer activity has been reported with IMGN529.

IMGN779

Preclinical-stage IMGN779 is a potential new treatment for acute myeloid leukemia. It comprises an ImmunoGen CD33-targeting antibody with one of our DNA-acting payload agent, DGN462, attached using one of our engineered linkers. We currently intend to submit an Investigational New Drug, or IND, application for it to the FDA during the latter half of 2015.

Kadcyla (previously referred to as T-DM1)

Kadcyla is a HER2-targeting ADC that comprises trastuzumab, which is the active component of Roche's antibody therapeutic, Herceptin® (trastuzumab), with our DM1 payload agent attached using one of our engineered linkers. Roche has global development and commercialization rights for Kadcyla under an ADC technology license from us.

Kadcyla was granted marketing approval in February 2013 by the U.S. Food and Drug Administration, or FDA, for the treatment of HER2-positive metastatic breast cancer in patients who previously received Herceptin and a taxane. It was approved for this use in Japan and in the European Union (EU) in September 2013 and November 2013, respectively. In some countries, such as the US, Kadcyla was able to be launched shortly after gaining marketing approval. In other countries, it is necessary to negotiate pricing with governmental authorities prior to launch. For example, Kadcyla was launched in Japan in April 2014 after such negotiations.

Roche is developing Kadcyla for a number of additional uses, and currently has Phase III, or registration, trials underway assessing Kadcyla as a therapy for patients with:

- Metastatic HER2-positive breast cancer not previously been treated—Roche is assessing Kadcyla for this use in its MARIANNE trial. Roche has announced that it intends to use MARIANNE results, if favorable, to apply in 2015 for marketing approval of Kadcyla for this use.

- Early stage HER2-positive breast cancer—Roche has initiated three Phase III trials in this setting: its KATHERINE trial evaluates Kadcyla for the treatment of patients with residual invasive disease following pre-operative therapy; its KAITLIN trial assesses Kadcyla for adjuvant use; and its KRISTINE trial evaluates Kadcyla in the neoadjuvant setting.

- Advanced HER2-positive gastric cancer—Roche is evaluating Kadcyla for this use in its GATSBY trial. Roche has announced that it intends to use the results from GATSBY, if favorable, to apply in 2015 for marketing approval for this use.

Other Clinical-stage Compounds in Development by Our Partners

In addition to Kadcyla, eight other compounds are in clinical testing through our collaborations with other companies. In alphabetical order, these are:

- ***AMG 172*****—**This CD70-targeting ADC was created by Amgen under a license from ImmunoGen. It is currently in Phase I clinical testing for the treatment of patients with clear cell renal cell carcinoma. To our knowledge, no clinical data has been reported with AMG 172 to date.

- ***AMG 595*****—**This EGFRvIII-targeting ADC also was created by Amgen under a license from ImmunoGen. It is currently in Phase I clinical testing for the treatment of patients with glioblastoma and initial evidence of activity has been reported.

- ***BAY 94-9343*****—**This mesothelin-targeting ADC was created by Bayer under a license from ImmunoGen. Initial evidence of activity in mesothelioma has been reported. BAY 94-9343 is currently being assessed for the treatment of mesothelioma and ovarian cancer in early clinical trials.

- ***BT-062*****—**This CD138-targeting ADC was created by Biotest under a license from ImmunoGen. We have opt-in rights for co-development and co-commercialization of BT-062 with Biotest in the U.S. Encouraging findings with BT-062 in the treatment of multiple myeloma have been reported, both with the agent used alone and as part of a combination treatment regimen, and its development for this cancer is ongoing. The target for BT-062 also has been found to occur on several types of solid tumors, and in early 2014 this ADC began clinical testing for the treatment of triple-negative breast cancer and metastatic urinary bladder cancer.

- ***SAR3419*****—**This CD19-targeting ADC was initially created by ImmunoGen and licensed to Sanofi as part of a broad research collaboration. In Phase II clinical testing, SAR3419 showed what was concluded to be proof-of-concept efficacy as monotherapy in the treatment of diffuse large B-cell lymphoma, a difficult-to-treat lymphoma, in patients whose cancer had returned after treatment with other agents. These findings were reported at the annual meeting of the American Society of Clinical Oncology, or ASCO, in June 2014.

- ***SAR650984*****—**This product candidate is CD38-targeting therapeutic, or "naked", antibody initially created by ImmunoGen and licensed to Sanofi as part of a broad research collaboration. SAR650984 has shown promising activity in early clinical testing when used alone or as part of a combination regimen to treat patients with previously treated multiple myeloma. Sanofi has begun Phase II testing of SAR650984 for multiple myeloma.

- ***SAR566658*—**This CA6-targeting ADC also was initially created by ImmunoGen and licensed to Sanofi as part of a broad research collaboration. It is currently in Phase I clinical testing for the treatment of CA6-positive solid tumors, such as ovarian cancer, with initial evidence of activity reported.

- ***SAR408701*—**This CEACAM5-targeting ADC was initially created by ImmunoGen and licensed to Sanofi as part of a broad research collaboration. Patient enrollment has opened in the first SAR408701 clinical trial.

Earlier-stage ADCs are in development through our collaborations with Amgen, CytomX, Lilly, Novartis, and Sanofi.

Incidence of Relevant Cancers

Cancer remains a leading cause of death worldwide, and is the second leading cause of death in the U.S. The American Cancer Society, or ACS, estimates that in 2014 approximately 1.7 million new cases of cancer will be diagnosed in the U.S. and that approximately 586,000 people will die from the disease. The total number of people living with cancer significantly exceeds the number of patients diagnosed with cancer in a given year as patients can live with cancer for a year or longer. Additionally, the potential market for anticancer drugs exceeds the number of patients treated as many types of cancer typically are treated with multiple compounds at the same time and because patients often receive a number of drug regimens sequentially.

Below is information about incidence of cancers we are seeking to treat with our wholly owned compounds. In our clinical testing, we will define treatment subgroups of patients for the cancer types referenced.

IMGN853—Our IMGN853 compound is a potential treatment for epithelial ovarian cancer, endometrial cancer and potentially other cancers that highly express its target, FRa. Based on published sources, we believe approximately 22,000 new cases of ovarian cancer will be diagnosed in the US in 2014 and epithelial ovarian cancer accounts for approximately 85% to 90% of these ovarian cancer cases. We believe that approximately 52,600 cases of endometrial cancers will be diagnosed in the US in 2014.

IMGN289—Our IMGN289 compound is a potential treatment for many cases of head and neck cancer and types of NSCLC. The ACS estimates that approximately 55,000 new cases of head and neck cancers will be diagnosed in 2014. Research conducted at ImmunoGen found that over 90% of these types of cancer strongly express EGFR. Based on ACS estimates, we believe approximately 191,000 new cases of NSCLC will be diagnosed in the U.S. in 2014. This figure comprises three main subtypes—adenocarcinoma, squamous cell carcinoma, and large cell carcinoma. These subtypes account for approximately 40%, 25-30%, and 10-15% of NSCLC diagnoses, respectively. Research with tumor samples conducted at ImmunoGen found that approximately 20% of adenocarcinoma cases and about half of squamous and of large cell carcinoma cases strongly express EGFR.

IMGN529—We are assessing our IMGN529 compound for the treatment of NHL. Based on ACS estimates, we believe approximately 70,800 new cases of NHL will be diagnosed in the U.S. in 2014.

IMGN779—Our preclinical IMGN779 compound is a potential treatment for acute myeloid leukemia, or AML. Based on ACS estimates, we believe approximately 18,900 new cases of AML will be diagnosed in the U.S. in 2014.

Out-licenses and Collaborations

We selectively license restricted access to our ADC technology to other companies to provide us with cash to fund our own product programs and to expand the utilization of our technology. These

agreements typically provide the licensee with rights to use our ADC technology with its antibodies or related targeting vehicles to a defined target to develop products. The licensee is generally responsible for the development, clinical testing, manufacturing, registration and commercialization of any resulting product candidate. As part of these agreements, we are generally entitled to receive upfront fees, potential milestone payments, royalties on the sales of any resulting products and research and development funding based on activities performed at our collaborative partner's request. We are also compensated for preclinical and clinical materials supplied to our partners.

We only receive royalty payments from our out-licenses after a product candidate developed under the license has been approved for marketing and commercialized. Additionally, the largest milestone payments under our existing collaborations usually are on later-stage events, such as commencement of pivotal clinical trials, product approval and achievement of defined annual sales levels. Achievement of product approval requires, at a minimum, favorable completion of preclinical development and evaluation, assessment of early-stage clinical trials, advancement into pivotal Phase II and/or Phase III clinical testing, completion of this later-stage clinical testing with favorable results, and completion of regulatory submissions and a positive regulatory decision. We have a license with Roche relating to Kadcyla that provides us with royalty revenue and may provide us with additional milestone payments. Kadcyla is currently our only source of royalty revenue. Below is a table setting forth our active agreements and current status of the product candidates being developed thereunder:

Partner	Agreement Type	Effective Date(s)	Development Status[1]
Roche[2]	Multiple single-targets	2000	Marketed
Amgen[3]	Multiple single-targets	2000	Phase I
Sanofi	Multiple single-targets	2003	Phase II
Sanofi[4]	Right-to-test	2006	Research/Preclinical
Biotest	Single-target	2006	Phase I
Bayer HealthCare	Single-target	2008	Phase I
Novartis[4]	Right-to-test	2010	Research/Preclinical
Lilly[4]	Right-to-test	2011	Research/Preclinical
CytomX	Right-to-test	2014	Research/Preclinical

(1) For agreements involving multiple targets, development status denotes the most advanced program under the collaboration.

(2) Roche has five single-target licenses. Pursuant to the license covering the target HER2, which was entered into in 2000, a product candidate, Kadcyla, has received marketing approval in the US, Japan and the EU, along with various other countries. The remaining four licenses were taken between 2005 and 2008 under another agreement established in 2000, and the development status of product candidates under each of those licenses is research/preclinical.

(3) Amgen has four exclusive, single-target licenses, one of which has been sublicensed by Amgen to Oxford BioTherapeutics Ltd.

(4) Sanofi, Novartis and Lilly each have the right to take a defined number of exclusive, single-target options that provide the right to take a defined number of single-target licenses, on pre-negotiated terms, to specified targets during the respective option periods. As of June 30, 2014, Novartis has taken two exclusive single-target licenses and one license to two related targets, one on an exclusive basis and the second on a non-exclusive basis; Lilly has taken an exclusive license to a single target; and, Sanofi has taken an exclusive license to a single target.

Roche

In May 2000, we granted Genentech, now a unit of Roche, an exclusive development and commercialization license to use our maytansinoid ADC technology with antibodies, such as trastuzumab, or other proteins that target 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. It has also received marketing approval in various other countries around the world. We received a $2 million 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 tiered royalties on the commercial sales of Kadcyla or any other resulting products as described below. To date we have received $34 million of the $44 million in potential milestone payments.

The royalty term is determined on a country-by-country basis, and is initially 10 years from the date of first commercial sale of Kadcyla in the country. If, on such 10th anniversary, Kadcyla is covered by a valid claim under any patents controlled by us (excluding patents jointly owned by us and Genentech), then royalties remain payable on sales of Kadcyla in that country for an additional 2 years and no more.

The following two territories are used in our agreement with Genentech to determine the Kadcyla sales levels for the calculation of the applicable tiered royalty levels: (1) the US and (2) the rest of the world. Royalties on sales of Kadcyla are paid quarterly based on net sales in each territory in accordance with a tiered structure calculated separately in each of the two territories as follows:

- 3% of net sales up to $250 million in the calendar year;
- 3.5% of net sales above $250 million and up to $400 million in the calendar year;
- 4% of net sales above $400 million and up to $700 million in the calendar year; and
- 5% of net sales above $700 million in the calendar year.

Royalties will be reduced to a flat 2% of net sales in any country at any time during the royalty term in which Kadcyla is not covered by a valid claim under any patents controlled by us (excluding patents jointly owned by us and Genentech or solely owned by Genentech) in such country. The sales in the country count towards the annual sales in that territory for purposes of calculation of sales tiers.

The license agreement also provides for certain adjustments to the royalties payable to us if Genentech makes certain third party license payments in order to exploit the ADC technology components of Kadcyla, although such adjustments would in no event reduce the royalties payable for any country below the greater of 50% of the royalties otherwise payable with respect to sales of Kadcyla in such country, or 2% of net sales in such country. As of the date of this annual report on Form 10-K, we are unaware of any facts or circumstances that would give rise to such an adjustment.

Roche may terminate this agreement for convenience at any time upon 90 days' prior written notice to us. The agreement may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. Unless earlier terminated, the agreement will continue in effect until the expiration of Roche's royalty obligations.

In fiscal year 2014 we received two $5 million milestone payments in connection with marketing approval of Kadcyla in Japan and in the EU. Through June 30, 2014, we have received and recognized a total of $34.0 million in milestone payments under this agreement. The next potential milestone we will be entitled to receive will be a $5 million regulatory milestone for marketing approval of Kadcyla for a first extended indication as defined in the agreement.

Roche, through its Genentech unit, also has licenses for the exclusive right to use our maytansinoid ADC technology with antibodies to four undisclosed targets, which were granted under the terms of a

separate May 2000 right-to-test agreement with Genentech. For each of these licenses we received a $1 million license fee and are entitled to receive up to a total of $38 million in milestone payments and also royalties on the sales of any resulting products. We have not received any milestone payments from these agreements through June 30, 2014. Roche is responsible for the development, manufacturing, and marketing of any products resulting from these licenses. Roche no longer has the right to take additional licenses under the right- to-test agreement.

Amgen

Under a now-expired right-to-test agreement, in September 2009, November 2009 and December 2012, Amgen took three exclusive development and commercialization licenses, for which we received an exercise fee of $1 million for each license taken. In May 2013, Amgen took one non-exclusive development and commercialization license, for which we received an exercise fee of $500,000. In October 2013, the non-exclusive license was amended and converted to an exclusive license, for which Amgen paid an additional $500,000 fee to us. Amgen has sublicensed its rights under this license to Oxford BioTherapeutics Ltd. We are entitled to receive up to a total of $34 million in milestone payments for each exclusive license, plus royalties on the commercial sales of any resulting products.

In November 2011, the IND applications to the FDA for two compounds developed under the 2009 development and commercialization licenses became active, which triggered two $1 million milestone payments to us. The next potential milestone we will be entitled to receive under either of these two 2009 development and commercialization licenses will be a development milestone for the first dosing of a patient in a Phase II clinical trial, which will result in a $3 million payment being due. The next potential milestones we will be entitled to receive under the December 2012 and May 2013 development and commercialization licenses will be a $1 million development milestone for IND approval.

Amgen may terminate each development and commercialization license for convenience upon prior notice to us. Each license may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. Unless earlier terminated, each license will continue in effect until the expiration of Amgen's royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, Amgen's royalty obligations commence with the first commercial sale of that product in that country, and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in each development and commercialization license.

Sanofi

Collaboration Agreement

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 directed to these targets. The product candidates (targets) currently in development under the collaboration include SAR3419 (CD19), SAR650984 (CD38), SAR566658 (CA6) and 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, plus royalties on the commercial sales of any resulting products.

The agreement may be terminated by either party for a material breach by the other, subject to notice and cure provisions. Unless earlier terminated, the agreement will continue in effect until the expiration of Sanofi's royalty obligations, which are determined on a product-by-product and

country-by-country basis. For each product and country, Sanofi's royalty obligations commence upon first commercial sale of that product in that country, and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in the agreement.

The collaboration agreement also provides us an option to certain co-promotion rights in the U.S. on a product-by-product basis. The terms of the collaboration agreement allow Sanofi to terminate our co-promotion rights if there is a change in control of ImmunoGen.

Through June 30, 2014, we have received and recognized a total of $16.5 million in milestone payments related to compounds covered under this agreement now and in the past, including a total of $8 million in milestone payments related to two product candidates previously in the collaboration that have been returned to us along with the rights to the respective targets. In July 2014, Sanofi initiated a Phase II clinical trial for SAR650984 which triggered a $3 million payment to us.

The next potential milestone we will be entitled to receive with respect to each of 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 we will be entitled to receive with respect to SAR566658 will be a development milestone for initiation of a Phase IIb clinical trial (as defined in the agreement), which will result in a $3 million payment being due. The next potential milestone we will be entitled to receive for each of SAR408701 and the unidentified target will be a development milestone for commencement of a Phase I clinical trial, which will result in each case in a $1 million payment being due.

Right-to-Test Agreement

In December 2006, we entered into a separate 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 that were not included in the collaboration agreement described above 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 our 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. The right-to-test agreement had a three-year original term from the activation date that was renewed by Sanofi in August 2011 for its final three-year term ending August 31, 2014 by payment of a $2 million extension fee. No additional extensions are included in this agreement, although any outstanding options will remain in effect for the remainder of their respective option terms.

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. 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. The next payment we 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.

Each development and commercialization license may be terminated by either party for a material breach by the other, subject to notice and cure provisions. Unless earlier terminated, each license will continue in effect until the expiration of Sanofi's royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, Sanofi's royalty obligations commence with the first commercial sale of that product in that country, and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that

country or the expiration for that country of the minimum royalty period specified in each development and commercialization license.

Biotest

In July 2006, we granted Biotest an exclusive development and commercialization license to our maytansinoid ADC technology for use with antibodies that target CD138. The product candidate BT-062 is in development under this agreement. We received a $1 million upfront payment from Biotest upon execution of the agreement. We are also entitled to receive up to a total of $35.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. Through June 30, 2014, we have received and recognized a total of $500,000 in milestone payments under this agreement. The next potential milestone we will be entitled to receive will be a development milestone for commencement of a Phase IIb clinical trial (as defined in the agreement), which will result in a $2 million payment being due.

The agreement also provided us with the right to elect, at specific stages during the clinical evaluation of any compound created under the agreement, to participate in the U.S. development and commercialization of that compound in lieu of receiving the milestone payments not yet earned and royalties on sales in the U.S. Currently, we can exercise this right during an exercise period specified in the agreement by notice and payment to Biotest of an agreed upon opt-in fee of $15 million. Upon exercise of this right, we would share equally with Biotest the associated further costs of product development and commercialization in the U.S. along with the profit, if any, from product sales in the U.S. We would also be entitled to receive royalties, on a reduced basis, on product sales outside the U.S.

Biotest may terminate the agreement for convenience at any time prior to our election to participate in the U.S. development and commercialization of a compound created under this agreement upon prior notice to us. The agreement may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. Unless earlier terminated, the agreement will continue in effect until the expiration of Biotest's royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, Biotest's royalty obligations commence upon first commercial sale of that product in that country, and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in the agreement.

Bayer HealthCare

In October 2008, we granted Bayer HealthCare an exclusive development and commercialization license to our maytansinoid ADC technology for use with antibodies or other proteins that target mesothelin. The product candidate BAY 94-9343 is in development under this agreement. We received a $4 million upfront payment upon execution of the agreement. We are also entitled to receive, for each product developed and marketed by Bayer HealthCare under this agreement, up to a total of $170.5 million in milestone payments, plus royalties on the commercial sales of any resulting products.

Bayer HealthCare may terminate the agreement for convenience at any time upon prior written notice to us. The agreement may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. We may also terminate the agreement upon the occurrence of specified events. Unless earlier terminated, the agreement will continue in effect until the expiration of Bayer HealthCare's royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, Bayer HealthCare's royalty obligations commence upon first commercial sale of that product in that country, and extend until the later of

either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in the agreement.

Through June 30, 2014, we have received and recognized a total of $3 million in milestone payments under this agreement. The next potential milestone we will be entitled to receive will be a development milestone for commencement of a non-pivotal Phase II clinical trial, which will result in a $4 million payment being due.

Novartis

In October 2010, we entered into a right-to-test agreement with Novartis. The agreement provides Novartis with a right to (a) test our ADC technology with individual antibodies provided by Novartis under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to individual targets selected by Novartis for specified option periods, and (c) upon exercise of those options, take exclusive licenses to use our 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 initial three-year term of the right-to-test agreement was extended by Novartis in October 2013 for an additional one-year period by payment of a $5 million fee to the Company. In addition to the one-year extension taken in October 2013, the terms of the right-to-test agreement allow Novartis to extend the research term for one additional one-year period by payment of additional consideration. The terms of the right-to-test agreement require Novartis to exercise its options for the development and commercialization licenses by the end of the term of the research license.

We received a $45 million upfront payment in connection with the execution of the right-to-test agreement, and we are also entitled to receive additional payments under the agreement for research and development activities performed on behalf of Novartis during the term of the agreement. For each development and commercialization license taken, we are entitled to receive an exercise fee of $1 million and up to a total of $199.5 million in milestone payments, plus royalties on the commercial sales of any resulting products.

In March 2013, we and Novartis amended the right-to-test agreement so that Novartis can take a license to develop and commercialize products directed at two pre-defined and related undisclosed targets, one target licensed on an exclusive basis and the other target initially licensed on a non-exclusive basis. The target licensed on a non-exclusive basis may be converted to an exclusive target by notice and payment to us of an agreed upon fee of at least $5 million, depending on specific circumstances. We received a $3.5 million fee in connection with the execution of the amendment to the agreement. We may be required to credit this fee against future milestone payments if Novartis discontinues the development of a specified product under certain circumstances.

In connection with the amendment, in March 2013, Novartis took the license referenced above under the right-to-test agreement, as amended, enabling it to develop and commercialize products directed at the two targets. We received a $1 million upfront fee with the execution of this license. Additionally, the execution of this license provides us the opportunity to receive milestone payments totaling $199.5 million or $238 million, depending on the composition of any resulting products, plus royalties on the commercial sales of any resulting products.

In October 2013 and November 2013, Novartis took its second and third exclusive licenses to single targets, each triggering a $1 million payment to the Company and the opportunity to receive milestone payments totaling $199.5 million for each license taken, plus royalties on the commercial sales of any resulting products. The next payment the Company could receive would either be a $5 million development milestone for commencement of a Phase I clinical trial under any of these three licenses, or a $1 million exercise fee for the execution of a fourth license.

Novartis may terminate any development and commercialization license for convenience upon prior notice to us. Each license may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. Unless earlier terminated, each development and commercialization license will continue in effect until the expiration of Novartis' royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, Novartis' royalty obligations commence upon first commercial sale of that product in that country, and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in each license.

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. Lilly must exercise its options for the development and commercialization licenses by the end of the term of the right-to-test agreement, after which any then outstanding options will lapse. Lilly has the right to extend the three-year right-to-test period for up to two six-month periods by payment to us of additional consideration. Under the terms of the agreement, Lilly took an exclusive development and commercialization license to a single target in August 2013.

We 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, we received an exercise fee in the amount of $2 million and are 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, 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 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 next payment we 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.

Lilly may terminate any development and commercialization license for convenience upon prior notice to us. Each license may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. We may also terminate the agreement upon the occurrence of specified events. Unless earlier terminated, each development and commercialization license will continue in effect until the expiration of Lilly's royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, Lilly's royalty obligations commence upon first commercial sale of that product in that country, and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in each license.

CytomX

In January 2014, we entered into a reciprocal right-to-test agreement with CytomX. The agreement provides CytomX with the right to test our ADC technology with CytomX Probodies to create Probody-drug conjugates (PDCs) directed to a specified number of targets under a right-to-test, or research, license, and to subsequently take an exclusive, worldwide license to use our ADC technology to develop and commercialize PDCs directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. We received no upfront cash payment in connection with the execution of the right-to-test agreement. Instead, we received reciprocal rights to CytomX's Probody technology whereby we were provided the right to test CytomX's Probody technology to create PDCs directed to a specified number of targets and to subsequently take exclusive, worldwide licenses to develop and commercialize PDCs directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require us and CytomX to each take its respective development and commercialization licenses by the end of the term of the research license. In addition, both we and CytomX are required to perform specific research activities under the right-to-test agreement on behalf of the other party for no monetary consideration.

With respect to the development and commercialization license that may be taken by CytomX, we are entitled to receive up to a total of $160 million in milestone payments per license, plus royalties on the commercial sales of any resulting product. Assuming no annual maintenance fee is payable as described below, the next payment we could receive would be a $1 million development milestone payment with commencement of a Phase I clinical trial.

With respect to any development and commercialization license that may be taken by us, we will potentially be required to pay up to a total of $80 million in milestone payments per license, plus royalties on the commercial sales of any resulting product. Assuming no annual maintenance fee is payable as described below, the next payment we could be required to make is a $1 million development milestone payment with commencement of a Phase I clinical trial.

In addition, each party may be liable to pay annual maintenance fees to the other party if the licensed PDC product candidate covered under each development and commercialization license has not progressed to a specified stage of development within a specified time frame.

Patents, Trademarks and Trade Secrets

Our intellectual property strategy centers on obtaining patent protection for our proprietary technologies and product candidates. As of June 30, 2014, our patent portfolio had a total of 472 issued patents worldwide and 569 pending patent applications worldwide that we own or license from third parties. We seek to protect our ADC technology and our product candidates through a multi-pronged approach. In this regard, we have patents and patent applications covering antibodies and other cell-binding agents, linkers, cell-killing agents (*e.g.*, tubulin-acting maytansinoids and DNA-acting cell-killing agents), and complete ADCs, comprising these components and methods of making and using each of the above. Typically, multiple issued patents and pending patent applications cover various aspects of each product candidate.

We consider our cell-killing agent technology to be a key component of our overall corporate strategy. We currently own 43 issued U.S. patents covering various embodiments of our maytansinoid technology including claims directed to certain maytansinoids, antibody-maytansinoid conjugates and other cell-binding agents used with maytansinoids, and methods of making and using the same. In all cases, we have received or are applying for comparable patents in other jurisdictions including Europe and Japan. We have issued patents that cover numerous aspects of the manufacture of both our DM1 and DM4 cell-killing agents. These issued patents remain in force until various times between 2020 and 2026. We also have several composition of matter patents covering various aspects of our DM4 cell-killing agent and antibody-maytansinoid conjugates incorporating DM4 that are expected to remain

in force until 2024-2025. We have one issued U.S. patent covering various aspects of our DNA-acting cell-killing agents, which will expire in 2030. We also have seven additional pending U.S. patent applications disclosing and claiming may other related embodiments of this technology. Patents that may issue from these applications will, if issued, expire between 2030 and 2033. In all cases, we are also applying for comparable patents in other jurisdictions, including Europe and Japan.

Our intellectual property strategy also includes pursuing patents directed to linkers, antibodies, conjugation methods, ADC formulations and the use of specific antibodies and ADCs to treat certain diseases. In this regard, we have issued patents and pending patent applications related to many of our linker technologies. These issued patents, expiring in 2021-2031, and any patents which may issue from the patent applications, cover antibody-maytansinoid conjugates using these linkers. We also have issued U.S. patents and pending patent applications covering methods of assembling ADCs from their constituent antibody, linker and cell-killing agent moieties. These issued patents will expire in 2021-2030, while any patents that may issue from pending patent applications also covering various aspects of these technologies will, if issued, expire between 2021 and 2034. We also have issued patents and pending patent applications related to monoclonal antibodies that may be a component of an ADC compound or may be developed as a therapeutic, or "naked," antibody anticancer compound.

We expect our continued work in each of these areas will lead to other patent applications. In all such cases, we will either be the assignee or owner of such patents or have an exclusive license to the technology covered by the patents.

The rates at which we are entitled to receive royalties based on sales of Kadcyla in any particular country depend in part on whether the manufacture, use or sale of Kadcyla is covered by ImmunoGen patent rights in that country. In this regard, we own patents in the U.S. and Europe covering the composition of matter of Kadcyla that expire at the earliest in 2023 and 2024, respectively, and may be eligible for extension of those terms under applicable patent laws in those jurisdictions. We also own patents in the U.S. and Europe that cover various elements of the manufacture of Kadcyla, with expiration dates extending to at least 2027 and 2026, respectively. Notwithstanding these patent terms, the period during which we are entitled to receive royalties based on sales of Kadcyla in any country does not extend beyond the 12th anniversary of the date of the first commercial sale of Kadcyla in such country.

We cannot provide assurance that the patent applications will issue as patents or that any patents, if issued, will provide us with adequate protection against competitors with respect to the covered products, technologies or processes. Defining the scope and term of patent protection involves complex legal and factual analyses and, at any given time, the result of such analyses may be uncertain. In addition, other parties may challenge our patents in litigation or administrative proceedings resulting in a partial or complete loss of certain patent rights owned or controlled by ImmunoGen, Inc. Furthermore, as a patent does not confer any specific freedom to operate, other parties may have patents that may block or otherwise hinder the development and commercialization of our technology.

In addition, many of the processes and much of the know-how that are important to us depend upon the skills, knowledge and experience of our key scientific and technical personnel, which skills, knowledge and experience are not patentable. To protect our rights in these areas, we require that all employees, consultants, advisors and collaborators enter into confidentiality agreements with us. Further, we require that all employees enter into assignment of invention agreements as a condition of employment. We cannot provide assurance, however, that these agreements will provide adequate or any meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure of such trade secrets, know-how or proprietary information. Further, in the absence of patent protection, we may be exposed to competitors who independently develop substantially equivalent technology or otherwise gain access to our trade secrets, know-how or other proprietary information.

Competition

We focus on highly competitive areas of product development. Our competitors include major pharmaceutical companies and other biotechnology firms. For example, Pfizer, Seattle Genetics, Roche and Bristol-Myers Squibb have programs to attach a proprietary cell-killing small molecule to an antibody for targeted delivery to cancer cells. Pharmaceutical and biotechnology companies, as well as other institutions, also compete with us for promising targets for antibody-based therapeutics and in recruiting highly qualified scientific personnel. Additionally, there are non-ADC therapies available and/or in development for the cancer types we and our partners are targeting. Many competitors and potential competitors have substantially greater scientific, research and product development capabilities, as well as greater financial, marketing and human resources than we do. In addition, many specialized biotechnology firms have formed collaborations with large, established companies to support the research, development and commercialization of products that may be competitive with ours.

In particular, competitive factors within the antibody and cancer therapeutic market include:

- the safety and efficacy of products;
- the timing of regulatory approval and commercial introduction;
- special regulatory designation of products, such as Orphan Drug designation; and
- the effectiveness of marketing, sales, and reimbursement efforts.

Our competitive position depends on our ability to develop effective proprietary products, implement clinical development programs, production plans and marketing plans, including collaborations with other companies with greater marketing resources than ours, and to obtain patent protection and secure sufficient capital resources.

Continuing development of conventional and targeted chemotherapeutics by large pharmaceutical companies and biotechnology companies may result in new compounds that may compete with our product candidates. Antibodies developed by certain of these companies have been approved for use as cancer therapeutics. In the future, new antibodies or other targeted therapies may compete with our product candidates. Other companies have created or have programs to create potent cell-killing agents for attachment to antibodies. These companies may compete with us for technology out-license arrangements.

Regulatory Matters

Government Regulation and Product Approval

Government authorities in the U.S., at the federal, state and local level, and other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, marketing and export and import of products such as those we are developing. A new drug must be approved by the FDA through the new drug application, or NDA, process and a new biologic must be approved by the FDA through the biologics license application, or BLA, process before it may be legally marketed in the U.S.

U.S. Drug Development Process

In the U.S., the FDA regulates drugs under the federal Food, Drug, and Cosmetic Act, or FDCA, and in the case of biologics, also under the Public Health Service Act, or PHSA, and implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local, and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any

time during the product development process, approval process or after approval, may subject an applicant to administrative or judicial sanctions. These sanctions could include the FDA's refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement, or civil or criminal penalties. Any agency or judicial enforcement action could have a material adverse effect on us. The process required by the FDA before a drug or biologic may be marketed in the U.S. generally involves the following:

- completion of preclinical laboratory tests, animal studies and formulation studies according to current Good Laboratory Practices (cGLP) or other applicable regulations;
- submission to the FDA of an IND which must become effective before human clinical trials may begin;
- performance of adequate and well-controlled human clinical trials according to current Good Clinical Practices (cGCP) to establish the safety and efficacy of the proposed drug for its intended use;
- submission to the FDA of an NDA or BLA;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the drug is produced to assess compliance with current Good Manufacturing Practice (cGMP) to assure that the facilities, methods and controls are adequate to preserve the drug's identity, strength, quality and purity; and
- FDA review and approval of the NDA or BLA.

Once a pharmaceutical candidate is identified for development it enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information and analytical data, to the FDA as part of the IND. The sponsor will also include a protocol detailing, among other things, the objectives of the first phase of the clinical trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated, if the first phase lends itself to an efficacy evaluation. Some preclinical testing may continue even after the IND is submitted. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Clinical holds also may be imposed by the FDA at any time before or during clinical trials due to safety concerns or non-compliance.

All clinical trials must be conducted under the supervision of one or more qualified investigators in accordance with cGCP regulations. They must be conducted under protocols detailing the objectives of the trial, dosing procedures, subject selection and exclusion criteria and the safety and effectiveness criteria to be evaluated. Each protocol must be submitted to the FDA as part of the IND, and progress reports detailing the results of the clinical trials must be submitted at least annually. In addition, timely safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events. An institutional review board, or IRB, at each institution participating in the clinical trial must review and approve each protocol before a clinical trial commences at that institution and must also approve the information regarding the trial and the consent form that must be provided to each trial subject or his or her legal representative, monitor the study until completed and otherwise comply with IRB regulations.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- ***Phase I:*** The product candidate is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion. In the case of some products for severe or life-threatening diseases, such as cancer, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.

- ***Phase II:*** This phase involves clinical trials in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage.

- ***Phase III:*** Clinical trials are undertaken to further evaluate dosage, clinical efficacy and safety in an expanded patient population at geographically dispersed clinical study sites. These clinical trials are intended to establish the overall risk-benefit ratio of the product candidate and provide, if appropriate, an adequate basis for product labeling.

The FDA or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected serious harm to patients. Phase I, Phase II, and Phase III testing may not be completed successfully within any specified period, if at all.

During the development of a new drug, sponsors are given opportunities to meet with the FDA at certain points. These points may be prior to submission of an IND, at the end of Phase II, and before an NDA or BLA is submitted. Meetings at other times may be requested. These meetings can provide an opportunity for the sponsor to share information about the data gathered to date, for the FDA to provide advice, and for the sponsor and FDA to reach agreement on the next phase of development. Sponsors typically use the End of Phase II meeting to discuss their Phase II clinical results and present their plans for the pivotal Phase III clinical trial that they believe will support approval of the new drug. If this type of discussion occurs, a sponsor may be able to request a Special Protocol Assessment, or SPA, the purpose of which is to reach agreement with the FDA on the design of the Phase III clinical trial protocol design and analysis that will form the primary basis of an efficacy claim.

According to FDA guidance for industry on the SPA process, a sponsor that meets the prerequisites may make a specific request for a special protocol assessment and provide information regarding the design and size of the proposed clinical trial. The FDA is required to evaluate the protocol within 45 days of the request to assess whether the proposed trial is adequate, and that evaluation may result in discussions and a request for additional information. A SPA request must be made before the proposed trial begins, and all open issues must be resolved before the trial begins. If a written agreement is reached, it will be documented and made part of the record. The agreement will be binding on the FDA and may not be changed by the sponsor or the FDA after the trial begins except with the written agreement of the sponsor and the FDA or if the FDA determines that a substantial scientific issue essential to determining the safety or efficacy of the drug was identified after the testing began. If the sponsor makes any unilateral changes to the approved protocol, the agreement will be invalidated.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug and finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the

identity, strength, quality and purity of the final drug. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

U.S. Review and Approval Processes

The results of product development, preclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the chemistry of the drug, proposed labeling, and other relevant information are submitted to the FDA as part of an NDA or BLA requesting approval to market the product. The submission of an NDA or BLA is subject to the payment of user fees; a waiver of such fees may be obtained under certain limited circumstances. The FDA reviews all NDAs and BLAs submitted to ensure that they are sufficiently complete for substantive review before it accepts them for filing. The FDA may request additional information rather than accept an NDA or BLA for filing. In this event, the NDA or BLA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. FDA may refer the NDA or BLA to an advisory committee for review, evaluation and recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations. The approval process is lengthy and often difficult, and the FDA may refuse to approve an NDA or BLA if the applicable regulatory criteria are not satisfied or may require additional clinical or other data and information. Even if such data and information is submitted, the FDA may ultimately decide that the NDA or BLA does not satisfy the criteria for approval. Data obtained from clinical trials are not always conclusive and the FDA may interpret data differently than we interpret the same data. The FDA may issue a complete response letter, which may require additional clinical or other data or impose other conditions that must be met in order to secure final approval of the NDA or BLA, or an approved letter following satisfactory completion of all aspects of the review process. The FDA reviews an NDA to determine, among other things, whether a product is safe and effective for its intended use and whether its manufacturing is cGMP-compliant to assure and preserve the product's identity, strength, quality and purity. The FDA reviews a BLA to determine, among other things whether the product is safe, pure and potent and the facility in which it is manufactured, processed, packed or held meets standards designed to assure the product's continued safety, purity and potency. Before approving an NDA or BLA, the FDA will inspect the facility or facilities where the product is manufactured.

NDAs or BLAs receive either standard or priority review. A drug representing a significant improvement in treatment, prevention or diagnosis of disease may receive priority review. Priority review for an NDA for a new molecular entity and original BLAs will be 6 months from the date that the NDA or BLA is filed. In addition, products studied for their safety and effectiveness in treating serious or life-threatening illnesses and that provide meaningful therapeutic benefit over existing treatments may receive accelerated approval and may be approved on the basis of adequate and well-controlled clinical trials establishing that the drug product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit or on the basis of an effect on a clinical endpoint other than survival or irreversible morbidity. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform adequate and well-controlled post-marketing clinical trials. Priority review and accelerated approval do not change the standards for approval, but may expedite the approval process.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. In addition, the FDA may require us to conduct Phase IV testing which involves clinical trials designed to further assess a drug's safety and effectiveness after NDA or

BLA approval, and may require testing and surveillance programs to monitor the safety of approved products which have been commercialized.

The Food and Drug Administration Safety and Innovation Act, or FDASIA, made permanent the Pediatric Research Equity Act, or PREA, which requires a sponsor to conduct pediatric clinical trials for most drugs and biologicals, for a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration. Under PREA, original NDAs, BLAs and supplements thereto, must contain a pediatric assessment unless the sponsor has received a deferral or waiver. The required assessment must evaluate the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The sponsor or FDA may request a deferral of pediatric clinical trials for some or all of the pediatric subpopulations. A deferral may be granted for several reasons, including a finding that the drug or biologic is ready for approval for use in adults before pediatric clinical trials are complete or that additional safety or effectiveness data needs to be collected before the pediatric clinical trials begin. After April 2013, the FDA must send a non-compliance letter to any sponsor that fails to submit the required assessment, keep a deferral current or fails to submit a request for approval of a pediatric formulation.

Patent Term Restoration and Marketing Exclusivity

Depending upon the timing, duration and specifics of FDA approval of our drugs, some of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent restoration term of up to five years as compensation for patent term lost during product development and the FDA regulatory review process. However, patent term restoration cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date. The patent term restoration period is generally one-half the time between the effective date of an IND, and the submission date of an NDA or BLA, plus the time between the submission date of an NDA or BLA and the approval of that application. Only one patent applicable to an approved drug is eligible for the extension, and the extension must be applied for prior to expiration of the patent. The United States Patent and Trademark Office, in consultation with the FDA, reviews and approves the application for any patent term extension or restoration. In the future, we intend to apply for restorations of patent term for some of our currently owned or licensed patents to add patent life beyond their current expiration date, depending on the expected length of clinical trials and other factors involved in the filing of the relevant NDA.

Pediatric exclusivity is a type of marketing exclusivity available in the U.S. The FDASIA made permanent the Best Pharmaceuticals for Children Act, or BPCA, which provides for an additional six months of marketing exclusivity if a sponsor conducts clinical trials in children in response to a written request from the FDA, or a Written Request. If the Written Request does not include clinical trials in neonates, the FDA is required to include its rationale for not requesting those clinical trials. The FDA may request studies on approved or unapproved indications in separate Written Requests. The issuance of a Written Request does not require the sponsor to undertake the described clinical trials. To date, we have not received any Written Requests.

Biologics Price Competition and Innovation Act of 2009

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act which included the Biologics Price Competition and Innovation Act of 2009, or BPCIA. The BPCIA amended the PHSA to create an abbreviated approval pathway for two types of "generic" biologics—biosimilars and interchangeable biologic products, and provides for a twelve-year data exclusivity period for the first approved biological product, or reference product, against which a biosimilar or interchangeable application is evaluated; however if pediatric clinical trials are performed

and accepted by the FDA, the twelve-year data exclusivity period will be extended for an additional six months. A biosimilar product is defined as one that is highly similar to a reference product notwithstanding minor differences in clinically inactive components and for which there are no clinically meaningful differences between the biological product and the reference product in terms of the safety, purity and potency of the product. An interchangeable product is a biosimilar product that may be substituted for the reference product without the intervention of the health care provider who prescribed the reference product.

The biosimilar applicant must demonstrate that the product is biosimilar based on data from (1) analytical studies showing that the biosimilar product is highly similar to the reference product; (2) animal studies (including toxicity); and (3) one or more clinical trials to demonstrate safety, purity and potency in one or more appropriate conditions of use for which the reference product is approved. In addition, the applicant must show that the biosimilar and reference products have the same mechanism of action for the conditions of use on the label, route of administration, dosage and strength, and the production facility must meet standards designed to assure product safety, purity and potency.

An application for a biosimilar product may not be submitted until four years after the date on which the reference product was first approved. The first approved interchangeable biologic product will be granted an exclusivity period of up to one year after it is first commercially marketed, but the exclusivity period may be shortened under certain circumstances.

Between February 2012 and August 2014, the FDA issued several draft guidance documents on biosimilar product development. The draft guidance documents are: "Scientific Considerations in Demonstrating Biosimilarity to a Reference Product," "Quality Considerations in Demonstrating Biosimilarity to a Reference Protein Product," "Biosimilars: Questions and Answers Regarding Implementation of the Biologics Price Competition and Innovation Act of 2009," "Formal Meetings Between the FDA and Biosimilar Biological Product Sponsors or Applicants," "Clinical Pharmacology Data to Support a Demonstration of Biosimilarity to a Reference Product" And "Guidance for Industry Reference Product Exclusivity for Biological Products Filed Under Section 351(a) of the PHS Act." The guidance documents provide FDA's current thinking on approaches to demonstrating that a proposed biological product is biosimilar to a reference product. The FDA received public comments on the draft documents and intends to issue final guidance documents in the future. Nevertheless, the absence of a final guidance document does not prevent a sponsor from seeking licensure of a biosimilar under the BPCIA, and the FDA recently accepted for filing the first BLA submitted under the biosimilar pathway.

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan drug designation to a drug intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the U.S., or more than 200,000 individuals in the U.S. and for which there is no reasonable expectation that the cost of developing and making available in the U.S. a drug for this type of disease or condition will be recovered from sales in the U.S. for that drug. Orphan drug designation must be requested before submitting an NDA or BLA. After the FDA grants orphan drug designation, the identity of the therapeutic agent and its potential orphan use will be disclosed publicly by the FDA; the posting will also indicate whether a drug is no longer designated as an orphan drug. More than one product candidate may receive an orphan drug designation for the same indication. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to seven years of orphan product

exclusivity, except in very limited circumstances. The FDA issued a final rule, effective August 12, 2013, intended to clarify several regulatory provisions, among which was a clarification of some of those limited circumstances. One of the provisions makes clear that the FDA will not recognize orphan drug exclusive approval if a sponsor fails to demonstrate upon approval that the drug is clinically superior to a previously approved drug, regardless of whether or not the approved drug was designated an orphan drug or had orphan drug exclusivity. Thus orphan drug exclusivity also could block the approval of one of our products for seven years if a competitor obtains approval of the same drug as defined by the FDA and we are not able to show the clinical superiority of our drug or if our product candidate is determined to be contained within the competitor's product for the same indication or disease.

The FDA granted Orphan Drug designation to IMGN853 when used for the treatment of ovarian cancer. Orphan drug designation provides us with seven years of market exclusivity that begins once IMGN853 receives FDA marketing approval for the use for which the orphan drug status was granted. Later in 2014, through a separate process, we will apply for orphan medicinal product designation for IMGN853 for the treatment of ovarian cancer in the European Union. Orphan medicinal product designation provides ImmunoGen with ten years of market exclusivity that begins once IMGN853 receives European approval for the use for which it was granted. We may pursue these designations for other indications for other product candidates intended for qualifying patient populations.

Expedited Review and Approval

The FDA has various programs, including Fast Track, priority review, and accelerated approval, which are intended to expedite or simplify the process for reviewing drugs, and/or provide for approval on the basis of surrogate endpoints. Even if a drug qualifies for one or more of these programs, the FDA may later decide that the drug no longer meets the conditions for qualification or that the time period for FDA review or approval will not be shortened. Generally, drugs that may be eligible for these programs are those for serious or life-threatening conditions, those with the potential to address unmet medical needs, and those that offer meaningful benefits over existing treatments. For example, Fast Track is a process designed to facilitate the development, and expedite the review, of drugs to treat serious diseases and fill an unmet medical need. The request may be made at the time of IND submission and generally no later than the pre-BLA or pre-NDA meeting. The FDA will respond within 60 calendar days of receipt of the request. Priority review, which is requested at the time of BLA or NDA submission, is designed to give drugs that offer major advances in treatment or provide a treatment where no adequate therapy exists an initial review within six months as compared to a standard review time of ten months. Although Fast Track and priority review do not affect the standards for approval, the FDA will attempt to facilitate early and frequent meetings with a sponsor of a Fast Track designated drug and expedite review of the application for a drug designated for priority review. Accelerated approval provides an earlier approval of drugs to treat serious diseases, and that fill an unmet medical need based on a surrogate endpoint, which is a laboratory measurement or physical sign used as an indirect or substitute measurement representing a clinically meaningful outcome. Discussions with the FDA about the feasibility of an accelerated approval typically begin early in the development of the drug in order to identify, among other things, an appropriate endpoint. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform post-marketing clinical trials to confirm the appropriateness of the surrogate marker trial.

In FDASIA, Congress encouraged the FDA to utilize innovative and flexible approaches to the assessment of products under accelerated approval. The law required the FDA to issue related draft guidance within a year after the law's enactment and also promulgate confirming regulatory changes. The FDA published a final guidance on May 30, 2014, entitled "Expedited Programs for Serious Conditions—Drugs and Biologics." One of the expedited programs added by FDASIA is that for Breakthrough Therapy. A Breakthrough Therapy designation is designed to expedite the development and review of drugs that are intended to treat a serious condition where preliminary clinical evidence

indicates that the drug may demonstrate substantial improvement over available therapy on a clinically significant endpoint(s). A sponsor may request Breakthrough Therapy designation at the time that the IND is submitted, or no later than at the end-of-Phase II meeting. The FDA will respond to a Breakthrough Therapy designation request within sixty days of receipt of the request. A drug that receives Breakthrough Therapy designation is eligible for all fast track designation features, intensive guidance on an efficient drug development program, beginning as early as Phase I and commitment from the FDA involving senior managers. FDA has already granted this designation to at least 60 new drugs and seven have received approval to date.

Post-Approval Requirements

Once an approval is granted, the FDA may withdraw the approval if compliance with regulatory standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product may result in restrictions on the product or even complete withdrawal of the product from the market. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes and additional labeling claims, are subject to further FDA review and approval. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws and regulations. We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products. Future inspections by the FDA and other regulatory agencies may identify compliance issues at the facilities of our contract manufacturers that may disrupt production or distribution, or require substantial resources to correct.

Any drug products manufactured or distributed by us pursuant to FDA approvals are subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the drug, providing the FDA with updated safety and efficacy information, drug sampling and distribution requirements, complying with certain electronic records and signature requirements, and complying with FDA promotion and advertising requirements. FDA strictly regulates labeling, advertising, promotion and other types of information on products that are placed on the market. Drugs may be promoted only for the approved indications and in accordance with the provisions of the approved label.

From time to time, legislation is drafted, introduced and passed in Congress that could significantly change the statutory provisions governing the approval, manufacturing and marketing of products regulated by the FDA. It is impossible to predict whether further legislative changes will be enacted, or FDA regulations, guidance or interpretations changed or what the impact of such changes, if any, may be.

Foreign Regulation

In addition to regulations in the U.S., we will be subject to a variety of foreign regulations governing clinical trials and commercial sales and distribution of our products. Whether or not we obtain FDA approval for a product, we must obtain approval by the comparable regulatory authorities of foreign countries or economic areas, such as the European Union, before we may commence clinical trials or market products in those countries or areas. The approval process and requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary greatly from place to place, and the time may be longer or shorter than that required for FDA approval.

Under European Union regulatory systems, a company may submit marketing authorization applications either under a centralized or decentralized procedure. The centralized procedure, which is compulsory for medicinal products produced by biotechnology or those medicinal products containing

new active substances for specific indications such as the treatment of AIDS, cancer, neurodegenerative disorders, diabetes, viral diseases and designated orphan medicines, and optional for other medicines which are highly innovative. Under the centralized procedure, a marketing application is submitted to the European Medicines Agency where it will be evaluated by the Committee for Medicinal Products for Human Use and a favorable opinion typically results in the grant by the European Commission of a single marketing authorization that is valid for all European Union member states within 67 days of receipt of the opinion. The initial marketing authorization is valid for five years, but once renewed is usually valid for an unlimited period. The decentralized procedure provides for approval by one or more "concerned" member states based on an assessment of an application performed by one member state, known as the "reference" member state. Under the decentralized approval procedure, an applicant submits an application, or dossier, and related materials to the reference member state and concerned member states. The reference member state prepares a draft assessment and drafts of the related materials within 120 days after receipt of a valid application. Within 90 days of receiving the reference member state's assessment report, each concerned member state must decide whether to approve the assessment report and related materials. If a member state does not recognize the marketing authorization, the disputed points are eventually referred to the European Commission, whose decision is binding on all member states.

As in the U.S., we may apply for designation of a product as an orphan drug for the treatment of a specific indication in the European Union before the application for marketing authorization is made. Orphan drugs in Europe enjoy economic and marketing benefits, including up to 10 years of market exclusivity for the approved indication unless another applicant can show that its product is safer, more effective or otherwise clinically superior to the orphan-designated product.

Reimbursement

Sales of pharmaceutical products depend in significant part on the availability of third-party reimbursement. Third-party payors include government healthcare programs such as Medicare, managed care providers, private health insurers and other organizations. We anticipate third-party payors will provide reimbursement for our products. However, these third-party payors are increasingly challenging the price and examining the cost-effectiveness of medical products and services. In addition, significant uncertainty exists as to the reimbursement status of newly approved healthcare products. We may need to conduct expensive pharmacoeconomic studies in order to demonstrate the cost-effectiveness of our products. Our product candidates may not be considered cost-effective. It is time consuming and expensive for us to seek reimbursement from third-party payors. Reimbursement may not be available or sufficient to allow us to sell our products on a competitive and profitable basis.

Medicare is a federal healthcare program administered by the federal government that covers individuals age 65 and over as well as some individuals with certain disabilities. Drugs may be covered under one or more sections of Medicare depending on the nature of the drug and the conditions associated with and site of administration. For example, under Part D, Medicare beneficiaries may enroll in prescription drug plans offered by private entities which provide coverage of outpatient prescription drugs. Part D plans include both stand- alone prescription drug benefit plans and prescription drug coverage as a supplement to Medicare Advantage plans. Unlike Medicare Part A and B, Part D coverage is not standardized. Part D prescription drug plan sponsors are not required to pay for all covered Part D drugs, and each drug plan can develop its own drug formulary that identifies which drugs it will cover and at what tier or level.

Medicare Part B covers most injectable drugs given in an in-patient setting and some drugs administered by a licensed medical provider in hospital outpatient departments and doctors' offices. Medicare Part B is administered by Medicare Administrative Contractors, which generally have the responsibility of making coverage decisions. Subject to certain payment adjustments and limits, Medicare generally pays for a Part B covered drug based on a percentage of manufacturer-reported

average sales price which is regularly updated. We believe that most of our drugs, when approved, will be subject to the Medicare Part B rules.

The American Recovery and Reinvestment Act of 2009 provides funding for the federal government to compare the effectiveness of different treatments for the same illness. A plan for this research will be developed by the Department of Health and Human Services, the Agency for Healthcare Research and Quality and the National Institutes for Health, and periodic reports on the status of the research and related expenditures will be made to Congress. Although the results of the comparative effectiveness studies are not intended to mandate coverage policies for public or private payors, it is not clear what effect, if any, the research will have on the sales of our product candidates, if any such product or the condition that it is intended to treat is the subject of a study. It is also possible that comparative effectiveness research demonstrating benefits in a competitor's product could adversely affect the sales of our product candidates. If third-party payors do not consider our products to be cost- effective compared to other available therapies, they may not cover our products after approval as a benefit under their plans or, if they do, the level of payment may not be sufficient to allow us to sell our products on a profitable basis.

We expect that there will continue to be a number of federal and state proposals to implement governmental pricing controls and limit the growth of healthcare costs, including the cost of prescription drugs. For example, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010 (collectively, ACA) enacted in March 2010, is expected to have a significant impact on the health care industry. ACA is expected to expand coverage for the uninsured while at the same time containing overall healthcare costs. With regard to pharmaceutical products, among other things, ACA is expected to expand and increase industry rebates for drugs covered under Medicaid programs and make changes to the coverage requirements under the Medicare Part D program. We cannot predict the impact of ACA on pharmaceutical companies as many of the ACA reforms require the promulgation of detailed regulations implementing the statutory provisions which has not yet occurred. In addition, although the United States Supreme Court upheld the constitutionality of most of the ACA, some states have stated their intentions to not implement certain sections of ACA and some members of Congress are still working to repeal ACA. These challenges add to the uncertainty of the changes enacted as part of ACA.

In addition, in some foreign countries, the proposed pricing for a drug must be approved before it may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. For example, the European Union provides options for its member states to restrict the range of medicinal products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. A member state may approve a specific price for the medicinal product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any of our products. Historically, products launched in the European Union do not follow price structures of the U.S. and generally tend to be significantly lower.

Research and Development Spending

During each of the three years ended June 30, 2014, 2013 and 2012, we spent approximately $107.0 million, $87.1 million and $69.2 million, respectively, on research and development activities.

Raw Materials and Manufacturing

We procure certain raw material components of finished conjugate, including antibodies, cytotoxic agents, and linker, for ourselves and on behalf of our collaborators. In order to meet our commitments to our collaborators as well as our own needs, we are required to enter into agreements with third parties to produce these components well in advance of our production needs. Our principal suppliers for these components include Abbvie Inc., Boehringer Ingelheim, Cytovance Biologics LLC, SAFC, Inc., Carbogen Amcis and Società Italiana Corticosteroidi S.r.l.

In addition, we operate a conjugate manufacturing facility. A portion of the cost of operating this facility, including the cost of manufacturing personnel, is incurred to conjugate material on behalf of our collaborators for which we receive payments based on the number of batches of preclinical and clinical materials produced on their behalf. Over the past few years, we have expanded and upgraded the capabilities of our manufacturing facility.

Employees

As of June 30, 2014, we had 307 full-time employees, of whom 262 were engaged in research and development activities. Of the 262 research and development employees, 132 research and development employees hold post-graduate degrees, of which 57 hold Ph.D. degrees and seven hold M.D. degrees. We consider our relations with our employees to be good. None of our employees is covered by a collective bargaining agreement.

We have entered into confidentiality agreements with all of our employees, members of our board of directors and consultants. Further, we have entered into assignment of invention agreements with all of our employees.

Third-Party Trademarks

Herceptin and Kadcyla are registered trademarks of Genentech. Rituxan is a registered trademark of Biogen Idec Inc. Probody is a trademark of CytomX Therapeutics, Inc.

Item 1A. ***Risk Factors***

THE RISKS AND UNCERTAINTIES DESCRIBED BELOW ARE THOSE THAT WE CURRENTLY BELIEVE MAY MATERIALLY AFFECT OUR COMPANY. ADDITIONAL RISKS AND UNCERTAINTIES THAT WE ARE UNAWARE OF OR THAT WE CURRENTLY DEEM IMMATERIAL ALSO MAY BECOME IMPORTANT FACTORS THAT AFFECT OUR COMPANY.

We have a history of operating losses and expect to incur significant additional operating losses.

We have generated operating losses since our inception. As of June 30, 2014, we had an accumulated deficit of $648.1 million. For the years ended June 30, 2014, 2013, and 2012, we generated losses of $71.4 million, $72.8 million and $73.3 million, respectively. We may never be profitable. We expect to incur substantial additional operating expenses over the next several years as our research, development, preclinical testing, clinical trials and collaborator support activities continue. We intend to continue to invest significantly in our product candidates. Further, we expect to invest some of our resources to support our existing collaborators as they work to develop, test and commercialize ADC compounds. We or our collaborators may encounter technological or regulatory difficulties as part of this development and commercialization process that we cannot overcome or remedy. We may also incur substantial marketing and other costs in the future if we decide to establish marketing and sales capabilities to commercialize our product candidates. Our revenues to date have been primarily from upfront and milestone payments, research and development support and clinical materials reimbursement from our collaborative partners and increasingly from royalties received from the commercial sales of Kadcyla. We do not expect to generate revenues from the commercial sale of our

internal product candidates in the near future, and we may never generate revenues from the commercial sale of internal products. Even if we do successfully develop products that can be marketed and sold commercially, we will need to generate significant revenues from those products to achieve and maintain profitability. Even if we do become profitable, we may not be able to sustain or increase profitability on a quarterly or annual basis.

If we are unable to obtain additional funding when needed, we may have to delay or scale back some of our programs or grant rights to third parties to develop and market our product candidates.

We will continue to expend substantial resources developing new and existing product candidates, including costs associated with research and development, acquiring new technologies, conducting preclinical studies and clinical trials, obtaining regulatory approvals and manufacturing products as well as providing certain support to our collaborators in the development of their products. We believe that our current working capital and expected future payments from our existing collaboration arrangements will be sufficient to meet our current and projected operating and capital requirements partway through fiscal 2016. However, we cannot provide assurance that such collaborative agreement funding will, in fact, be received. Should such future collaborator payments not be earned and paid as currently anticipated, we expect we could seek additional funding from other sources. We may need additional financing sooner due to a number of other factors as well, including:

- if either we incur higher than expected costs or we or any of our collaborators experience slower than expected progress in developing product candidates and obtaining regulatory approvals;

- acquisition of technologies and other business opportunities that require financial commitments.

Additional funding may not be available to us on favorable terms, or at all. We may raise additional funds through public or private financings, collaborative arrangements or other arrangements. Debt financing, if available, may involve covenants that could restrict our business activities. If we are unable to raise additional funds through equity or debt financing when needed, we may be required to delay, scale back or eliminate expenditures for some of our development programs or grant rights to develop and market product candidates that we would otherwise prefer to internally develop and market. If we are required to grant such rights, the ultimate value of these product candidates to us may be reduced.

If our ADC technology does not produce safe, effective and commercially viable products, our business will be severely harmed.

Our ADC technology yields novel product candidates for the treatment of cancer. To date, only one ADC product candidate has obtained marketing approval. Our ADC product candidates and/or our collaborators' ADC product candidates may not prove to be safe, effective or commercially viable treatments for cancer and our ADC technology may not result in any future meaningful benefits to us or for our current or potential collaborative partners. Furthermore, we are aware of only two other compounds that are a conjugate of an antibody and a cytotoxic small molecule that have obtained marketing approval by the FDA and are based on technology similar to our ADC technology. One of these products was later taken off the market by its owner due to toxicity concerns. If our ADC technology fails to generate product candidates that are safe, effective and commercially viable treatments for cancer or fail to obtain FDA approval, our business will be severely harmed.

Clinical trials for our and our collaborative partners' product candidates will be lengthy and expensive and their outcome is uncertain.

Before obtaining regulatory approval for the commercial sale of any product candidates, we and our collaborative partners must demonstrate through clinical testing that our product candidates are safe and effective for use in humans. Conducting clinical trials is a time-consuming, expensive and

uncertain process and typically requires years to complete. In our industry, the results from preclinical studies and early clinical trials often are not predictive of results obtained in later-stage clinical trials. Some compounds that have shown promising results in preclinical studies or early clinical trials subsequently fail to establish sufficient safety and efficacy data necessary to obtain regulatory approval. At any time during the clinical trials, we, our collaborative partners, or the FDA might delay or halt any clinical trials of our product candidates for various reasons, including:

- occurrence of unacceptable toxicities or side effects;
- ineffectiveness of the product candidate;
- insufficient drug supply;
- negative or inconclusive results from the clinical trials, or results that necessitate additional studies or clinical trials;
- delays in obtaining or maintaining required approvals from institutions, review boards or other reviewing entities at clinical sites;
- delays in patient enrollment;
- insufficient funding or a reprioritization of financial or other resources; or
- other reasons that are internal to the businesses of our collaborative partners, which they may not share with us.

Any failure or substantial delay in successfully completing clinical trials and obtaining regulatory approval for our product candidates or our collaborative partners' product candidates could severely harm our business.

We and our collaborative partners are subject to extensive government regulations and we and our collaborative partners may not be able to obtain necessary regulatory approvals.

We and our collaborative partners may not receive the regulatory approvals necessary to commercialize our product candidates, which would cause our business to be severely harmed. Pharmaceutical product candidates, including those in development by us and our collaborative partners, are subject to extensive and rigorous government regulation. The FDA regulates, among other things, the development, testing, manufacture, safety, record-keeping, labeling, storage, approval, advertising, promotion, sale and distribution of pharmaceutical products. If our potential products or our collaborators' potential products are marketed abroad, they will also be subject to extensive regulation by foreign governments. The regulatory review and approval process, which includes preclinical studies and clinical trials of each product candidate, is lengthy, complex, expensive and uncertain. Securing FDA approval requires the submission of extensive preclinical and clinical data and supporting information to the FDA for each indication to establish the product candidate's safety and efficacy. Data obtained from preclinical studies and clinical trials are susceptible to varying interpretation, which may delay, limit or prevent regulatory approval. The approval process may take many years to complete and may involve ongoing requirements for post-marketing studies. Any FDA or other regulatory approvals of our or our collaborative partners' product candidates, once obtained, may be withdrawn. The effect of government regulation may be to:

- delay marketing of potential products for a considerable period of time;
- limit the indicated uses for which potential products may be marketed;
- impose costly requirements on our activities; and
- place us at a competitive disadvantage to other pharmaceutical and biotechnology companies.

We may encounter delays or rejections in the regulatory approval process because of additional government regulation from future legislation or administrative action or changes in FDA policy during the period of product development, clinical trials and FDA regulatory review. Failure to comply with FDA or other applicable regulatory requirements may result in criminal prosecution, civil penalties, recall or seizure of products, total or partial suspension of production or injunction, as well as other regulatory action against our product candidates or us. Outside the U.S., our ability to market a product is contingent upon receiving clearances from the appropriate regulatory authorities. The foreign regulatory approval process includes similar risks to those associated with the FDA approval process. In addition, we are, or may become, subject to various federal, state and local laws, regulations and recommendations relating to safe working conditions, laboratory and manufacturing practices, the experimental use of animals and the use and disposal of hazardous substances, including radioactive compounds and infectious disease agents, used in connection with our research work. If we fail to comply with the laws and regulations pertaining to our business, we may be subject to sanctions, including the temporary or permanent suspension of operations, product recalls, marketing restrictions and civil and criminal penalties.

Our and our collaborative partners' product candidates will remain subject to ongoing regulatory review even if they receive marketing approval. If we or our collaborative partners fail to comply with continuing regulations, these approvals could be lost and the sale of our or our collaborative partners' products could be suspended.

Even if we or our collaborative partners receive regulatory approval to market a particular product candidate, the approval could be conditioned on us or our collaborative partners conducting costly post-approval studies or could limit the indicated uses included in product labeling. Moreover, the product may later cause adverse effects that limit or prevent its widespread use, force us or our collaborative partners to withdraw it from the market or impede or delay our or our collaborative partners' ability to obtain regulatory approvals in additional countries. In addition, the manufacturer of the product and its facilities will continue to be subject to FDA review and periodic inspections to ensure adherence to applicable regulations. After receiving marketing approval, the manufacturing, labeling, packaging, adverse event reporting, storage, advertising, promotion and record-keeping related to the product remain subject to extensive regulatory requirements. We or our collaborative partners may be slow to adapt, or we or our collaborative partners may never adapt, to changes in existing regulatory requirements or adoption of new regulatory requirements.

If we or our collaborative partners fail to comply with the regulatory requirements of the FDA and other applicable U.S. and foreign regulatory authorities, or if previously unknown problems with our or our partners' products, manufacturers or manufacturing processes are discovered, we could be subject to administrative or judicially imposed sanctions, including:

- restrictions on the products, manufacturers or manufacturing processes;
- warning letters;
- civil or criminal penalties;
- fines;
- injunctions;
- product seizures or detentions;
- import bans;
- voluntary or mandatory product recalls and publicity requirements;
- suspension or withdrawal of regulatory approvals;

- total or partial suspension of production; and
- refusal to approve pending applications for marketing approval of new drugs or supplements to approved applications.

Any one of these could have a material adverse effect on our business or financial condition.

If our collaborative partners fail to perform their obligations under our agreements with them, or determine not to continue with clinical trials for particular product candidates, our business could be severely impacted.

Our strategy for the development and commercialization of our product candidates depends, in large part, upon the formation and maintenance of collaborative arrangements. Collaborations provide an opportunity for us to:

- generate cash flow and revenue;
- fund some of the costs associated with our internal research and development, preclinical testing, clinical trials and manufacturing;
- seek and obtain regulatory approvals faster than we could on our own;
- successfully commercialize existing and future product candidates; and
- secure access to targets which, due to intellectual property restrictions, would otherwise be unavailable to our technology.

If we fail to secure or maintain successful collaborative arrangements, the development and marketing of compounds that use our technology may be delayed, scaled back or otherwise may not occur. In addition, we may be unable to negotiate other collaborative arrangements or, if necessary, modify our existing arrangements on acceptable terms. We cannot control the amount and timing of resources our collaborative partners may devote to our product candidates. Our collaborative partners may separately pursue competing product candidates, therapeutic approaches or technologies to develop treatments for the diseases targeted by us or our collaborative efforts, or may decide, for reasons not known to us, to discontinue development of product candidates under our agreements with them. Any of our collaborative partners may slow or discontinue the development of a product candidate covered by a collaborative arrangement for reasons that can include, but are not limited to:

- a change in the collaborative partner's strategic focus as a result of merger, management changes, adverse business events, or other causes;
- a change in the priority of the product candidate relative to other programs in the collaborator's pipeline;
- a reassessment of the patent situation related to the compound or its target;
- a change in the anticipated competition for the product candidate;
- preclinical studies and clinical trial results; and
- a reduction in the financial resources the collaborator can or is willing to apply to the development of new compounds.

Even if our collaborative partners continue their collaborative arrangements with us, they may nevertheless determine not to actively pursue the development or commercialization of any resulting products. Also, our collaborative partners may fail to perform their obligations under the collaborative agreements or may be slow in performing their obligations. Our collaborative partners can terminate our collaborative agreements under certain conditions. The decision to advance a product that is covered by a collaborative agreement through clinical trials and ultimately to commercialization is in

the discretion of our collaborative partners. If any collaborative partner were to terminate or breach our agreements, fail to complete its obligations to us in a timely manner, or decide to discontinue its development of a product candidate, our anticipated revenue from the agreement and from the development and commercialization of the products would be severely limited. If we are not able to establish additional collaborations or any or all of our existing collaborations are terminated and we are not able to enter into alternative collaborations on acceptable terms, or at all, our continued development, manufacture and commercialization of our product candidates could be delayed or scaled back as we may not have the funds or capability to continue these activities. If our collaborators fail to successfully develop and commercialize ADC compounds, our business prospects would be severely harmed.

We depend on a small number of collaborators for a substantial portion of our revenue. The loss of, or a material reduction in activity by, any one of these collaborators could result in a substantial decline in our revenue.

We have and will continue to have collaborations with a limited number of companies. As a result, our financial performance depends on the efforts and overall success of these companies. Also, the failure of any one of our collaborative partners to perform its obligations under its agreement with us, including making any royalty, milestone or other payments to us, could have an adverse effect on our financial condition. Further, any material reduction by any one of our collaborative partners in its level of commitment of resources, funding, personnel, and interest in continued development under its agreement with us could have an adverse effect on our financial condition. Also, if consolidation trends in the healthcare industry continue, the number of our potential collaborators could decrease, which could have an adverse impact on our development efforts. If a present or future collaborator of ours were to be involved in a business combination, the collaborator's continued pursuit and emphasis on our product development program could be delayed, diminished or terminated.

Our royalty revenues will likely fluctuate and may become more difficult to forecast in future periods.

On February 22, 2013, the FDA granted marketing approval to Kadcyla. Kadcyla was developed by Roche, through its Genentech unit, under a license we granted in May 2000, pursuant to which we are entitled to receive milestone payments plus royalties on commercial sales of Kadcyla. Roche and its affiliates have also received marketing approval of Kadcyla in Europe and Japan along with various other countries. As a result of the start of commercialization of Kadcyla in the U.S. and elsewhere, we expect an increasing proportion of our revenue and operating results to derive from royalties based on the commercial sales of Kadcyla. These royalty revenues may fluctuate considerably because they depend upon, among other things, the rate of growth of sales of Kadcyla as well as the mix of U.S.-based sales and ex-U.S.-based sales and our valid patent claims. Kadcyla is currently the only product with respect to which we are entitled to receive royalties that has received marketing approval.

The Roche agreement provides for separate tiered royalty structures with respect to sales in two territories: 1) the U.S. and 2) the rest of the world. The royalty rate Roche must pay on sales in each of these two territories increases on incremental sales in a given calendar year in the applicable territory above certain net sales thresholds. As a result of the tiered royalty structure, Roche's average royalty rate should increase over the course of a calendar year as more Kadcyla is sold in that year. However, we recognize royalty revenues in the quarter in which they are received, which are based on Kadcyla sales in the preceding quarter. Accordingly, we anticipate that the average royalty rate for payments we receive from Roche will generally increase between the second quarter of one calendar year (our fourth fiscal quarter) and the first calendar quarter of the next (our third quarter of the next fiscal year).

Royalty rates under our license agreements with our collaborators may vary over the royalty term depending on our intellectual property rights and the presence of competing products.

Most of our license agreements with our collaborators provide that the royalty rates are subject to downward adjustment in the absence of ImmunoGen patent rights covering various aspects of the manufacture, use or sale of the products developed under such licenses, or in the presence of competition from certain third-party products. For example, we expect the royalty rate for Sanofi's SAR650984 anti-CD38 naked antibody compound to be reduced to low single digits because of (1) competitor development of alternative anti-CD38 antibody compounds, and (2) the lack of ImmunoGen patent rights covering SAR650984, since our ADC-related patent rights do not pertain to the compound and our SAR650984-specific patent rights were assigned to Sanofi under the terms of the applicable license.

We depend on our collaborative partners for the determination of royalty payments. We may not be able to detect errors and payment calculations may call for retroactive adjustments.

The royalty payments we receive are determined by our collaborative partners based on their reported net sales. Each collaborative partner's calculation of the royalty payments is subject to and dependent upon the adequacy and accuracy of its sales and accounting functions, and errors may occur from time to time in the calculations made by a collaborative partner. Our agreement with Genentech provides us the right to audit the calculations and sales data for the associated royalty payments related to sales of Kadcyla; however, such audits may occur many months following our recognition of the royalty revenue, may require us to adjust our royalty revenues in later periods and generally require expense on our part.

If our collaborative partners' requirements for clinical materials to be manufactured by us are significantly lower than we have estimated, our financial results and condition could be adversely affected.

We procure certain components of finished conjugate, including DM1, DM4, and linker, on behalf of several of our collaborators. In order to meet our commitments to our collaborative partners, we are required to enter into agreements with third parties to produce these components well in advance of our production of clinical materials on behalf of our collaborative partners. If our collaborative partners do not require as much clinical material as we have contracted to produce and we are unable to use these materials for our own products, we may not be able to recover our investment in these components and we may suffer losses. Collaborators have discontinued development of product candidates in the past and in the periods subsequent to these discontinuations, we had significantly reduced demand for DM1 and DM4 which adversely impacted our financial results.

In addition, we operate a conjugate manufacturing facility. A portion of the cost of operating this facility, including the cost of manufacturing personnel, is reimbursed by our collaborators based on the number of batches of preclinical and clinical materials produced on their behalf. If we produce fewer batches of clinical materials for our collaborators, a smaller amount of the cost of operating the conjugate manufacturing facility will be charged to our collaborative partners and our financial condition could be adversely affected.

If our product requirements for clinical trials are significantly higher than we estimated, the inability to procure additional antibody or fill/finish services in a timely manner could impair our ability to initiate or advance our clinical trials.

We rely on third-party suppliers to manufacture antibodies used in our own proprietary compounds. Due to the specific nature of the antibody and availability of production capacity, there is significant lead time required by these suppliers to provide us with the needed materials. If our antibody requirements for clinical materials to be manufactured are significantly higher than we estimated, we may not be able to readily procure additional antibody which would impair our ability to advance our clinical trials currently in process or initiate additional trials. We also rely on third parties to convert the bulk drug substance we manufacture into filled and finished vials of drug product for clinical use. Unanticipated difficulties or delays in the fill/finish process could impair our ability to advance our clinical trials currently in process or initiate additional trials. There can be no assurance that we will not have supply problems that could delay or stop our clinical trials or otherwise could have a material adverse effect on our business.

We currently rely on one third-party manufacturer with commercial production experience to produce our cell-killing agents, DM1 and DM4.

We rely on a third-party supplier to manufacture one of the materials used to make ADC compounds. Our cell-killing agents DM1 and DM4, collectively DMx, are manufactured from a precursor, ansamitocin P3. We currently use a single supplier, Societá Italiana Corticosteroidi S.r.l.,that converts ansamitocin P3 to DMx. Any delay or interruption in our supply of DMx could lead to a delay or interruption in our manufacturing operations, preclinical studies and clinical trials of our product candidates and our collaborators' product candidates, which could negatively affect our business.

We may be delayed or unable to establish the manufacturing capabilities necessary to develop and commercialize our and our collaborative partners' potential products.

Currently, we have one conjugate manufacturing facility that we use to manufacture conjugated compounds for us and several of our collaborative partners for preclinical studies and early-stage clinical testing. Several of our partners have contracted for separate, large-scale manufacturing capacity to make materials to support potential future commercialization of their ADC compounds. We do not currently have the manufacturing capacity needed to make our product candidates for commercial sale. In addition, our manufacturing capacity may be insufficient to complete all clinical trials contemplated by us and our collaborative partners over time. We intend to rely in part on third-party contract manufacturers to produce sufficiently large quantities of drug materials that are and will be needed for later-stage clinical trials and commercialization of our potential products. We are currently in the process of developing relationships with third-party manufacturers that we believe will be necessary to continue the development of our product candidates. Third-party manufacturers may not be able to meet our needs with respect to timing, quantity or quality of materials. If we are unable to contract for a sufficient supply of needed materials on acceptable terms, or if we should encounter delays or difficulties in our relationships with manufacturers, our clinical trials may be delayed, thereby delaying the submission of product candidates for regulatory approval and the market introduction and subsequent commercialization of our potential products. Any such delays may lower our revenues and potential profitability.

We have one conjugate manufacturing facility and any prolonged and significant disruption at that facility could impair our ability to manufacture our and our collaborative partners' product candidates for clinical testing.

Currently, in certain cases, we are contractually obligated to manufacture Phase I and non-pivotal Phase II clinical products for companies licensing our ADC technology. We manufacture this material,

as well as material for our own product candidates, in our conjugate manufacturing facility. We have only one such manufacturing facility in which we can manufacture clinical products. Our current manufacturing facility contains highly specialized equipment and utilizes complex production processes developed over a number of years that would be difficult, time-consuming and costly to duplicate. Any prolonged disruption in the operations of our manufacturing facility would have a significant negative impact on our ability to manufacture products for clinical testing on our own and would cause us to seek additional third-party manufacturing contracts, thereby increasing our development costs. Even though we carry business interruption insurance policies, we may suffer losses as a result of business interruptions that exceed the coverage available or any losses which may be excluded under our insurance policies. Certain events, such as natural disasters, fire, political disturbances, sabotage or business accidents, which could impact our current or future facilities, could have a significant negative impact on our operations by disrupting our product development efforts until such time as we are able to repair our facility or put in place third-party contract manufacturers to assume this manufacturing role.

Unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives applicable to our product candidates could limit our potential product revenue.

Antibody-based anticancer products are often much more costly to produce than traditional chemotherapeutics and tend to have significantly higher prices. Factors that help justify the price include the high mortality associated with many types of cancer and the need for more and better treatment options.

Regulations governing drug pricing and reimbursement vary widely from country to country. Some countries require approval of the sales price of a drug before it can be marketed. Some countries restrict the physicians that can authorize the use of more expensive medications. Some countries establish treatment guidelines to help limit the use of more expensive therapeutics and the pool of patients that receive them. In some countries, including the U.S., third-party payers frequently seek discounts from list prices and are increasingly challenging the prices charged for medical products. Because our product candidates are in the development stage, we do not know the level of reimbursement, if any, we will receive for any products that we are able to successfully develop. If the reimbursement for any of our product candidates is inadequate in light of our development and other costs, our ability to achieve profitability would be affected.

We believe that the efforts of governments and third-party payors to contain or reduce the cost of healthcare will continue to affect the business and financial condition of pharmaceutical and biopharmaceutical companies. A number of legislative and regulatory proposals to change the healthcare system in the U.S. and other major healthcare markets have been proposed and adopted in recent years. For example, the U.S. Congress enacted a limited prescription drug benefit for Medicare recipients as part of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. While the program established by this statute may increase demand for any products that we are able to successfully develop, if we participate in this program, our prices will be negotiated with drug procurement organizations for Medicare beneficiaries and are likely to be lower than prices we might otherwise obtain. Non-Medicare third-party drug procurement organizations may also base the price they are willing to pay on the rate paid by drug procurement organizations for Medicare beneficiaries. The PPACA will also require discounts under the Medicare drug benefit program and increased rebates on drugs covered by Medicaid. In addition, the PPACA imposes an annual fee, which will increase annually, on sales by branded pharmaceutical manufacturers. The financial impact of these discounts, increased rebates and fees and the other provisions of the PPACA on our business is unclear and there can be no assurance that our business will not be materially adversely affected by the PPACA. In addition, ongoing initiatives in the U.S. have increased and will continue to increase pressure on drug

pricing. The announcement or adoption of any such initiative could have an adverse effect on potential revenues from any product candidate that we may successfully develop.

We may be unable to establish sales and marketing capabilities necessary to successfully commercialize our potential products.

We currently have no direct sales or marketing capabilities. We may rely on third parties to market and sell most of our primary product candidates or we may outlicense these products prior to the time when these capabilities are needed. If we decide to market our potential products through a direct sales force, we would need either to hire a sales force with expertise in pharmaceutical sales or to contract with a third party to provide a sales force which meets our needs. We may be unable to establish marketing, sales and distribution capabilities necessary to commercialize and gain market acceptance for our potential products and be competitive. In addition, co-promotion or other marketing arrangements with third parties to commercialize potential products could significantly limit the revenues we derive from these potential products, and these third parties may fail to commercialize our compounds successfully.

If our product candidates or those of our collaborative partners do not gain market acceptance, our business will suffer.

Even if clinical trials demonstrate the safety and efficacy of our and our collaborative partners' product candidates and the necessary regulatory approvals are obtained, our and our collaborative partners' products may not gain market acceptance among physicians, patients, healthcare payors and other members of the medical community. The degree of market acceptance of any products that we or our collaborative partners develop will depend on a number of factors, including:

- their level of clinical efficacy and safety;
- their advantage over alternative treatment methods;
- our/the marketer's and our collaborative partners' ability to gain acceptable reimbursement and the reimbursement policies of government and third-party payors; and
- the quality of the distribution capabilities of the party(ies) responsible to market and distribute the product(s).

Physicians may not prescribe any of our future products until such time as clinical data or other factors demonstrate the safety and efficacy of those products as compared to conventional drugs and other treatments. Even if the clinical safety and efficacy of therapies using our products is established, physicians may elect not to recommend the therapies for any number of other reasons, including whether the mode of administration of our products is effective for certain conditions, and whether the physicians are already using competing products that satisfy their treatment objectives. Physicians, patients, third-party payors and the medical community may not accept and use any product candidates that we, or our collaborative partners, develop. If our products do not achieve significant market acceptance and use, we will not be able to recover the significant investment we have made in developing such products and our business will be severely harmed.

We may be unable to compete successfully.

The markets in which we compete are well established and intensely competitive. We may be unable to compete successfully against our current and future competitors. Our failure to compete successfully may result in lower volume sold, pricing reductions, reduced gross margins and failure to achieve market acceptance for our potential products. Our competitors include research institutions, pharmaceutical companies and biotechnology companies, such as Pfizer, Seattle Genetics, Roche and Bristol-Myers Squibb. Many of these organizations have substantially more experience and more

capital, research and development, regulatory, manufacturing, human and other resources than we do. As a result, they may:

- develop products that are safer or more effective than our product candidates;
- obtain FDA and other regulatory approvals or reach the market with their products more rapidly than we can, reducing the potential sales of our product candidates;
- devote greater resources to market or sell their products;
- adapt more quickly to new technologies and scientific advances;
- initiate or withstand substantial price competition more successfully than we can;
- have greater success in recruiting skilled scientific workers from the limited pool of available talent;
- more effectively negotiate third-party licensing and collaboration arrangements; and
- take advantage of acquisitions or other opportunities more readily than we can.

A number of pharmaceutical and biotechnology companies are currently developing products targeting the same types of cancer that we target, and some of our competitors' products have entered clinical trials or already are commercially available.

Our product candidates, if approved and commercialized, will also compete against well-established, existing, therapeutic products that are currently reimbursed by government healthcare programs, private health insurers and health maintenance organizations. In addition, if our product candidates are approved and commercialized, we may face competition from biosimilars. The route to market for biosimilars was established with the passage of the PPACA in March 2010. The PPACA establishes a pathway for the FDA approval of follow-on biologics and provides twelve years data exclusivity for reference products and an additional six months exclusivity period if pediatric studies are conducted. In Europe, the European Medicines Agency has issued guidelines for approving products through an abbreviated pathway, and biosimilars have been approved in Europe. If a biosimilar version of one of our potential products were approved in the U.S. or Europe, it could have a negative effect on sales and gross profits of the potential product and our financial condition.

We face and will continue to face intense competition from other companies for collaborative arrangements with pharmaceutical and biotechnology companies, for relationships with academic and research institutions and for licenses to proprietary technology. In addition, we anticipate that we will face increased competition in the future as new companies enter our markets and as scientific developments surrounding antibody-based therapeutics for cancer continue to accelerate. While we will seek to expand our technological capabilities to remain competitive, research and development by others may render our technology or product candidates obsolete or noncompetitive or result in treatments or cures superior to any therapy developed by us.

If we are unable to protect our intellectual property rights adequately, the value of our technology and our product candidates could be diminished.

Our success depends in part on obtaining, maintaining and enforcing our patents and other proprietary rights and our ability to avoid infringing the proprietary rights of others. Patent law relating to the scope of claims in the biotechnology field in which we operate is still evolving, is surrounded by a great deal of uncertainty and involves complex legal, scientific and factual questions. To date, no consistent policy has emerged regarding the breadth of claims allowed in biotechnology patents. Accordingly, our pending patent applications may not result in issued patents or in patent claims as broad as in the original applications. Although we own numerous patents, the issuance of a patent is

not conclusive as to its validity or enforceability. Through litigation, a third party may challenge the validity or enforceability of a patent after its issuance.

Patents and applications owned or licensed by us may become the subject of interference, opposition, nullity, or other proceedings in a court or patent office in the U.S. or in a foreign jurisdiction to determine validity, enforceability or priority of invention, which could result in substantial cost to us. An adverse decision in such a proceeding may result in our loss of rights under a patent or patent application. It is unclear how much protection, if any, will be given to our patents if we attempt to enforce them or if they are challenged in court or in other proceedings. A competitor may successfully invalidate our patents or a challenge could result in limitations of the patents' coverage. In addition, the cost of litigation or interference proceedings to uphold the validity of patents can be substantial. If we are unsuccessful in these proceedings, third parties may be able to use our patented technology without paying us licensing fees or royalties. Moreover, competitors may infringe our patents or successfully avoid them through design innovation. To prevent infringement or unauthorized use, we may need to file infringement claims, which are expensive and time-consuming. In an infringement proceeding, a court may decide that a patent of ours is not valid. Even if the validity of our patents were upheld, a court may refuse to stop the other party from using the technology at issue on the ground that its activities are not covered by our patents.

The Leahy-Smith America Invents Act was signed into law on September 16, 2011, and became fully effective in March 2013. In general, the legislation attempts to address issues surrounding the enforceability of patents and the increase in patent litigation by, among other things, moving to a first inventor-to-file system, establishing new procedures for challenging patents and establishing different methods for invalidating patents. Governmental rule-making implementing the new statute is evolving and will continue to introduce new substantive rules and procedures, particularly with regard to post-grant proceedings such as *inter partes* review and post-grant review. In due course, the courts will interpret various aspects of the law and related agency rules in ways that we cannot predict, potentially making it easier for competitors and other interested parties to challenge our patents, which, if successful, could have a material adverse effect on our business and prospects. In addition, as the United States Supreme Court has become increasingly active in reviewing U.S. patent law in recent years, and the extent to which their recent decisions will affect our ability to enforce certain types of claims under our U.S. patents or obtain future patents in certain areas is difficult to predict at this time.

Policing unauthorized use of our intellectual property is difficult, and we may not be able to prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the U.S.

In addition to our patent rights, we also rely on unpatented technology, trade secrets, know-how and confidential information. Third parties may independently develop substantially equivalent information and techniques or otherwise gain access to or disclose our technology. We may not be able to effectively protect our rights in unpatented technology, trade secrets, know-how and confidential information. We require each of our employees, consultants and corporate partners to execute a confidentiality agreement at the commencement of an employment, consulting or collaborative relationship with us. Further, we require that all employees enter into assignment of invention agreements as a condition of employment. However, these agreements may not provide effective protection of our information or, in the event of unauthorized use or disclosure, they may not provide adequate remedies.

Any inability to license proprietary technologies or processes from third parties which we use in connection with the development and manufacture of our product candidates may impair our business.

Other companies, universities and research institutions have or may obtain patents that could limit our ability to use, manufacture, market or sell our product candidates or impair our competitive position. As a result, we would have to obtain licenses from other parties before we could continue using, manufacturing, marketing or selling our potential products. Any necessary licenses may not be available on commercially acceptable terms, if at all. If we do not obtain required licenses, we may not be able to market our potential products at all or we may encounter significant delays in product development while we redesign products or methods that are found to infringe on the patents held by others.

We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights held by third parties and we may be unable to protect our rights to, or to commercialize, our product candidates.

Patent litigation is very common in the biotechnology and pharmaceutical industries. Third parties may assert patent or other intellectual property infringement claims against us with respect to our technologies, products or other matters. From time to time, we have received correspondence from third parties alleging that we infringe their intellectual property rights. Any claims that might be brought against us alleging infringement of patents may cause us to incur significant expenses and, if successfully asserted against us, may cause us to pay substantial damages and limit our ability to use the intellectual property subject to these claims. Even if we were to prevail, any litigation would be costly and time-consuming and could divert the attention of our management and key personnel from our business operations. Furthermore, as a result of a patent infringement suit, we may be forced to stop or delay developing, manufacturing or selling potential products that incorporate the challenged intellectual property unless we enter into royalty or license agreements. There may be third-party patents, patent applications and other intellectual property relevant to our potential products that may block or compete with our products or processes. In addition, we sometimes undertake research and development with respect to potential products even when we are aware of third-party patents that may be relevant to our potential products, on the basis that such patents may be challenged or licensed by us. If our subsequent challenge to such patents were not to prevail, we may not be able to commercialize our potential products after having already incurred significant expenditures unless we are able to license the intellectual property on commercially reasonable terms. We may not be able to obtain royalty or license agreements on terms acceptable to us, if at all. Even if we were able to obtain licenses to such technology, some licenses may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. Ultimately, we may be unable to commercialize some of our potential products or may have to cease some of our business operations, which could severely harm our business.

We use hazardous materials in our business, and any claims relating to improper handling, storage or disposal of these materials could harm our business.

Our research and development and manufacturing activities involve the controlled use of hazardous materials, chemicals, biological materials and radioactive compounds. We are subject to federal, state and local laws and regulations governing the use, manufacture, storage, handling and disposal of these materials and certain waste products. Although we believe that our safety procedures for handling and disposing of these materials comply with the standards prescribed by applicable laws and regulations, we cannot completely eliminate the risk of accidental contamination or injury from these materials. In the event of such an accident, we could be held liable for any resulting damages, and any liability could exceed our resources. We may be required to incur significant costs to comply

with these laws in the future. Failure to comply with these laws could result in fines and the revocation of permits, which could prevent us from conducting our business.

We face product liability risks and may not be able to obtain adequate insurance.

While we secure waivers from all participants in our clinical trials, the use of our product candidates during testing or after approval entails an inherent risk of adverse effects, which could expose us to product liability claims. Regardless of their merit or eventual outcome, product liability claims may result in:

- decreased demand for our product;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial volunteers;
- costs of litigation;
- distraction of management; and
- substantial monetary awards to plaintiffs.

We may not have sufficient resources to satisfy any liability resulting from these claims. We currently have product liability insurance for products which are in clinical testing, however, our coverage may not be adequate in scope to protect us in the event of a successful product liability claim. Further, we may not be able to maintain our current insurance or obtain general product liability insurance on reasonable terms and at an acceptable cost if we or our collaborative partners begin commercial production of our proposed product candidates. This insurance, even if we can obtain and maintain it, may not be sufficient to provide us with adequate coverage against potential liabilities.

We depend on our key personnel and we must continue to attract and retain key employees and consultants.

We depend on our key scientific and management personnel. Our ability to pursue the development of our current and future product candidates depends largely on retaining the services of our existing personnel and hiring additional qualified scientific personnel to perform research and development. We will also need to hire personnel with expertise in clinical testing, government regulation, manufacturing, marketing and finance. Attracting and retaining qualified personnel will be critical to our success. We may not be able to attract and retain personnel on acceptable terms given the competition for such personnel among biotechnology, pharmaceutical and healthcare companies, universities and non-profit research institutions. Failure to retain our existing key management and scientific personnel or to attract additional highly qualified personnel could delay the development of our product candidates and harm our business.

Our stock price can fluctuate significantly and results announced by us and our collaborators can cause our stock price to decline.

Our stock price can fluctuate significantly due to business developments announced by us and by our collaborators, or as a result of market trends and daily trading volume. The business developments that could impact our stock price include disclosures related to clinical findings with compounds that make use of our ADC technology, new collaborations and clinical advancement or discontinuation of product candidates that make use of our ADC technology. Our stock price can also fluctuate significantly with the level of overall investment interest in small-cap biotechnology stocks.

Our operating results have fluctuated in the past and are likely to continue to do so in the future. Our revenue is unpredictable and may fluctuate due to the timing of non-recurring licensing fees,

decisions of our collaborative partners with respect to our agreements with them, reimbursement for manufacturing services, the achievement of milestones and our receipt of the related milestone payments under new and existing licensing and collaboration agreements. Revenue historically recognized under our prior collaboration agreements may not be an indicator of revenue from any future collaboration. In addition, our expenses are unpredictable and may fluctuate from quarter to quarter due to the timing of expenses, which may include obligations to manufacture or supply product or payments owed by us under licensing or collaboration agreements. It is possible that our quarterly and/or annual operating results will not meet the expectations of securities analysts or investors, causing the market price of our common stock to decline. We believe that quarter-to-quarter and year-to-year comparisons of our operating results are not good indicators of our future performance and should not be relied upon to predict the future performance of our stock price.

The potential sale of additional shares of our common stock may cause our stock price to decline.

Pursuant to shelf registration statements filed with the Securities and Exchange Commission, in July 2012, we sold 6,250,000 shares of our common stock at $16.00 per share in a public offering resulting in gross proceeds of $100 million; in fiscal 2011, we sold 7,800,000 shares of our common stock at $12.00 per share in a public offering resulting in gross proceeds of $93.6 million; in fiscal 2010, we sold 10,350,000 shares of our common stock at $8.00 per share in a public offering resulting in gross proceeds of $82.8 million; and in fiscal 2009, we sold 5,750,000 shares of our common stock at $7.00 per share in a public offering resulting in gross proceeds of $40.3 million. The potential sale of additional shares of our common stock may be dilutive to our shares outstanding and may cause our stock price to decline.

We do not intend to pay cash dividends on our common stock.

We have not paid cash dividends since our inception and do not intend to pay cash dividends in the foreseeable future. Therefore, shareholders will have to rely on appreciation in our stock price, if any, in order to achieve a gain on an investment.

A WARNING ABOUT FORWARD-LOOKING STATEMENTS

This 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 are 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. These statements are contained in the "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections, as well as other sections of this Annual Report on Form 10-K.

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. 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.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

We lease approximately 108,000 square feet of laboratory and office space in a building located at 830 Winter Street, Waltham, MA. The term of the 830 Winter Street lease expires on March 31, 2026, with an option for us to extend the lease for two additional five-year terms. In December 2009, we entered into a sublease, as sublessor, to rent 14,100 square feet of our original office and laboratory space at 830 Winter Street, Waltham, MA through January 2015. Due to space requirements, in April 2012, we entered into a sublease agreement for the rental of 7,310 square feet of additional laboratory and office space at 830 Winter Street, Waltham, MA for a term of three years. We also lease approximately 43,850 square feet of space at 333 Providence Highway, Norwood, MA, which serves as our conjugate manufacturing facility and office space. The 333 Providence Highway lease expires on June 30, 2018, with an option for us to extend the lease for an additional five-year term. Due to space requirements, in April 2013, we entered into a lease agreement for the rental of 7,507 square feet of 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 us to extend the lease for an additional five-year term.

Item 3. ***Legal Proceedings***

From time to time we may be a party to various legal proceedings arising in the ordinary course of our business. We are not currently subject to any material legal proceedings.

Item 3.1. ***Executive Officers of the Registrant***

ImmunoGen's executive officers are appointed by the Board of Directors at the first meeting of the Board following the annual meeting of shareholders or at other Board meetings as appropriate, and hold office until the first Board meeting following the next annual meeting of shareholders and until a successor is chosen, subject to prior death, resignation or removal. Information regarding our executive officers is presented below.

Daniel M. Junius, age 62, joined ImmunoGen in 2005, and has served as our President and Chief Executive Officer since 2009. Mr. Junius has also served as a director of ImmunoGen since 2008 and is a director of IDEXX Laboratories, Inc. Mr. Junius holds a Masters of Management from Northwestern University's Kellogg School of Management.

John M. Lambert, PhD, age 63, joined ImmunoGen in 1987, and has served as our Executive Vice President and Chief Scientific Officer since 2008. Dr. Lambert holds a PhD in Biochemistry from University of Cambridge in England, and completed his postdoctoral work at the University of California at Davis and at Glasgow University in Scotland.

David B. Johnston, age 59, joined ImmunoGen in 2013, and has served as our Executive Vice President and Chief Financial Officer since that date. Prior to joining ImmunoGen, Mr. Johnston served as Chief Financial Officer of AVEO Pharmaceuticals, Inc., a biotechnology company, from 2007 to 2013. Mr. Johnston holds a Master of Business Administration from the University of Michigan.

Charles Q. Morris, MB, ChB, MRCP (UK), age 49, joined ImmunoGen in November 2012, and has served as our Executive Vice President and Chief Development Officer since that date. Prior to joining ImmunoGen, he served as Executive Vice President and Chief Medical Officer of Allos Therapeutics, Inc., a biotechnology company, from 2010 until its acquisition in 2012. Prior to that he served as Vice President, Worldwide Clinical Research, at Cephalon, Inc., a biotechnology company, from 2008 to 2010. Dr. Morris holds his medical degrees from Sheffield University Medical School and is a member of the Royal College of Physicians of London.

James J. O'Leary, MD, age 50, joined ImmunoGen in 2008, and has served as our Vice President and Chief Medical Officer since that date. Dr. O'Leary has a Doctor of Medicine degree from the State University of New York—Health Science Center at Brooklyn.

Craig Barrows, age 59, joined ImmunoGen in 2007, and has served as our Vice President, General Counsel and Secretary since that date.

Ellie Harrison, age 59, joined ImmunoGen in February 2014, and has served as our Vice President and Chief Human Resources Officer since that date. Prior to joining ImmunoGen, she served as Senior Vice President of Human Resources of Blue Cross and Blue Shield of Rhode Island, a healthcare provider, from 2013 to February 2014. Prior to that she served as a Managing Director and Senior Human Resources Advisor to the global consumer banking organization of Citigroup, a financial institution, from 2009 to 2012.

Peter J. Williams, age 60, joined ImmunoGen in August 2009, and has served as our Vice President, Business Development since that date.

Item 4. ***Mine Safety Disclosures***

None.

PART II

Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

Market Price of Our Common Stock and Related Stockholder Matters

Our common stock is quoted on the NASDAQ Global Select Market under the symbol "IMGN." The table below sets forth the high and low closing price per share of our common stock as reported by NASDAQ:

	Fiscal Year 2014		Fiscal Year 2013	
	High	Low	High	Low
First Quarter	$ 20.25	$ 15.07	$ 18.10	$ 12.51
Second Quarter	$ 18.19	$ 12.55	$ 15.77	$ 10.85
Third Quarter	$ 17.80	$ 14.20	$ 16.54	$ 12.92
Fourth Quarter	$ 15.59	$ 10.69	$ 18.83	$ 13.91

As of August 20, 2014, the closing price per share of our common stock was $11.89, as reported by NASDAQ, and we had approximately 675 holders of record of our common stock.

We have not paid any cash dividends on our common stock since our inception and do not intend to pay any cash dividends in the foreseeable future.

Recent Sales of Unregistered Securities; Uses of Proceeds from Registered Securities; Issuer Repurchases of Equity Securities

None.

Item 6. *Selected Financial Data*

The following table (in thousands, except per share data) sets forth our consolidated financial data for each of our five fiscal years through our fiscal year ended June 30, 2014. The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K.

	Year Ended June 30,				
	2014	2013	2012	2011	2010
Consolidated Statement of Operations Data:					
Total revenues	$ 59,896	$ 35,535	$ 16,357	$ 19,305	$ 13,943
Total operating expenses	131,427	108,544	89,614	79,493	65,178
Other income (expense), net	167	198	(62)	1,914	58
(Benefit) provision for income taxes	—	—	—	—	(265)
Net loss	$ (71,364)	$ (72,811)	$ (73,319)	$ (58,274)	$ (50,912)
Basic and diluted net loss per common share	$ (0.83)	$ (0.87)	$ (0.95)	$ (0.85)	$ (0.87)
Basic and diluted weighted average common shares outstanding	85,481	84,063	76,814	68,919	58,845
Consolidated Balance Sheet Data:					
Cash, cash equivalents and marketable securities	$ 142,261	$ 194,960	$ 160,938	$ 191,206	$ 110,298
Total assets	165,318	213,596	180,308	217,641	137,208
Shareholders' equity	75,699	121,847	83,890	139,969	102,048

Item 7. ***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 ADC's, 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 use our expertise in antibodies and cancer biology to develop "naked," or non-conjugated, antibody anticancer product candidates.

We have used our proprietary ADC technology in conjunction with our in-house antibody expertise to develop our own anticancer product candidates. We have also entered 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, CytomX, Lilly, Novartis, Roche and Sanofi. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements. Details for some of our major and recent collaborative agreements can be found in this Form 10-K under Item 1. Business.

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 June 30, 2014, we had approximately $142.3 million in cash and cash equivalents compared to $195 million as of June 30, 2013.

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.

We believe the following critical accounting policies reflect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition

We enter 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 our 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 us 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. We follow 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, we 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 June 30, 2014, we had the following two types of agreements with the parties identified below:

- Development and commercialization licenses to use our 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 our right-to-test agreements described elsewhere):

  Amgen (four exclusive single-target licenses*)

  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)

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

- Option/research agreement for a defined period of time to secure development and commercialization licenses to use our 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 us.

Development and Commercialization Licenses

The deliverables under a development and commercialization license agreement generally include the exclusive license to our 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 we 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 minimum royalty term is 10 years and the maximum royalty term is 12 years on a country-by-country basis, regardless of patent protection. Royalty rates may vary over the royalty term depending on our intellectual property rights and/or the presence of comparable competing products. We may provide technical assistance and share any technology improvements with our collaborators during the term of the collaboration agreements. We do 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, we cannot predict when or if we 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 we conclude that the license has stand-alone value and therefore will be accounted for as a separate unit of accounting, we then determine 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 our previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use our ADC technology, our pricing practices and pricing objectives, the likelihood that technological improvements will be made, and, if made, will be used by our collaborators and the nature of the research services to be performed on behalf of our 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, we determined that our 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 we refer to as our 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 our 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 our collaborators have sought an alternative site to manufacture their products, as our facility does not produce pivotal or commercial drug product. Accordingly, we generally estimate 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. We believe this period of substantial involvement is, depending on the nature of the license, on average six and one-half years. Quarterly, we reassess our periods of substantial involvement over which we amortize our upfront license fees and make 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 our technology to develop an alternative product candidate to the same target or a target substitute, we 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, we 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, we determined that our 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.

We recognize 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. We recognize revenue related to the rights to future technological improvements over the estimated term of the applicable license.

We may also provide cytotoxic agents to our collaborators or produce preclinical and clinical materials for them at negotiated prices which are generally consistent with what other third parties would charge. We recognize 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 our full cost, and our full cost is not expected to ever be below our contract selling prices for our existing collaborations. During the fiscal years ended June 30, 2014, 2013 and 2012, the difference between our full cost to manufacture preclinical and clinical materials on behalf of our collaborators as compared to total amounts received from collaborators for the manufacture of preclinical and clinical materials was $2.3 million, $755,000, and $85,000, respectively. The majority of our 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, our costs to produce these materials are significantly impacted by the number of batches produced during the period. The volume of preclinical and clinical materials we produce is directly related to the number of clinical trials we and our 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 our per-batch costs to manufacture these preclinical and clinical materials, may vary significantly from period to period.

We may also produce research material for potential collaborators under material transfer agreements. Additionally, we perform research activities, including developing antibody specific conjugation processes, on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. We record amounts received for research materials produced or services performed as a component of research and development support revenue. We also develop conjugation processes for materials for later stage testing and commercialization for certain collaborators. We are 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.

Our 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 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, we evaluate 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. We evaluate 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 our 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 our development and commercialization license agreements, we receive royalty payments based upon our licensees' net sales of covered products. Generally, under these agreements we are to receive royalty reports and payments from our 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. We recognize royalty revenues when we can reliably estimate such amounts and collectability is reasonably assured. As such, we generally recognize royalty revenues in the quarter reported to us by our licensees, or one quarter following the quarter in which sales by our licensees occurred.

Right-to-Test Agreements

Our right-to-test agreements provide collaborators the right to (a) test our ADC technology for a defined period of time through a research, or right-to-test, license, (b) take options, for a defined period of time, to specified targets and (c) upon exercise of those options, secure or "take" licenses to develop and commercialize products for the specified targets on established terms. Under these agreements, fees may be due to us (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 option granted to the collaborative partner. Options are considered substantive if, at the inception of a right-to-test agreement, we are 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.

For right-to-test agreements where the options to secure development and commercialization licenses to our ADC technology are considered substantive, we do 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 a development and commercialization license are considered substantive, we have deferred the upfront payments received and recognize 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, we attribute the exercise fee to the development and commercialization license. Upon exercise of an option to acquire a development and commercialization license, we 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 our accounting policy for upfront payments on single-target licenses. In the event a right-to-test agreement were to be terminated, we 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 our 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 our ADC technology are not considered substantive, we consider the development and commercialization license to be a deliverable at the inception of the agreement and apply the multiple-element revenue recognition criteria to determine the appropriate revenue recognition. None of our right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 has been determined to contain non-substantive options.

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

Inventory

We review our estimates of the net realizable value of our inventory at each reporting period. Our estimate of the net realizable value of our inventory is subject to judgment and estimation. The actual net realizable value of our inventory could vary significantly from our estimates. We consider quantities of raw materials in excess of twelve-month projected usage that are not supported by firm, fixed collaborator orders and projections at the time of the assessment to be excess. During fiscal years 2014, 2013 and 2012, we obtained additional quantities of DMx from our supplier which amounted to more material than would be required by our collaborators over the next twelve months and as a result, we recorded $364,000, $798,000 and $748,000, respectively, of charges to research and development expense related to raw material inventory identified as excess. We also recorded $38,000 to write down certain raw material inventory to its net realizable value, which is also included in research and development expense for the year ended June 30, 2012. Our collaborators' estimates of their clinical material requirements are based upon expectations of their clinical trials, including the timing, size, dosing schedule and the maximum tolerated dose likely to be reached for the compound being evaluated. Our collaborators' actual requirements for clinical materials may vary significantly from their projections. Significant differences between our collaborators' actual manufacturing orders and their projections could result in our actual twelve-month usage of raw materials varying significantly from our estimated usage at an earlier reporting period. Such differences and/or reductions in collaborators' projections could indicate that we have excess raw material inventory and we would then evaluate the need to record write-downs, which would be included as charges to research and development expense.

Stock-based Compensation

As of June 30, 2014, we are authorized to grant future awards under one share-based compensation plan, which is the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan. The stock-based awards are accounted for under ASC Topic 718, "Compensation—Stock Compensation," pursuant to which the estimated grant date fair value of awards is charged to the statement of operations over the requisite service period, which is the vesting period. Such amounts have been reduced by our estimate of forfeitures for unvested awards.

The fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model. Expected volatility is based exclusively on historical volatility data of our 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 we do not expect substantially different exercise or post-vesting termination behavior amongst our employee population. 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. Estimated forfeitures are based on historical data as well as current trends. Stock compensation cost incurred during the years ended June 30, 2014, 2013 and 2012 was $15.6 million, $12.4 million and $9.9 million, respectively.

Future stock-based compensation may significantly differ based on changes in the fair value of our common stock and our estimates of expected volatility and the other relevant assumptions.

Results of Operations

Revenues

Our total revenues for the year ended June 30, 2014 were $59.9 million compared with $35.5 million and $16.4 million for the years ended June 30, 2013 and 2012, respectively. The $24.4 million increase in revenues in fiscal year 2014 from fiscal year 2013 is attributable to an increase in license and milestone fees, royalty revenue and clinical materials revenue, partially offset by a decrease in research and development support revenue, all of which are discussed below. The $19.1 million increase in revenues in fiscal year 2013 from fiscal year 2012 is attributable to all revenue categories.

Revenue from license and milestone fees for the year ended June 30, 2014 increased approximately $15.3 million to $39.5 million from $24.2 million in the year ended June 30, 2013. Revenue from license and milestone fees for the year ended June 30, 2012 was $9.2 million. Included in license and milestone fees for the year ended June 30, 2014 is $7.8 million of license revenue earned upon the execution of a development and commercialization license by Lilly, two $5 million regulatory milestones achieved under our collaboration agreement with Roche, $18.2 million of license revenue earned upon the execution of two development and commercialization licenses and a one-year extension of the original term of the multi-target agreement by Novartis, and $2.2 million of revenue from Amgen related to a modification of an existing arrangement. Included in license and milestone fees for the year ended June 30, 2013 was a $10.5 million regulatory milestone achieved under our collaboration agreement with Roche, a $500,000 development milestone achieved under our collaboration agreement with Sanofi and $11.1 million of license revenue earned upon the execution of a development and commercialization license by Novartis. Included in license and milestone fees for the year ended June 30, 2012 was a $3 million milestone payment related to the initiation of Phase II clinical testing of SAR3419 achieved under our collaboration agreement with Sanofi and two $1 million milestone payments related to regulatory milestones achieved under our license agreements with Amgen. Also during the year ended June 30, 2012, Biogen Idec terminated its exclusive license to our ADC technology to develop and commercialize therapeutic compounds to the target Cripto and as a result, we recognized the remaining $270,000 of the $1 million upfront fee received from Biogen Idec upon execution of the license which had been previously deferred. Also, during fiscal 2012, we made a change in the estimate of our period of substantial involvement as it relates to our exclusive license with Bayer HealthCare which resulted in an increase to license and milestone fees of $1.2 million for the fiscal year ending June 30, 2012 compared to amounts that would have been recognized pursuant to our previous estimate. 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 widely from quarter to quarter and year to year. Total revenue recognized from license

and milestone fees from each of our collaborative partners in the years ended June 30, 2014, 2013 and 2012 is included in the following table (in thousands):

License and Milestone Fees	Year Ended June 30, 2014	2013	2012
Collaborative Partner:			
Amgen	$ 2,351	$ 883	$ 3,118
Bayer HealthCare	—	521	1,839
Biogen Idec	—	—	270
Biotest	25	25	120
Lilly	7,830	—	—
Novartis	18,353	11,131	—
Roche	10,000	10,500	—
Sanofi	896	1,167	3,795
Other	—	—	19
Total	$ 39,455	$ 24,227	$ 9,161

Deferred revenue of $61.3 million at June 30, 2014 represents payments 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 $13.1 million of non-cash consideration recorded in connection with our arrangement with CytomX.

In February 2013, the US 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, $10.3 million of royalties on net sales of Kadcyla for the twelve-month period ended March 31, 2014 were recorded and included in royalty revenue for the year ended June 30, 2014. We recorded $592,000 of royalties on net sales of Kadcyla for the three-month period ended March 31, 2013 in our fourth quarter of fiscal 2013. No royalty revenue was recorded in fiscal year 2012. We expect royalty revenue to increase in future periods as the underlying net sales of Kadcyla increase.

Research and development support revenue was $7.2 million for the year ended June 30, 2014, $7.9 million for the year ended June 30, 2013, and $4.5 million for the year ended June 30, 2012. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators as 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 development fees may vary widely from quarter to quarter and year to year. Total revenue recognized from research and development support from each

of our collaborative partners in the years ended June 30, 2014, 2013 and 2012 is included in the following table (in thousands):

Research and Development Support	Year Ended June 30, 2014	2013	2012
Collaborative Partner:			
Amgen	$ 404	$ 417	$ 1,011
Biotest	783	921	627
Lilly	2,906	806	250
Novartis	3,012	5,605	2,588
Other	82	124	41
Total	$ 7,187	$ 7,873	$ 4,517

Clinical materials revenue increased by approximately $65,000 to $2.9 million in the year ended June 30, 2014 compared to $2.8 million in the year ended June 30, 2013. We earned clinical materials revenue of $2.7 million during the year ended June 30, 2012. During the years ended June 30, 2014, 2013 and 2012, we shipped clinical materials in support of a number of our collaborators' clinical trials, as well as preclinical materials in support of certain collaborators' development efforts and DMx shipments to certain collaborators in support of development and manufacturing efforts. 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. Our research and development efforts have been primarily focused in the following areas:

- evaluation of potential antigen targets;
- evaluation of internally developed and/or in-licensed product candidates and technologies;
- development and evaluation of additional cytotoxic agents and linkers;
- activities related to the process, preclinical and clinical development of our internal product candidates;
- process improvements to our ADC technology;
- process improvements related to the production of DM1, DM4 and strain development of their precursor, ansamitocin P3;
- operation and maintenance of our conjugate manufacturing facility, including production of our own and our collaborators' clinical materials;

- production costs for the supply of antibody for our internal product candidates, including fill/finish services;
- production costs for the supply of DMx for our and our partners' preclinical and clinical activities;
- non-pivotal and pivotal development activities with contract manufacturers for the antibody component of our internal product candidates, linkers, and DM1, DM4 and their precursor, ansamitocin P3; and
- activities pursuant to our development and license agreements with various collaborators.

Research and development expense for the year ended June 30, 2014 increased $19.9 million to $107.0 million from $87.1 million for the year ended June 30, 2013. Research and development expense was $69.2 million for the year ended June 30, 2012. During the year ended June 30, 2014, we recorded a $12.8 million non-cash charge to research and development expense for technology rights obtained under the collaboration agreement executed with CytomX in January 2014. Research and development salaries and related expenses increased by $8.3 million to $47.6 million in the year ended June 30, 2014 compared to the year ended June 30, 2013 and increased by $6.2 million in the year ended June 30, 2013 compared to the year ended June 30, 2012. The average number of our research personnel increased to 250 for the year ended June 30, 2014 compared to 226 for the year ended June 30, 2013. We had an average of 207 for the year ended June 30, 2012. Included in salaries and related expenses for the year ended June 30, 2014 is $10.3 million of stock compensation costs compared to $7.3 million and $5.3 million of stock compensation costs for fiscal years 2013 and 2012, respectively. The higher stock compensation costs in fiscal years 2014 and 2013 are driven by higher stock prices and increases in the number of annual options granted due to increases in personnel.

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 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):

	Year Ended June 30,		
Research and Development Expense	**2014**	**2013**	**2012**
Research	$ 30,793	$ 17,506	$ 16,827
Preclinical and Clinical Testing	34,562	27,839	21,143
Process and Product Development	8,296	7,777	7,203
Manufacturing Operations	33,307	33,951	24,019
Total Research and Development Expense	$ 106,958	$ 87,073	$ 69,192

Research—Research includes expenses associated with activities to 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, fees to in-license certain technology, facilities and lab supplies. Research expenses increased $13.3 million to $30.8 million in fiscal year 2014 from fiscal year 2013 and $679,000 to $17.5 million in fiscal year 2013 from fiscal year 2012. This increase in fiscal year 2014 was principally due to a $12.8 million non-cash charge recorded for technology rights obtained under the collaboration agreement executed with CytomX in January 2014 and to a lesser extent, an increase in salaries and related expenses. The increase in fiscal 2013 was principally due to an increase in salaries and related expenses.

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 increased $6.8 million to $34.6 million in fiscal year 2014 from fiscal year 2013 and $6.7 million to $27.8 million in fiscal year 2013 from fiscal year 2012. The increase in fiscal year 2014 was principally the result of higher salaries and related expenses driven by an increase in personnel and higher stock compensation costs. The increase in fiscal year 2013 was primarily the result of an increase in clinical trial costs due primarily to site expansion and higher patient enrollment for the IMGN901 007 Phase II study for small-cell lung cancer and increased costs incurred for the IMGN853 Phase I trial for ovarian cancer which was initiated during the second half of fiscal 2012 and began enrolling patients in fiscal 2013, as well as an increase in salaries and related expenses.

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. Total development expenses increased $519,000 to $8.3 million in fiscal year 2014 from fiscal year 2013 and expenses increased $574,000 to $7.8 million in fiscal year 2013 from fiscal year 2012. The increase in fiscal years 2014 and 2013 was primarily the result of an increase in salaries and related expenses, as well as an increase in contract service expense in fiscal 2014 driven primarily by development activities for IMGN779.

Manufacturing Operations—Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborators' product candidates, 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, non-pivotal and pivotal development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. Manufacturing operations expense decreased $644,000 to $33.3 million in fiscal year 2014 from fiscal year 2013 and increased $10 million to $34 million in fiscal year 2013 from fiscal year 2012. The decrease in fiscal year 2014 was primarily the result of (i) a decrease in antibody development and supply expense driven primarily by supply required in prior year for our IMGN289 and IMGN901 programs, as well as pivotal activities performed for our IMGN901 program during the prior year, partially offset by non-pivotal activities performed and supply required for our IMGN779 program during the current year; (ii) a decrease in fill/finish costs due primarily to costs to transfer our internal programs to a new supplier during the prior year period; and (iii) an increase in costs capitalized into inventory due to a greater number of manufactured batches of conjugated materials on behalf of our collaborators. Partially offsetting these decreases, salaries and related expenses increased during the current period and contract service expense increased due primarily to increased study activities related to our cytotoxic agents. The increase in fiscal year 2013 was primarily the result of (i) an increase in antibody development and supply expense driven by our IMGN901, IMGN853, IMGN529 and IMGN289 programs; (ii) a decrease in costs capitalized into inventory due to a lower number of manufactured batches of conjugated materials on behalf of our collaborators; and (iii) an increase in salaries and related expenses.

Antibody development and supply expense in anticipation of potential future clinical trials, as well as our ongoing trials, was $7.2 million in fiscal year 2014, $10.8 million in fiscal year 2013, and $4.9 million in fiscal year 2012. The process of antibody production is lengthy due in part to the lead time to establish a satisfactory production process at a vendor. Accordingly, costs incurred related to antibody production and development have fluctuated from period to period and we expect these cost fluctuations to continue in the future.

We expect that future research and development expenses will increase due to our continuing advancement of our internal product candidates through clinical trials, as well as expected increases in salaries and related expenses.

General and Administrative Expenses

General and administrative expenses for the year ended June 30, 2014 increased $3.0 million to $24.5 million from $21.5 million for the year ended June 30, 2013. General and administrative expenses for the year ended June 30, 2012 were $20.4 million. The increase in fiscal year 2014 was primarily due to an increase in salaries and related expenses, particularly stock compensation costs, as well as an increase in professional service fees, particularly consulting fees and patent expenses. The increase in fiscal year 2013 was primarily due to an increase in salaries and related expenses, particularly stock compensation costs. We expect general and administrative expenses to increase in fiscal 2015 compared to fiscal 2014 due primarily to increases in salaries and related expenses and patent expenses.

Investment Income, net

Investment income for the years ended June 30, 2014, 2013 and 2012 was $44,000, $126,000 and $66,000, respectively.

Other Income (Expense), net

Other income (expense), net for the years ended June 30, 2014, 2013 and 2012 was $123,000, $72,000 and $(128,000), respectively. During the years ended June 30, 2014, 2013 and 2012, we recorded net gains (losses) on foreign currency forward contracts of $2,000, $197,000 and $(173,000), respectively. We incurred $120,000, $(153,000), and $17,000 in foreign currency exchange gains and (losses) related to obligations with non-U.S. dollar-based suppliers and Euro cash balances maintained to fulfill them during the years ended June 30, 2014, 2013 and 2012, respectively.

Liquidity and Capital Resources

	As of June 30,	
	2014	2013
	(In thousands)	
Cash and cash equivalents	$ 142,261	$ 194,960
Working capital	129,502	181,511
Shareholders' equity	75,699	121,847

	Year Ended June 30,		
	2014	2013	2012
		(In thousands)	
Cash used for operating activities	$ (53,650)	$ (60,299)	$ (34,288)
Cash used for investing activities	(8,185)	(3,696)	(2,968)
Cash provided by financing activities	9,136	98,017	6,988

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 June 30, 2014, we had approximately $142.3 million in cash and cash equivalents. Net cash used for operating activities was $53.7 million, $60.3 million and $34.3 million during the years ended June 30, 2014, 2013 and 2012, respectively. The principal use of cash in operating activities for all periods presented was to fund our net loss, adjusted for non-cash items. Cash used for operating activities in fiscal 2012 benefited from the $20 million upfront payment received from Lilly in January 2012 with the execution of a right- to-test agreement between the companies.

Net cash used for investing activities was $8.2 million, $3.7 million and $3.0 million for the years ended June 30, 2014, 2013 and 2012, respectively, and substantially represents cash outflows from capital expenditures. Capital expenditures were $8.2 million, $3.8 million and $2.9 million for the fiscal years ended June 30, 2014, 2013 and 2012, respectively. Capital expenditures for the years ended June 30, 2014, 2013 and 2012 consisted primarily of leasehold improvements to the laboratory and office space at our corporate headquarters and manufacturing facility, laboratory equipment and computer software applications.

Net cash provided by financing activities was $9.1 million, $98.0 million and $7.0 million for the years ended June 30, 2014, 2013 and 2012, respectively, which includes the proceeds from the exercise of 1.1 million, 666,000 and 1.4 million stock options, respectively. Also, pursuant to public offerings, in fiscal 2013, we issued and sold 6,250,000 shares of our common stock resulting in net proceeds of $94.0 million.

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 collaborative agreement funding will, in fact, be received. 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 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

Below is a table that presents our contractual obligations and commercial commitments as of June 30, 2014 (in thousands):

	Payments Due by Period				
	Total	Less than One Year	1-3 Years	4-5 Years	More than 5 Years
Waltham lease obligations[1]	$ 73,751	$ 6,077	$ 11,653	$ 12,134	$ 43,887
Other operating lease obligations	4,432	1,073	2,212	1,147	—
Total	$ 78,183	$ 7,150	$ 13,865	$ 13,281	$ 43,887

(1) Lease agreements were signed in July 2007, April 2012 and April 2013, and amended in December 2013 and April 2014. In December 2009, we entered into a sublease for 14,100 square feet of our office and laboratory space at 830 Winter Street, Waltham, MA through January 2015. We will receive approximately $408,000 in minimum rental payments over the remaining term of the sublease, which is not included in the table above.

In addition to the above table, we are contractually obligated to make 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, we may be required to pay such amounts. Therefore, the timing of any future payment is not reasonably estimable. As a result, these contingent payments have not been included in the table above or recorded in our consolidated financial statements.

As of June 30, 2014, the maximum amount that may be payable in the future under our current collaborative agreements is $162 million, $1.4 million of which is reimbursable by a third party under a separate agreement.

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 and interim periods beginning after December 15, 2016 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.

In July 2013, the FASB issued guidance to address the diversity in practice related to the financial statement presentation of unrecognized tax benefits as either a reduction of a deferred tax asset or a liability when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. This guidance is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. The adoption of this guidance is not expected to have a material impact on our consolidated financial statements.

Off-Balance Sheet Arrangements

None.

Item 7A. ***Quantitative and Qualitative Disclosure About Market Risk***

We maintain an investment portfolio in accordance with our investment policy. The primary objectives of our investment policy are to preserve principal, maintain proper liquidity to meet operating needs and maximize yields. Although our investments are subject to credit risk, our investment policy specifies credit quality standards for our investments and limits the amount of credit exposure from any single issue, issuer or type of investment. Our investments are also subject to interest rate risk and will decrease in value if market interest rates increase. However, due to the conservative nature of our investments and relatively short duration, interest rate risk is mitigated. We do not own derivative financial instruments in our investment portfolio. Accordingly, we do not believe there is any material market risk exposure with respect to derivative or other financial instruments that would require disclosure under this item.

Our foreign currency hedging program uses forward contracts and 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. Our market risks associated with changes in foreign currency exchange rates are currently limited to a Euro-denominated bank account as we have no forward contracts at June 30, 2014.

Item 8. ***Financial Statements and Supplementary Data***

IMMUNOGEN, INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of ImmunoGen, Inc.

We have audited the accompanying consolidated balance sheets of ImmunoGen, Inc. as of June 30, 2014 and 2013, and the related consolidated statements of operations and comprehensive loss, shareholders' equity, and cash flows for each of the three years in the period ended June 30, 2014. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of ImmunoGen, Inc. at June 30, 2014 and 2013, and the consolidated results of its operations and its cash flows for each of the three years in the period ended June 30, 2014, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), ImmunoGen, Inc.'s internal control over financial reporting as of June 30, 2014, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework) and our report dated August 28, 2014 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP
Boston, Massachusetts
August 28, 2014

IMMUNOGEN, INC.

CONSOLIDATED BALANCE SHEETS

In thousands, except per share amounts

	June 30, 2014	June 30, 2013
ASSETS		
Cash and cash equivalents	$ 142,261	$ 194,960
Accounts receivable	1,896	—
Unbilled revenue	1,329	2,121
Inventory	2,950	703
Restricted cash	—	319
Prepaid and other current assets	2,320	2,581
Total current assets	150,756	200,684
Property and equipment, net of accumulated depreciation	14,349	10,783
Long-term restricted cash	—	1,912
Other assets	213	217
Total assets	$ 165,318	$ 213,596
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 4,819	$ 4,498
Accrued compensation	6,865	6,153
Other accrued liabilities	6,668	6,049
Current portion of deferred lease incentive	528	979
Current portion of deferred revenue	2,374	1,494
Total current liabilities	21,254	19.173
Deferred lease incentive, net of current portion	5,679	5,626
Deferred revenue, net of current portion	58,969	63,384
Other long-term liabilities	3,717	3,566
Total liabilities	89,619	91,749
Commitments and contingencies (Note H)		
Shareholders' equity:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $.01 par value; authorized 150,000 shares; issued and outstanding 85,903 and 84,725 shares as of June 30, 2014 and 2013, respectively	859	847
Additional paid-in capital	722,971	697,767
Accumulated deficit	(648,131)	(576,767)
Total shareholders' equity	75,699	121,847
Total liabilities and shareholders' equity	$ 165,318	$ 213,596

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

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

In thousands, except per share amounts

	Year Ended June 30,		
	2014	2013	2012
Revenues:			
License and milestone fees	$ 39,455	$ 24,227	$ 9,161
Royalty revenue	10,346	592	—
Research and development support	7,187	7,873	4,517
Clinical materials revenue	2,908	2,843	2,679
Total revenues	59,896	35,535	16,357
Operating Expenses:			
Research and development	106,958	87,073	69,192
General and administrative	24,469	21,471	20,422
Total operating expenses	131,427	108,544	89,614
Loss from operations	(71,531)	(73,009)	(73,257)
Investment income, net	44	126	66
Other income (expense), net	123	72	(128)
Net loss	$ (71,364)	$ (72,811)	$ (73,319)
Basic and diluted net loss per common share	$ (0.83)	$ (0.87)	$ (0.95)
Basic and diluted weighted average common shares outstanding	85,481	84,063	76,814
Other Comprehensive Loss	—	—	—
Total Comprehensive Loss	$ (71,364)	$ (72,811)	$ (73,319)

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

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

In thousands

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Shareholders' Equity
	Shares	Amount			
Balance at June 30, 2011	76,281	$ 763	$ 569,843	$ (430,637)	$ 139,969
Net loss	—	—	—	(73,319)	(73,319)
Stock options exercised	1,432	14	6,974	—	6,988
Stock-based compensation expense	—	—	9,938	—	9,938
Directors' deferred share units converted	46	1	(1)	—	—
Directors' deferred share unit compensation	—	—	314	—	314
Balance at June 30, 2012	77,759	$ 778	$ 587,068	$ (503,956)	$ 83,890
Net loss	—	—	—	(72,811)	(72,811)
Stock options exercised	666	6	4,020	—	4,026
Restricted stock award	50	—	—	—	—
Stock-based compensation expense	—	—	12,400	—	12,400
Issuance of common stock in a public offering, net of issuance costs	6,250	63	93,928	—	93,991
Directors' deferred share unit compensation	—	—	351	—	351
Balance at June 30, 2013	84,725	$ 847	$ 697,767	$ (576,767)	$ 121,847
Net loss	—	—	—	(71,364)	(71,364)
Stock options exercised	1,134	11	9,125	—	9,136
Stock-based compensation expense	—	—	15,647	—	15,647
Directors' deferred share units converted	44	1	(1)	—	—
Directors' deferred share unit compensation	—	—	433	—	433
Balance at June 30, 2014	85,903	$ 859	$ 722,971	$ (648,131)	$ 75,699

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

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands

	Year Ended June 30,		
	2014	2013	2012
Cash flows from operating activities:			
Net loss	$ (71,364)	$ (72,811)	$ (73,319)
Adjustments to reconcile net loss to net cash used for operating activities:			
Depreciation and amortization	4,598	4,641	4,633
Loss (Gain) on sale/disposal of fixed assets	20	(21)	51
(Gain) Loss on forward contracts	(2)	(197)	173
Non-cash licensing fee	12,830	—	—
Stock and deferred share unit compensation	16,080	12,751	10,252
Deferred rent	297	(109)	(109)
Change in operating assets and liabilities:			
Accounts receivable	(1,896)	129	4,539
Unbilled revenue	792	(925)	292
Inventory	(2,247)	585	(808)
Prepaid and other current assets	571	(181)	253
Restricted cash	2,231	319	1,018
Other assets	4	(43)	(16)
Accounts payable	321	1,103	182
Accrued compensation	712	1,211	219
Other accrued liabilities	(394)	481	133
Deferred revenue, net of non-cash upfront license payment	(16,675)	(7,232)	18,219
Proceeds from landlord for tenant improvements	472	—	—
Net cash used for operating activities	(53,650)	(60,299)	(34,288)
Cash flows from investing activities:			
Purchases of property and equipment, net	(8,184)	(3,770)	(2,908)
(Payments) proceeds from settlement of forward contracts	(1)	74	(60)
Net cash used for investing activities	(8,185)	(3,696)	(2,968)
Cash flows from financing activities:			
Proceeds from stock options exercised	9,136	4,026	6,988
Proceeds from common stock issuance, net	—	93,991	—
Net cash provided by financing activities	9,136	98,017	6,988
Net change in cash and cash equivalents	(52,699)	34,022	(30,268)
Cash and cash equivalents, beginning of period	194,960	160,938	191,206
Cash and cash equivalents, end of period	$ 142,261	$ 194,960	$ 160,938

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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2014

A. Nature of Business and Plan of Operations

ImmunoGen, Inc. (the Company) was incorporated in Massachusetts in 1981 and is focused on the development of antibody-based anticancer therapeutics. The Company has incurred operating losses and negative cash flows from operations since inception, incurred a net loss of approximately $71.4 million during the fiscal year ended June 30, 2014, and has an accumulated deficit of approximately $648.1 million as of June 30, 2014. The Company has primarily funded these losses through payments received from its collaborations and equity financings. To date, the Company has no product revenue and management expects operating losses to continue for the foreseeable future.

At June 30, 2014, the Company had $142.3 million of cash and cash equivalents on hand. The Company may raise additional funds through equity or debt financings or generate revenues from collaborative partners through a combination of upfront license payments, milestone payments, royalty payments, research funding, and clinical material reimbursement. There can be no assurance that the Company will be able to obtain additional debt or equity financing or generate revenues from collaborative partners on terms acceptable to the Company or at all. The failure of the Company to obtain sufficient funds on acceptable terms when needed could have a material adverse effect on the Company's business, results of operations and financial condition and require the Company to defer or limit some or all of its research, development and/or clinical projects.

The Company is subject to risks common to companies in the biotechnology industry including, but not limited to, the development by its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, manufacturing and marketing limitations, collaboration arrangements, third-party reimbursements and compliance with governmental regulations.

B. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, ImmunoGen Securities Corp., and ImmunoGen Europe Limited. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S.) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated all events or transactions that occurred after June 30, 2014 up through the date the Company issued these financial statements. In July 2014, Sanofi initiated a Phase IIb clinical trial for SAR650984 which triggered a $3 million milestone payment to the Company. Effective July 2014, Janssen Biotech (formerly known as Centocor) terminated its exclusive development and commercialization license with the Company. As a result, in July 2014, the Company recognized the remaining $241,000 of the $1 million upfront fee received upon execution of the license

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

which had been previously deferred. The Company did not have any other material recognizable or unrecognizable subsequent events.

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 June 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):

  Amgen (four exclusive single-target licenses*)
  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)

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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

- Option/research 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 minimum royalty term is 10 years and the maximum royalty term is 12 years on a country-by-country basis, regardless of patent protection. 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 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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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 fiscal years ended June 30, 2014, 2013 and 2012, 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 $2.3 million, $755,000 and $85,000, respectively. 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.

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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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 options, for a defined period of time, to specified targets and (c) upon exercise of those options, secure or "take" licenses 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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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.

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.

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.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

Inventory at June 30, 2014 and 2013 is summarized below (in thousands):

	June 30,	
	2014	2013
Raw materials	$ 437	$ 75
Work in process	2,513	628
Total	$ 2,950	$ 703

Raw materials inventory consists entirely of DM1 and DM4, proprietary cell-killing agents the Company developed as part of its ADC technology. All raw materials inventory is currently procured from a single supplier.

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 excess reserve for work in process inventory is required.

Raw materials inventory cost is stated net of write-downs of $661,000 and $810,000 as of June 30, 2014 and June 30, 2013, respectively. The write-downs represent the cost of raw materials that the Company considers to be in excess of a twelve-month supply based on firm, fixed orders and projections from its collaborators as of the respective balance sheet date.

Due to yield fluctuations, the actual amount of raw materials that will be produced in future periods under third-party supply agreements is highly uncertain. As such, the amount of raw materials produced could be more than is required to support the development of the Company's collaborators' product candidates. Such excess supply, as determined under the Company's inventory reserve policy, is charged to research and development expense.

The Company produces preclinical and clinical materials for its collaborators either in anticipation of or in support of preclinical studies and clinical trials, or for process development and analytical purposes. Under the terms of supply agreements with its collaborators, the Company generally receives rolling six-month firm, fixed orders for conjugate that the Company is required to manufacture, and rolling twelve-month manufacturing projections for the quantity of conjugate the collaborator expects to need in any given twelve-month period. The amount of clinical material produced is directly related to the number of collaborator anticipated or on-going clinical trials for which the Company is producing clinical material, 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. Because these elements are difficult to estimate over the course of a trial, substantial differences between collaborators' actual manufacturing orders and their projections could result in the Company's usage of raw materials varying significantly from estimated usage at an earlier reporting period. To the extent that a collaborator has provided the Company with a firm, fixed order, the collaborator is required by contract to reimburse the Company the full negotiated price of the conjugate, even if the collaborator subsequently cancels the manufacturing run.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

The Company capitalizes raw material as inventory upon receipt and accounts for the raw material inventory as follows:

a) to the extent that the Company has up to twelve months of firm, fixed orders and/or projections from its collaborators, the Company capitalizes the value of raw materials that will be used in the production of conjugate subject to these firm, fixed orders and/or projections;

b) 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; and

c) the Company also considers any other external factors and information of which it becomes aware and assesses the impact of such factors or information on the net realizable value of the raw material inventory at each reporting period.

During fiscal years 2014, 2013 and 2012, the Company obtained additional amounts of DMx from its supplier which yielded more material than would be required by the Company's collaborators over the next twelve months and as a result, the Company recorded $364,000, $798,000 and $748,000 respectively, of charges to research and development expense related to raw material inventory identified as excess. The Company also recorded $38,000 as research and development expense to write down certain raw material inventory to its net realizable value in fiscal year 2012. No similar charges were recorded during fiscal years 2014 and 2013. Increases in the Company's on-hand supply of raw materials, or a reduction to the Company's collaborators' projections, could result in significant changes in the Company's estimate of the net realizable value of such raw material inventory. Reductions in collaborators' projections could indicate that the Company has excess raw material inventory and the Company would then evaluate the need to record write-downs as charges to research and development expense.

Unbilled Revenue

The majority of the Company's unbilled revenue at June 30, 2014 and 2013 represents research funding earned based on actual resources utilized under the Company's various collaborator agreements.

Restricted Cash

Restricted cash at June 30, 2013 is a cash balance securing irrevocable letters of credit required for security deposits for the Company's leased facilities. This cash balance security was no longer needed at June 30, 2014 due to a change in creditors.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

Other Accrued Liabilities

Other accrued liabilities consisted of the following at June 30, 2014 and 2013 (in thousands):

	June 30,	
	2014	2013
Accrued contract payments	$ 2,914	$ 2,406
Accrued clinical trial costs	1,778	1,849
Accrued professional services	833	678
Accrued employee benefits	454	411
Accrued public reporting charges	183	179
Other current accrued liabilities	506	526
Total	$ 6,668	$ 6,049

Research and Development Expenses

The Company's research and development expenses are charged to expense as incurred and relate to (i) research to evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents, (ii) preclinical testing of its own and, in certain instances, its collaborators' product candidates, and the cost of its own clinical trials, (iii) development related to clinical and commercial manufacturing processes and (iv) manufacturing operations which also include raw materials. Payments made by the Company in advance for research and development services not yet provided and/or materials not yet delivered and accepted are recorded as prepaid expenses and are included in the accompanying Consolidated Balance Sheets as prepaid and other current assets.

Income Taxes

The Company uses the liability method to account for income taxes. Deferred tax assets and liabilities are determined based on differences between the financial reporting and income tax basis of assets and liabilities, as well as net operating loss carry forwards and tax credits and are measured using the enacted tax rates and laws that will be in effect when the differences reverse. A valuation allowance against net deferred tax assets is recorded if, based on the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

Financial Instruments and Concentration of Credit Risk

Cash and cash equivalents are primarily maintained with three financial institutions in the U.S. Deposits with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and, therefore, bear minimal 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. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents and marketable securities. The Company held no marketable securities as of June 30, 2014. The Company's investment policy, approved by the Board of Directors, limits the amount it may invest in any one type of investment, thereby reducing credit risk concentrations.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

Derivative instruments include a portfolio of short duration foreign currency forward contracts intended to mitigate the risk of exchange fluctuations for existing or anticipated receivable and payable balances denominated in foreign currency. Derivatives are recorded at fair value and classified as other current assets or liabilities. The fair value of these instruments represents the present value of estimated future cash flows under the contracts, which are a function of underlying interest rates, currency rates, related volatility, counterparty creditworthiness and duration of the contracts. Changes in these factors or a combination thereof may affect the fair value of these instruments.

The Company does not designate foreign currency forward contracts as hedges for accounting purposes, and changes in the fair value of these instruments are recognized in earnings during the period of change. Because the Company enters into forward contracts only as an economic hedge, any gain or loss on the underlying foreign-denominated existing or anticipated receivable or payable balance would be offset by the loss or gain on the forward contract. Net gains (losses) on forward contracts for the years ended June 30, 2014, 2013 and 2012 were $2,000, $197,000 and $(173,000), respectively, and are included in the accompanying Consolidated Statement of Operations as other income (expense), net. As of June 30, 2014, the Company had no outstanding forward contracts. As of June 30, 2013, the Company had an outstanding forward contract with a notional amount equivalent to approximately $57,000 (€41,000), maturing on October 7, 2013. The Company does not anticipate using derivative instruments for any purpose other than hedging exchange rate exposure.

Cash Equivalents

All highly liquid financial instruments with maturities of three months or less when purchased are considered cash equivalents. As of June 30, 2014 and 2013, cash equivalents consisted of money market funds with underlying investments primarily being U.S. Government-issued securities and high quality, short-term commercial paper.

Fair Value of Financial Instruments

ASC Topic 820 defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the U.S., and expands disclosures about fair value measurements. Fair value is defined under ASC Topic 820 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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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 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 and cash equivalents	$ 142,261	$ 142,261	$ —	$ —

As of June 30, 2013, 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, 2013 (in thousands):

	Fair Value Measurements at June 30, 2013 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	$ 197,191	$ 197,191	$ —	$ —

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

The carrying amounts reflected in the consolidated balance sheets for accounts receivable, unbilled revenue, prepaid and other current assets, accounts payable, accrued compensation, and other accrued liabilities approximate fair value due to their short-term nature.

Property and Equipment

Property and equipment are stated at cost. The Company provides for depreciation based upon expected useful lives using the straight-line method over the following estimated useful lives:

Machinery and equipment	5 years
Computer hardware and software	3 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of remaining lease term or 7 years

Equipment under capital leases is amortized over the lives of the respective leases or the estimated useful lives of the assets, whichever is shorter, and included in depreciation expense.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

Maintenance and repairs are charged to expense as incurred. Upon retirement or sale, the cost of disposed assets and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statement of operations. The Company recorded $(20,000), $21,000 and $(51,000) of (losses) gains on the sale/disposal of certain furniture and equipment during the years ended June 30, 2014, 2013, and 2012, respectively.

Impairment of Long-Lived Assets

In accordance with ASC Topic 360, "Property, Plant, and Equipment," the Company continually evaluates whether events or circumstances have occurred that indicate that the estimated remaining useful life of its long-lived assets may warrant revision or that the carrying value of these assets may be impaired. The Company evaluates the realizability of its long-lived assets based on cash flow expectations for the related asset. Any write-downs are treated as permanent reductions in the carrying amount of the assets. Based on this evaluation, the Company believes that, as of each of the balance sheet dates presented, none of the Company's long-lived assets were impaired.

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 that may be 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. 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):

	June 30,		
	2014	2013	2012
Options outstanding to purchase common stock and unvested restricted stock	8,486	7,703	6,442
Common stock equivalents under treasury stock method	1,820	2,149	2,194

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 June 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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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 any shares of common stock that are represented by awards granted under the previous stock option plan, the ImmunoGen, Inc. Restated Stock Option Plan, or the Former Plan, that are forfeited, expire or are cancelled without delivery of shares of common stock; provided, however, that no more than 5,900,000 shares shall be added to the 2006 Plan from the Former Plan, pursuant to this provision. 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 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 weighted average 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 amongst its employee population. 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.

	Year Ended June 30,		
	2014	2013	2012
Dividend	None	None	None
Volatility	60.44%	60.44%	59.70%
Risk-free interest rate	1.74%	0.87%	2.16%
Expected life (years)	6.3	6.3	7.1

Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during fiscal years 2014, 2013 and 2012 were $10.50, $8.60, and $9.00 per share, respectively.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

A summary of option activity under the 2006 Plan as of June 30, 2014, and changes during the twelve month period then ended is presented below (in thousands, except weighted-average data):

	Number of Stock Options	Weighted-Average Exercise Price	Weighted-Average Remaining Life in Yrs	Aggregate Intrinsic Value
Outstanding at June 30, 2013	7,653	$ 10.79		
Granted	2,391	$ 18.18		
Exercised	(1,134)	$ 8.05		
Forfeited/Canceled	(461)	$ 16.70		
Outstanding at June 30, 2014	8,449	$ 12.93	6.88	$ 14,351
Outstanding at June 30, 2014—vested or unvested and expected to vest	8,233	$ 12.83	6.82	$ 14,346
Exercisable at June 30, 2014	4,637	$ 9.79	5.48	$ 14,211

In November 2012, the Company granted an officer of the Company 50,000 shares of restricted stock upon hire. Pursuant to the agreement, the shares vest ratably in quarterly installments over the subsequent four years. The fair value of the restricted stock was determined by the closing price on the date of grant. A summary of restricted stock activity under the 2006 Plan as of June 30, 2014, and changes during the twelve month period then ended is presented below (in thousands, except weighted-average data):

	Number of Restricted Stock	Weighted-Average Exercise Price
Unvested at June 30, 2013	50,000	$ 11.93
Vested	(12,500)	$ 11.93
Unvested at June 30, 2014	37,500	$ 11.93

Stock compensation expense related to stock options and restricted stock awards granted under the 2006 Plan was $15.6 million, $12.4 million and $9.9 million during the fiscal years ended June 30, 2014, 2013, and 2012, respectively. As of June 30, 2014, the estimated fair value of unvested employee awards was approximately $22.2 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately two years.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

A summary of option activity for options vested during the fiscal years ended June 30, 2014, 2013 and 2012 is presented below (in thousands):

	Year Ended June 30,		
	2014	2013	2012
Total fair value of options vested	$ 12,535	$ 9,670	$ 5,647
Total intrinsic value of options exercised	9,961	6,737	12,476
Cash received for exercise of stock options	9,136	4,026	6,988

Comprehensive Loss

The Company presents comprehensive loss in accordance with ASC Topic 220, *Comprehensive Income.* Comprehensive loss is comprised of the Company's net loss for the years ended June 30, 2014, 2013 and 2012.

Segment Information

During the three fiscal years ended June 30, 2014, the Company continued to operate in one reportable business segment under the management approach of ASC Topic 280, *Segment Reporting*, 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 years ended June 30, 2014, 2013 and 2012 are included in the following table:

	Year Ended June 30,		
Collaborative Partner:	2014	2013	2012
Amgen	6%	6%	30%
Bayer HealthCare	—%	4%	15%
Biotest	3%	5%	14%
Lilly	18%	2%	2%
Novartis	38%	49%	16%
Roche	34%	30%	—%
Sanofi	1%	3%	23%

There were no other customers of the Company with significant revenues in the years ended June 30, 2014, 2013 and 2012.

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 and interim periods beginning after December 15, 2016 and allows for either full

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

B. Summary of Significant Accounting Policies (Continued)

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.

In July 2013, the FASB issued guidance to address the diversity in practice related to the financial statement presentation of unrecognized tax benefits as either a reduction of a deferred tax asset or a liability when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. This guidance is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

C. Agreements

Significant 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 US 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. They have also received marketing approval in various other countries around the world. Roche is responsible for the manufacturing, product development and marketing of any products resulting from the agreement. The Company is compensated for any preclinical and clinical materials that the Company manufactures under 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 June 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. The US marketing approval of Kadcyla in February 2013 triggered a $10.5 million regulatory milestone payment to the Company, which is included in license and milestone fees for the fiscal year ended June 30, 2013 The Company received two $5 million regulatory milestone payments in connection with marketing approval of Kadcyla in Japan and in the EU, which is included in license and milestone fees for the fiscal year ended June 30, 2014 Based on an evaluation of the effort contributed to the achievement of these milestones in fiscal years 2014 and 2013, the Company determined these milestones were 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 non-refundable payments as revenue upon achievement of the milestones. The next potential milestone the Company will be entitled to receive will be a $5 million regulatory milestone for marketing approval of Kadcyla for a first extended indication as defined in the agreement. Based on an

C. Agreements (Continued)

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 our revenue recognition policy, $10.3 million of royalties on net sales of Kadcyla for the twelve-month period ended March 31, 2014 were recorded and included in royalty revenue for the year ended June 30, 2014. The Company recorded $592,000 of royalties on net sales of Kadcyla for the three-month period ended March 31, 2013 in its fourth quarter of fiscal 2013. No royalty revenue was recorded in fiscal year 2012.

Roche, through its Genentech unit, also has licenses for the exclusive right to use the Company's maytansinoid ADC technology with antibodies to four undisclosed targets, which were granted under the terms of a separate May 2000 right-to-test agreement with Genentech. For each of these licenses the Company received a $1 million license fee and is entitled to receive up to a total of $38 million in milestone payments and also royalties on the sales of any resulting products. The total milestones are categorized as follows: development milestones—$8 million; regulatory milestones—$20 million; and sales milestones—$10 million. The Company has not received any milestone payments from these agreements through June 30, 2014. Roche is responsible for the development, manufacturing, and marketing of any products resulting from these licenses. The next potential milestone the Company will be entitled to receive under any of these agreements will be a development milestone for filing of an IND application which will result in a $1 million payment being due. At the time of execution of each of these development and commercialization licenses, there was significant uncertainty as to whether this milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing these products, this milestone was deemed substantive. Roche no longer has the right to take additional licenses under the right-to-test agreement. The Company received non-refundable technology access fees totaling $5 million for the eight-year term of the right-to-test agreement. The upfront fees were deferred and recognized ratably over the period during which Genentech could elect to obtain product licenses.

Amgen

Under a now-expired right-to-test agreement, in September 2009, November 2009 and December 2012, Amgen took three exclusive development and commercialization licenses, for which the Company received an exercise fee of $1 million for each license taken. In May 2013, Amgen took one non-exclusive development and commercialization license, for which the Company received an exercise fee of $500,000. In October 2013, the non-exclusive license was amended and converted to an exclusive license, for which Amgen paid an additional $500,000 fee to the Company. Amgen has sublicensed its rights under this license to Oxford BioTherapeutics Ltd. For each development and commercialization license taken, the Company is entitled to receive up to a total of $34 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones per license are categorized as follows: development milestones—$9 million; regulatory milestones—$20 million; and sales milestones—$5 million. Amgen (or its sublicensee(s)) is responsible for the manufacturing, product development and marketing of any products resulting from these development and commercialization licenses.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

Since a deliverable to the original right-to-test agreement was determined to be materially modified at the time the non-exclusive license was converted to exclusive in October 2013, the Company accounted for the multiple-element agreement in accordance with ACS 605-25 (as amended by ASU No. 2009-13). As a result, all of the deferred revenue recorded on the date of the modification and the new consideration received as part of the modification was allocated to all of the remaining deliverables at the time of amendment of the right-to-test agreement based on the estimated selling price of each element. The remaining amount represents consideration for previously delivered elements and was recognized upon the execution of the modification.

The outstanding licenses, including the exclusive license delivered upon the signing of the amendment, contain the rights to future technological improvements as well as options to purchase materials and research and development services. The Company concluded that additional materials and research and development services would be paid at a contractual price equal to the estimated selling price based estimated prices that would be charged by third parties for similar services. The estimated selling price of the right 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 such technological improvements made will be used by Amgen. 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 13%, representing the Company's estimate of its cost of capital at the time of amendment of the right-to-test agreement.

The $430,000 determined to be the estimated selling price of the future technological improvements is being recognized as revenue ratably over the period the Company is obligated to make available any technological improvements, which is equivalent to the estimated term of the agreement. 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 products pursuant to the license plus the estimated royalty term. The Company reassesses the estimated term at the end of each reporting period.

After accounting for the undelivered elements at the estimated selling price, the Company had $2.2 million of remaining allocable consideration which was determined to represent consideration for the previously delivered elements, including the exclusive license that was delivered upon the execution of the modification. This amount was recorded as revenue and is included in license and milestone fees for the year ended June 30, 2014.

In November 2011, the IND applications to the FDA for two compounds developed under the 2009 development and commercialization licenses became effective, which triggered two $1 million

C. Agreements (Continued)

milestone payments to the Company. These payments are included in license and milestone fees for the year ended June 30, 2012. The next potential milestone the Company will be entitled to receive under the 2009 development and commercialization licenses will be a development milestone for the first dosing of a patient in a Phase II clinical trial, which will result in a $3 million payment being due. The next potential milestones the Company will be entitled to receive under the December 2012 and May 2013 development and commercialization licenses will be a $1 million development milestone for an IND becoming effective. At the time of execution of each of these development and commercialization licenses, 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.

Costs directly attributable to the Amgen collaborative agreement are comprised of compensation and benefits related to employees who provided research and development services on behalf of Amgen as well as costs of clinical materials sold. Indirect costs are not identified to individual collaborators. The costs related to the research and development services amounted to approximately $179,000, $174,000 and $423,000 for fiscal years 2014, 2013 and 2012, respectively. The costs related to clinical materials sold were approximately $664,000, $670,000 and $649,000 for fiscal years 2014, 2013 and 2012, respectively.

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 June 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, 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 June 30, 2014, the Company has received and recognized an aggregate of $16.5 million in milestone payments for compounds covered under this agreement now or in the past, including a $500,000 development milestone related to an undisclosed target which is included in license and milestone fee revenue for the year ended June 30, 2013 and a $3 million milestone payment related to the initiation of a Phase IIb clinical trial (as defined in the agreement) for SAR3419, which is included in license and milestone fee revenue for the year ended June 30, 2012. In July 2014, Sanofi initiated a Phase II clinical trial for SAR650984 which triggered a $3 million payment to the Company. The next potential milestone the Company will be entitled to receive with respect to SAR566658 will be a development milestone for initiation of a Phase IIb clinical trial (as defined in the agreement), which will result 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 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 each of SAR408701 and the unidentified target

C. Agreements (Continued)

will be a development milestone for commencement of a Phase I clinical trial, which will result in each case 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. 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.

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. The Company has deferred the exercise fee and is recognizing the $2 million as revenue ratably over the Company's estimated period of its substantial involvement. 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 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. Sanofi is responsible for the manufacturing, product development and marketing of any products resulting from the agreement.

In addition to the $2 million exercise fee received for the development and commercialization license taken, the Company received upfront payments of $4 million under the right-to-test agreement, of which $500,000 was received in December 2006 upon execution of the agreement and $3.5 million was received in August 2008 upon Sanofi's activation of its rights under the agreement. The right-to-test agreement had a three-year original term from the activation date and was renewed by Sanofi in August 2011 for its final three-year term by payment of a $2 million fee. The Company has deferred the $2 million extension fee and is recognizing this amount as revenue over the period during which Sanofi can take additional options for development and commercialization licenses.

Biotest

In July 2006, the Company granted Biotest an exclusive development and commercialization license to our maytansinoid ADC technology for use with antibodies that target CD138. The product candidate BT-062 is in development under this agreement. Biotest is responsible for the manufacturing, product development and marketing of any products resulting from the agreement. The Company received a $1 million upfront payment upon execution of the agreement and could receive up to

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

$35.5 million in milestone payments, as well as royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$4.5 million; and regulatory milestones—$31 million. The Company receives payments for manufacturing any preclinical and clinical materials made at the request of Biotest. In September 2008, Biotest began Phase I evaluation of BT062 which triggered a $500,000 milestone payment to the Company. The next potential milestone we will be entitled to receive will be a development milestone for commencement of a Phase IIb clinical trial (as defined in the agreement) which will result in a $2 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 this product, these milestones were deemed substantive.

The agreement also provided the Company with the right to elect at specific stages during the clinical evaluation of any compound created under this agreement, to participate in the U.S. development and commercialization of that compound in lieu of receiving the milestone payments not yet earned and royalties on sales in the U.S. Currently, the Company can exercise this right during an exercise period specified in the agreement by notice and payment to Biotest of an agreed upon opt-in fee of $15 million. Upon exercise of this right, the Company would share equally with Biotest the associated further costs of product development and commercialization in the U.S. along with the profit, if any, from product sales in the U.S. The Company would also be entitled to receive royalties, on a reduced basis, on product sales outside the U.S.

Costs directly attributable to the Biotest collaborative agreement are comprised of compensation and benefits related to employees who provided research and development services on behalf of Biotest as well as costs of clinical materials sold. Indirect costs are not identified to individual collaborators. The costs related to the research and development services amounted to approximately $305,000, $339,000 and $233,000 for fiscal years 2014, 2013 and 2012, respectively. The costs related to clinical materials sold were approximately $670,000, $577,000 and $1.3 million for fiscal years 2014, 2013 and 2012, respectively.

Bayer HealthCare

In October 2008, the Company granted Bayer HealthCare an exclusive development and commercialization license to the Company's maytansinoid ADC technology for use with antibodies or other proteins that target mesothelin. Bayer HealthCare is responsible for the research, development, manufacturing and marketing of any products resulting from the license. The Company received a $4 million upfront payment upon execution of the agreement, and—for each compound developed and marketed by Bayer HealthCare under this collaboration—the Company is entitled to receive a total of $170.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$16 million; regulatory milestones—$44.5 million; and sales milestones—$110 million. Through June 30, 2014, the Company has received and recognized an aggregate of $3 million in milestone payments under this agreement. At the time of execution of this agreement, there was significant uncertainty as to whether these received and recognized milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and supply of cytotoxic agent for this product candidate, these milestones were deemed substantive. The next potential milestone the Company will be entitled to receive will be a development milestone for commencement of a non-pivotal Phase II clinical trial, which will result in

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

a $4 million payment being due. At the time of execution of this agreement, there was significant uncertainty as to whether this milestone would be achieved. In consideration of this, as well as the Company's past involvement in the research and supply of cytotoxic agent for this product candidate, this milestone was deemed substantive.

The Company had previously deferred the $4 million upfront payment received and was recognizing this amount as revenue ratably over the estimated period of substantial involvement. The Company had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the first quarter of fiscal 2012, Bayer HealthCare initiated Phase I clinical testing of its product candidate. In reaching this stage of clinical testing, Bayer HealthCare developed its own processes for manufacturing required clinical material and produced clinical material in its own manufacturing facility. Considering that Bayer HealthCare was able to accomplish this without significant reliance on the Company, and considering that the Company's expected future involvement would be primarily supplying Bayer HealthCare with small quantities of cytotoxic agents for a limited period of time, the Company believed its period of substantial involvement would end prior to the completion of non-pivotal Phase II testing. As a result of this determination, beginning in September 2011, the Company recognized the balance of the upfront payment as revenue ratably through September 2012. This change in estimate resulted in an increase to license and milestone fees of approximately $1.2 million for the fiscal year ending June 30, 2012 compared to amounts that would have been recognized pursuant to the Company's previous estimate. Costs directly attributable to the Bayer collaborative agreement related to costs of clinical materials sold, which were approximately $297,000 and $213,000 for fiscal years 2013 and 2012, respectively. There were no similar costs recorded in fiscal year 2014.

Novartis

In October 2010, the Company entered into a three-year right-to-test agreement with Novartis Institutes for BioMedical Research, Inc. (Novartis). The agreement provides Novartis with the right to (a) test the Company's ADC technology with individual antibodies provided by Novartis under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to individual targets selected by Novartis for specified option periods and (c) upon exercise of those options, take exclusive licenses to use the Company's 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 initial three-year term of the right-to-test agreement was extended by Novartis in October 2013 for an additional one-year period by payment of a $5 million fee to the Company. In addition to the one-year extension taken in October 2013, the terms of the right-to-test agreement allow Novartis to extend the research term for one additional one-year period by payment of additional consideration. The terms of the right-to-test agreement require Novartis to exercise its options for the development and commercialization licenses by the end of the term of the research license. The Company received a $45 million upfront payment in connection with the execution of the right-to-test agreement, and for each development and commercialization license for a specific target, the Company is entitled to receive an exercise fee of $1 million and up to a total of $199.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$22.5 million; regulatory milestones—$77 million; and sales milestones—$100 million. The Company also is entitled to receive payments for research and

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

development activities performed on behalf of Novartis. Novartis is responsible for the manufacturing, product development and marketing of any products resulting from this agreement.

In March 2013, the Company and Novartis amended the right-to-test agreement so that Novartis can take a license to develop and commercialize products directed at two pre-defined and related undisclosed targets, one target licensed on an exclusive basis and the other target initially licensed on a non-exclusive basis. The target licensed on a non-exclusive basis may be converted to an exclusive target by notice and payment to the Company of an agreed-upon fee of at least $5 million, depending on specific circumstances. The Company received a $3.5 million fee in connection with the execution of the amendment to the agreement. The Company may be required to credit this fee against future milestone payments if Novartis discontinues the development of a specified product under certain circumstances.

In connection with the amendment, in March 2013, Novartis took the license referenced above under the right-to-test agreement, as amended, enabling it to develop and commercialize products directed at the two targets. The Company received a $1 million upfront fee with the execution of this license. Additionally, the execution of this license provides the Company the opportunity to receive milestone payments totaling $199.5 million (development milestones—$22.5 million; regulatory milestones—$77 million; and sales milestones—$100 million) or $238 million (development milestones—$22.5 million; regulatory milestones—$115.5 million; and sales milestones—$100 million), depending on the composition of any resulting products.

In October 2013 and November 2013, Novartis took its second and third exclusive licenses to single targets, each triggering a $1 million payment to the Company and the opportunity to receive milestone payments totaling $199.5 million for each license taken, as outlined above, plus royalties on the commercial sales of any resulting products. The next payment the Company could receive would either be a $5 million development milestone for commencement of a Phase I clinical trial under any of these three licenses, or a $1 million exercise fee for the execution of a fourth license. At the time of execution of these agreements, 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. Additionally, the Company is entitled to receive royalties on product sales, if any. Novartis also has the right to convert the noted non-exclusive license to an exclusive license, in which case the Company would be entitled to receive, depending on the composition of resultant products, an upward adjustment on milestone payments.

In accordance with ACS 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 and subsequently when amended. The significant deliverables were determined to be the right-to-test, or research, license, the development and commercialization licenses, rights to future technological improvements, 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 Novartis to obtain development and commercialization licenses, (ii) the size of the exercise fee of $1 million for each development and commercialization license obtained is not

IMMUNOGEN, INC.

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C. Agreements (Continued)

significant relative to the $45 million upfront payment that was due at the inception of the right-to-test agreement, (iii) the limited economic benefit that Novartis 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 Novartis would derive if they did not obtain any development and commercialization licenses. The Company has also determined that this unit of accounting does have stand-alone value from the rights to future technological improvements and the research services. The rights to future technological improvements 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 Novartis would be able to use those items for their intended purpose without the undelivered elements. The research services have stand-alone value as similar services are sold separately by other vendors.

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 the Company's understanding of pricing terms offered by its competitors for single-target development and commercialization licenses that utilize ADC 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 right 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 such technological improvements made will be used by Novartis. 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 research services was based on third-party evidence given the nature of the research services to be performed for Novartis and market rates for similar services.

Upon payment of the extension fee in October 2013, the total arrangement consideration of $60.2 million (which comprises the $45 million upfront payment, the amendment fee of $3.5 million, the $5 million extension fee, the exercise fee for each license, and the expected fees for the research services to be provided under the remainder of the arrangement) was reallocated to the deliverables

C. Agreements (Continued)

based on the relative selling price method as follows: $55 million to the delivered and undelivered development and commercialization licenses; $4.5 million to the rights to future technological improvements; and $710,000 to the research services. The Company recorded $17.2 million of the $55 million of the arrangement consideration outlined above for the two development and commercialization licenses taken by Novartis in October 2013 and November 2013, which is included in license and milestone fee revenue for the year ended June 30, 2014. The Company also recorded a cumulative catch-up of $1 million for the license delivered in March 2013 and the delivered portion of the license covering future technological improvements, which is included in license and milestone fee revenue for the year ended June 30, 2014. Upon execution of the development and commercialization license taken by Novartis in March 2013, the Company recorded $11.1 million of the arrangement consideration outlined above, which is included in license and milestone fee revenue for the fiscal year ended June 30, 2013.

Since execution of the first development and commercialization license taken in March 2013, the amount of the total arrangement consideration allocated to future technological improvements is being recognized as revenue ratably over the period the Company is obligated to make available any technological improvements, which is equivalent to the estimated term of the agreement. 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 products pursuant to the license plus the estimated royalty term. The Company reassesses the estimated term at the end of each reporting period. The Company does not control when Novartis will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when it will recognize the related remaining license revenue except that it will be within the term of the research license. The Company will recognize research services revenue as the related services are delivered.

Costs directly attributable to the Novartis collaborative agreement are comprised of compensation and benefits related to employees who provided research and development services on behalf of Novartis as well as costs of clinical materials sold. Indirect costs are not identified to individual collaborators. The costs related to the research and development services amounted to $1.4 million, $2.4 million and $1.1 million for fiscal years 2014, 2013 and 2012, respectively. The costs related to clinical materials sold were approximately $1.3 million, $134,000 and $14,000 for fiscal years 2014, 2013 and 2012, respectively.

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 exclusive license to a single target.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

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.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

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.

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

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

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 year ended June 30, 2014. 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.

In December 2013, the Company 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 the Company 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 the Company 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 additional development and commercialization licenses, if any, taken 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. Due to the contingent nature of the extension fees, the lack of overall change in the total consideration for the licenses and the Company's conclusion that there has been no change in the relative selling prices originally used in the allocation of the consideration, there was no accounting impact upon the execution of the amendment.

Costs directly attributable to the Lilly collaborative agreement are comprised of compensation and benefits related to employees who provided research and development services on behalf of Lilly as well as costs of clinical materials sold. Indirect costs are not identified to individual collaborators. The costs related to the research and development services amounted to approximately $1.2 million, $310,000 and $94,000 for fiscal years 2014, 2013 and 2012 respectively. The costs related to clinical materials sold were approximately $26,000 and $10,000 for fiscal years 2014 and 2013, respectively. There were no similar costs recorded in fiscal year 2012.

CytomX

In January 2014, the Company entered into a reciprocal right-to-test agreement with CytomX Therapeutics, Inc. (CytomX). The agreement provides CytomX with the right to test the Company's

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

ADC technology with CytomX Probodies™ to create Probody-drug conjugates (PDCs) directed to a specified number of targets under a right-to-test, or research, license, and to subsequently take an exclusive, worldwide license to use the Company's ADC technology to develop and commercialize PDCs directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The Company received no upfront cash payment in connection with the execution of the right-to-test agreement. Instead, the Company received reciprocal rights to CytomX's Probody technology whereby the Company was provided the right to test CytomX's Probody technology to create PDCs directed to a specified number of targets and to subsequently take exclusive, worldwide licenses to develop and commercialize PDCs directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require the Company and CytomX to each take its respective development and commercialization licenses by the end of the term of the research licenses. In addition, both the Company and CytomX are required to perform specific research activities under the right-to-test agreement on behalf of the other party for no monetary consideration.

With respect to the development and commercialization license that may be taken by CytomX, the Company is entitled to receive up to a total of $160 million in milestone payments plus royalties on the commercial sales of any resulting product. The total milestones are categorized as follows: development milestones—$10 million; regulatory milestones—$50 million; and sales milestones—$100 million. Assuming no annual maintenance fee is payable as described below, the next payment the Company could receive would be a $1 million development milestone payment with commencement of a Phase I clinical trial. At the time of execution of the right-to-test agreement, there was significant uncertainty as to whether the milestone related to the Phase I clinical trial would be achieved. In consideration of this, as well as the Company's expected involvement in the research and manufacturing of any product candidate, this milestone was deemed substantive. CytomX is responsible for the manufacturing, product development and marketing of any PDC resulting from the development and commercialization license taken by CytomX under this collaboration.

With respect to any development and commercialization license that may be taken by the Company, the Company will potentially be required to pay up to a total of $80 million in milestone payments per license, plus royalties on the commercial sales of any resulting product. The total milestones per license are categorized as follows: development milestones—$7 million; regulatory milestones—$23 million; and sales milestones—$50 million. Assuming no annual maintenance fee is payable as described below, the next payment the Company could be required to make is a $1 million development milestone payment with commencement of a Phase I clinical trial. The Company is responsible for the manufacturing, product development and marketing of any PDC resulting from any development and commercialization license taken by the Company under this collaboration.

In addition, each party may be liable to pay annual maintenance fees to the other party if the licensed PDC product candidate covered under each development and commercialization license has not progressed to a specified stage of development within a specified time frame.

The arrangement was accounted for based on the fair value of the items exchanged. The items to be delivered to CytomX under the arrangement are accounted for under the Company's revenue recognition policy. The items to be received from CytomX are recorded as research and development expenses as incurred.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

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 license, rights to future technological improvements, and the research services. The research license in the right-to-test agreement was determined not to be substantive and, as a result, the exclusive development and commercialization license was considered a deliverable at the inception of the right-to-test agreement. Factors that were considered in determining the research license was not substantive included (i) the overall objective of the agreement is for CytomX to obtain a development and commercialization license, (ii) there are no exercise fees payable upon taking the development and commercialization license, (iii) the limited economic benefit that CytomX could obtain from the right-to-test agreement unless CytomX was able to take the development and commercialization license, and (iv) the lack of economic penalties as a result of taking the license.

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

The estimated selling price for the development and commercialization license is the Company's best estimate of selling price and was determined based on market conditions, similar arrangements entered into by third parties, including pricing terms offered by the Company's 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. In order to determine the best estimate of selling price, the Company determined the overall value of a license by calculating a risk-adjusted net present value of a recent, comparable transaction the Company entered into with another collaborator. This overall value was then decreased by risk-adjusting the net present value of the contingent consideration (the milestones and royalties) payable by CytomX under the development and commercialization license. This amount represents the value that a third party would be willing to pay as an upfront payment for this license to the Company's technology.

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 CytomX. In estimating these probabilities, the Company considered factors such as the technology that is the subject of the development and commercialization license, the Company's history of making

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

technological improvements, and when such improvements, if any, were likely to occur relative to the stage of development of the product candidate pursuant to the development and commercialization license. 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 the 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 candidate. The estimate of probability was multiplied by the estimated selling price of the development and commercialization license and the resulting cash flow was discounted at a rate of 13%, representing the Company's estimate of its cost of capital at the time.

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 CytomX and market rates for similar services.

The total allocable consideration of $13.1 million (which comprises the $13.0 million that a third party would be willing to pay as an upfront payment for this license to the Company's technology plus $140,000 for the fair value of fees for the research services to be provided) was allocated to the deliverables based on the relative selling price method as follows: $12.7 million to the development and commercialization license; $350,000 to the rights to future technological improvements and $140,000 to the research services. The Company will recognize as license revenue the amount of the total allocable consideration allocated to the development and commercialization license when the development and commercialization license is delivered to CytomX. At the time the license is taken, the amount of the total allocable 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 be required to reassess the estimated term at each subsequent reporting period. The Company does not control when CytomX will take the development and commercialization license. 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 as the related services are delivered.

No license fee revenue has been recognized related to this agreement through June 30, 2014 as the research license was not considered to be substantive and the development and commercialization license had not been delivered at this time. Accordingly, $13.0 million of allocated arrangement consideration is included in long-term deferred revenue at June 30, 2014.

The $13.1 million of total allocable consideration to be accounted for as revenue described above is also the amount that was used to account for the expense of the licenses and research services the Company received or will receive from CytomX. Based on an estimate of the research services that CytomX will be providing to the Company for no monetary consideration, $310,000 was allocated to such services and will be expensed over the period the services are provided. The balance of $12.8 million pertains to technology rights received and these amounts have been charged to research and development expense during the year ended June 30, 2014 upon execution of the research agreement.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

C. Agreements (Continued)

Other Collaborative Agreements

In December 2004, the Company entered into a development and license agreement with a predecessor to Janssen Biotech (formerly known as Centocor), a wholly owned subsidiary of Johnson & Johnson. Under the terms of this agreement, Janssen was granted exclusive worldwide rights to develop and commercialize anticancer therapeutics that consist of the Company's maytansinoid cell-killing agent attached to an av integrin-targeting antibody that was developed by Janssen. Under the terms of the agreement, the Company received an upfront payment of $1 million upon execution of the agreement.

In December 2007, the Company licensed from Janssen the exclusive, worldwide right to develop and commercialize an ADC compound, IMGN388, that consists of an av integrin-targeting antibody developed by them and one of the Company's maytansinoid cell-killing agents. This license reallocated the parties' respective responsibilities and financial obligations from the license referenced above. In November 2011, the Company announced its decision to discontinue development of IMGN388. During the first quarter of fiscal 2013, the 2007 license agreement was terminated with rights to the product candidate reverting back to Janssen. Per notice to the Company, effective July 2014, Janssen relinquished its rights to the product candidate. Accordingly, the remaining $241,000 of the $1 million upfront fee received from Janssen upon execution of the 2004 license agreement is included in short-term deferred revenue at June 30, 2014.

D. Cash and Cash Equivalents

As of June 30, 2014 and June 30, 2013, the Company held $142.3 million and $195.0 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. Property and Equipment

Property and equipment consisted of the following at June 30, 2014 and 2013 (in thousands):

	June 30,	
	2014	2013
Leasehold improvements	$ 28,464	$ 26,777
Machinery and equipment	16,724	14,741
Computer hardware and software	5,846	4,894
Furniture and fixtures	1,876	1,540
Assets under construction	3,688	814
	$ 56,598	$ 48,766
Less accumulated depreciation	(42,249)	(37,983)
Property and equipment, net	$ 14,349	$ 10,783

Depreciation expense was approximately $4.6 million for each of the years ended June 30, 2014, 2013 and 2012. Included in the table above, the Company's investment in equipment under capital leases was $574,000, net of accumulated amortization of $50,000, at June 30, 2014 and $110,000, net of accumulated amortization of $22,000, at June 30, 2013.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

F. Income Taxes

The difference between the Company's expected tax benefit, as computed by applying the U.S. federal corporate tax rate of 34% to loss before the benefit for income taxes, and actual tax is reconciled in the following chart (in thousands):

	Year Ended June 30,		
	2014	2013	2012
Loss before income tax expense	$ (71,364)	$ (72,811)	$ (73,319)
Expected tax benefit at 34%	$ (24,264)	$ (24,756)	$ (24,928)
Permanent differences	1,953	1,540	1,470
State tax benefit net of federal benefit	(4,062)	(3,921)	(4,204)
Increase in valuation allowance, net	26,011	25,624	25,274
Federal research credit	(1,002)	(2,260)	(603)
Expired loss and credit carryforwards	1,364	3,773	2,991
Benefit for income taxes	$ —	$ —	$ —

At June 30, 2014, the Company has net operating loss carryforwards of approximately $388.8 million available to reduce federal taxable income, if any, that expire in 2019 through 2034 and $227.9 million available to reduce state taxable income, if any, that expire in fiscal 2019 through fiscal 2034. Included in the federal and state carryforwards is $24.6 million and $21.2 million, respectively, related to deductions from the exercise of stock options and the related tax benefit will result in an increase in additional paid-in capital if and when realized through a reduction of taxes paid in cash. The Company also has federal and state research tax credits of approximately $16.8 million available to offset federal and state income taxes, which expire beginning in fiscal 2015. Due to the degree of uncertainty related to the ultimate use of the loss carryforwards and tax credits, the Company has established a valuation allowance to fully reserve these tax benefits.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

F. Income Taxes (Continued)

purposes. Significant components of the Company's deferred tax assets as of June 30, 2014 and 2013 are as follows (in thousands):

	June 30,	
	2014	2013
Net operating loss carryforwards	$ 144,230	$ 121,937
Research and development tax credit carryforwards	14,453	12,806
Property and other intangible assets	2,386	2,077
Deferred revenue	24,095	25,484
Stock-based compensation	9,047	6,534
Deferred lease incentive	3,908	3,996
Other liabilities	1,234	508
Total deferred tax assets	$ 199,353	$ 173,342
Valuation allowance	(199,353)	(173,342)
Net deferred tax assets	$ —	$ —

The valuation allowance increased by $26.0 million during 2014 due primarily to the additional net loss recognized during the year, partially offset by the expiration of net operating loss carryforwards.

Utilization of the NOL and R&D credit carryforwards may be subject to a substantial annual limitation due to ownership change limitations that have occurred previously or that could occur in the future as provided by Section 382 of the Internal Revenue Code of 1986, as well as similar state and foreign provisions. These ownership changes may limit the amount of NOL and R&D credit carry forwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an ownership change, as defined by Section 382, results from transactions increasing the ownership of certain shareholders or public groups in the stock of a corporation by more than 50 percentage points over a three-year period. Since the Company's formation, it has raised capital through the issuance of capital stock on several occasions (both pre and post initial public offering) which, combined with the purchasing shareholders' subsequent disposition of those shares, may have resulted in a change of control, as defined by Section 382, or could result in a change of control in the future upon subsequent disposition. The Company has not currently completed a study to assess whether a change of control has occurred or whether there have been multiple changes of control since its formation due to the significant complexity, costs associated with such study and the possibility that there could be additional changes in control in the future. If the Company has experienced a change of control at any time since its formation, utilization of its NOL or R&D credit carry forwards would be subject to an annual limitation under Section 382 which is determined by first multiplying the value of the Company's stock at the time of the ownership change by the applicable long-term tax-exempt rate, and then could be subject to additional adjustments, as required. Any limitation may result in expiration of a portion of the NOL or R&D credit carry forwards before utilization. Further, until a study is completed and any limitation known, no amounts are being presented as an uncertain tax position. The Company does not expect to have any taxable income for at least the next several years.

Interest and penalties related to the settlement of uncertain tax positions, if any, will be reflected in income tax expense. The Company did not recognize any interest and penalties associated with

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

F. Income Taxes (Continued)

unrecognized tax benefits in the accompanying consolidated financial statements. The Company does not expect any material changes to the unrecognized benefits within 12 months of the reporting date. Due to existence of the valuation allowance, future changes in the Company's unrecognized tax benefits will not impact our effective tax rate. The Company's loss carryforwards are subject to adjustment by state and federal taxing authorities, commencing when those losses are utilized to reduce taxable income.

G. Capital Stock

Sale of Common Stock

On May 19, 2011, the Company filed a Registration Statement on Form S-3 with the Securities and Exchange Commission. Pursuant to the shelf registration statement, in July 2012, the Company issued and sold a total of 6,250,000 shares of its common stock at $16.00 per share through a public offering resulting in gross proceeds of $100 million.

Common Stock Reserved

At June 30, 2014, the Company has reserved 11.39 million shares of authorized common stock for the future issuance of shares under the 2006 Plan and the 2004 Director Plan. See "Stock-Based Compensation" in Note B for a description of the 2006 Plan and the Former Plan and Note G below for a description of the 2004 Director Plan.

Stock Options

As of June 30, 2014, the 2006 Plan was the only employee share-based compensation plan of the Company. During the year ended June 30, 2014, holders of options issued under the 2006 Plan and the Former Plan exercised their rights to acquire an aggregate of 1.1 million shares of common stock at prices ranging from $3.19 to $15.83 per share. The total proceeds to the Company from these option exercises were approximately $9.1 million.

The Company granted options with an exercise price equal to the fair market value of the common stock on the date of such grant. The following options and their respective weighted- average exercise prices per share were exercisable at June 30, 2014, 2013 and 2012:

	Exercisable (in thousands)	Weighted-Average Exercise Price
June 30, 2014	4,637	$ 9.79
June 30, 2013	4,202	$ 7.97
June 30, 2012	3,416	$ 6.34

2001 Non-Employee Director Stock Plan

In November 2001, the Company's shareholders approved the establishment of the 2001 Non-Employee Director Stock Plan, or the 2001 Director Plan, and 50,000 shares of common stock to be reserved for grant thereunder. The 2001 Director Plan provided for the granting of awards to

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

G. Capital Stock (Continued)

Non-Employee Directors and, at the election of Non-Employee Directors, to have all or a portion of their awards in the form of cash, stock, or stock units. All stock or stock units are immediately vested. The number of stock or stock units issued was determined by the market value of the Company's common stock on the last date of the Company's fiscal quarter for which the services are rendered. The 2001 Director Plan was administered by the Board of Directors which was authorized to interpret the provisions of the 2001 Director Plan, determine which Non-Employee Directors would be granted awards, and determine the number of shares of stock for which a stock right will be granted. The 2001 Director Plan was replaced in 2004 by the 2004 Non-Employee Director Compensation and Deferred Share Unit Plan.

During the years ended June 30, 2014, 2013 and 2012, the Company recorded approximately $(30,000), $(1,000), and $29,000 in (expense reduction) compensation expense, respectively, related to approximately 6,000 stock units outstanding under the 2001 Director Plan. The value of the stock units is adjusted to market value at each reporting period. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004. Pursuant to the 2001 Plan, in November 2011, the Company paid a retiring director approximately $115,000 to settle outstanding stock units.

2004 Non-Employee Director Compensation and Deferred Share Unit Plan

In June 2004, the Board of Directors approved the establishment of the 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, or the 2004 Director Plan. The 2004 Director Plan provided for the compensation of Non-Employee Directors, awarding their annual retainers in the form of deferred share units, and, at their discretion, to have all or a portion of their other compensation such as meeting fees in the form of cash or deferred share units. The deferred share units for annual retainers vested one-twelfth monthly over the next year after the award; other deferred share units vested immediately upon issuance. The number of deferred share units issued was determined by the market value of the Company's common stock on the last date of the Company's fiscal year prior to the fiscal year for which services were rendered. The deferred share units were to be paid out in cash to each non-employee director based upon the market value of the Company's common stock on the date of such director's retirement from the Board of Directors of the Company. The 2004 Director Plan was administered by the Board of Directors.

The 2004 Director Plan was amended on September 5, 2006. Under the terms of the amended 2004 Director Plan, the redemption amount of deferred share units will be paid in shares of common stock of the Company under the 2006 Plan in lieu of cash. As a result of the change in payout structure, the value of the vested awards was transferred to additional paid-in capital as of the modification date and the total value of the awards, as calculated on the modification date, was expensed over the remainder of the vesting period. Accordingly, the value of the share units is fixed and will no longer be adjusted to market value at each reporting period. In addition, the amended 2004 Director Plan changed the vesting for annual retainers to take place quarterly over the three years after the award and the number of deferred share units awarded for all compensation is now based on the market value of the Company's common stock on the date of the award.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

G. Capital Stock (Continued)

Compensation Policy for Non-Employee Directors

On September 16, 2009, the Board adopted a new Compensation Policy for Non-Employee Directors, which superseded the 2004 Plan and made certain changes to the compensation of its non-employee directors. The policy was amended on November 11, 2009 to provide that, whenever the Board has a non-employee Chairman in lieu of a Lead Director, the cash payment for the non-employee Chairman of the Board shall be the same as the cash compensation that would otherwise have been payable to the Lead Director. Effective November 12, 2009, non-employee directors became entitled to receive annual meeting fees and committee fees under the new policy. The new policy made changes to the equity portion of the non-employee director compensation, but left the cash portion unchanged. Effective November 11, 2009, non-employee directors became entitled to receive deferred stock units under the new policy as follows:

- New non-employee directors will be initially awarded a number of deferred stock units having an aggregate market value of $65,000, based on the closing price of our common stock on the date of their initial election to the Board. These awards will vest quarterly over three years from the date of grant, contingent upon the individual remaining a director of ImmunoGen as of each vesting date.

- On the first anniversary of a non-employee director's initial election to the Board, such non-employee director will be awarded a number of deferred stock units having an aggregate market value of $30,000, based on the closing price of our common stock on such date of grant and pro-rated based on the number of whole months remaining between the first day of the month in which such grant date occurs and the first October 31 following the grant date. These awards will generally vest quarterly over approximately the period from the grant date to the first November 1 following the grant date, contingent upon the individual remaining a director of ImmunoGen as of each vesting date.

- Thereafter, non-employee directors in general will be annually awarded a number of deferred stock units having an aggregate market value of $30,000, based on the closing price of our common stock on the date of our annual meeting of shareholders. These awards will 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.

As with the 2004 Plan, vested deferred stock units are redeemed on the date a director ceases to be a member of the Board, at which time such director's deferred stock units will be settled in shares of our common stock issued under our 2006 Plan at a rate of one share for each vested deferred stock unit then held. Any deferred stock units that remain unvested at that time will be forfeited. The new policy provides that all unvested deferred stock units will automatically vest immediately prior to the occurrence of a change of control, as defined in the 2006 Plan. Pursuant to the Compensation Policy for Non-Employee Directors, the Company issued two retiring directors an aggregate 46,298 shares of common stock of the Company to settle outstanding deferred share units in November 2011, and 43,615 shares of common stock to a retiring director in November 2013.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

G. Capital Stock (Continued)

In connection with the adoption of the new compensation policy, the Board also amended the 2004 Plan as follows:

- All unvested deferred stock awards (other than any unvested initial awards) were vested in full on September 16, 2009 unless the date such deferred stock units were credited to the non-employee director was less than one year prior to September 16, 2009, in which case such unvested deferred stock units will vest on the first anniversary of the date such deferred stock units were credited to the non-employee director.

- All unvested deferred stock awards will automatically vest immediately prior to the occurrence of a change of control.

On September 22, 2010, the Board revised the Compensation Policy for Non-Employee Directors to provide that, in addition to the compensation they received previously, they would also become entitled to receive stock option awards having a grant date fair value of $30,000, 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.

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, 41,805 and 33,187 options in fiscal years ended 2014, 2013 and 2012, respectively, and the related compensation expense is included in the amounts discussed in the "Stock-Based Compensation" section of footnote B above.

Pursuant to the Compensation Policy for Non-Employee Directors, as amended, the Company recorded approximately:

- $433,000 in compensation expense during the year ended June 30, 2014 related to the grant of 28,000 deferred share units and 19,000 deferred share units previously granted;

- $351,000 in compensation expense during the year ended June 30, 2013 related to the grant of 26,000 deferred share units and 21,000 deferred share units previously granted; and

- $314,000 in compensation expense during the year ended June 30, 2012 related to the grant of 33,000 deferred share units and 19,000 deferred share units previously granted.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

H. 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.

Facilities rent expense, net of sublease income, was approximately $5.4 million, $4.8 million and $4.8 million during fiscal years 2014, 2013 and 2012, respectively.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

H. Commitments and Contingencies (Continued)

As of June 30, 2014, the minimum rental commitments, 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	$ 7,150
2016	6,924
2017	6,941
2018	7,046
2019	6,235
Thereafter	43,887
Total minimum lease payments	$ 78,183
Total minimum rental income from subleases	(408)
Total minimum lease payments, net	$ 77,775

There are no obligations under capital leases as of June 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 regulatory 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. During the first quarter of fiscal 2013, the Company's license agreement with Janssen Biotech was terminated and, accordingly, the Company is no longer obligated to make $41.0 million of potential future success-based milestone and third-party payments under such agreement. As of June 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.

Litigation

The Company is not party to any material litigation.

I. Employee Benefit Plans

The Company has a deferred compensation plan under Section 401(k) of the Internal Revenue Code (the 401(k) Plan). Under the 401(k) Plan, eligible employees are permitted to contribute, subject to certain limitations, up to 100% of their gross salary and the Company's matching contribution is 50% of the first 6% of the eligible employees' contributions. In fiscal years 2014, 2013 and 2012, the Company's contributions to the 401(k) Plan totaled approximately $710,000, $593,000, and $548,000, respectively.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS OF JUNE 30, 2014

J. Quarterly Financial Information (Unaudited)

	Fiscal Year 2014			
	First Quarter Ended September 30, 2013	Second Quarter Ended December 31, 2013	Third Quarter Ended March 31, 2014	Fourth Quarter Ended June 30, 2014
	(In thousands, except per share data)			
Revenues:				
License and milestone fees	$ 13,167	$ 25,678	$ 305	$ 305
Royalty revenue	2,053	2,335	2,558	3,400
Research and development support	1,990	1,922	1,948	1,327
Clinical materials revenue	8	125	2,064	711
Total revenues	17,218	30,060	6,875	5,743
Expenses:				
Research and development	22,029	20,862	38,280	25,787
General and administrative	6,526	5,447	6,040	6,456
Total expenses	28,555	26,309	44,320	32,243
Loss from operations	(11,337)	3,751	(37,445)	(26,500)
Other income (expense), net	111	62	(7)	1
Net (loss) income	$ (11,226)	$ 3,813	$ (37,452)	$ (26,499)
Basic and diluted net (loss) income per common share	$ (0.13)	$ 0.04	$ (0.44)	$ (0.31)

	Fiscal Year 2013			
	First Quarter Ended September 30, 2012	Second Quarter Ended December 31, 2012	Third Quarter Ended March 31, 2013	Fourth Quarter Ended June 30, 2013
	(In thousands, except per share data)			
Revenues:				
License and milestone fees	$ 933	$ 429	$ 22,010	$ 855
Royalty revenue	—	—	—	592
Research and development support	1,377	2,036	2,257	2,203
Clinical materials revenue	1,781	147	734	181
Total revenues	4,091	2,612	25,001	3,831
Expenses:				
Research and development	23,700	21,656	21,318	20,399
General and administrative	5,639	5,464	4,995	5,373
Total expenses	29,339	27,120	26,313	25,772
Loss from operations	(25,248)	(24,508)	(1,312)	(21,941)
Other income (expense), net	56	115	(39)	66
Net loss	$ (25,192)	$ (24,393)	$ (1,351)	$ (21,875)
Basic and diluted net loss per common share	$ (0.30)	$ (0.29)	$ (0.02)	$ (0.26)

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

1. Disclosure Controls and Procedures

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

2. Internal Control Over Financial Reporting

(a) Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the U.S. and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of June 30, 2014. In making this assessment, management used the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO, in 1992.

Based on this assessment, management has concluded that, as of June 30, 2014 our internal control over financial reporting is effective.

Ernst & Young LLP, our independent registered public accounting firm, has issued a report on the effectiveness of our internal control over financial reporting as of June 30, 2014. This report appears immediately below.

(b) Attestation Report of the Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of ImmunoGen, Inc.

We have audited ImmunoGen, Inc.'s internal control over financial reporting as of June 30, 2014, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework) (the COSO criteria). ImmunoGen, Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, ImmunoGen, Inc. maintained, in all material respects, effective internal control over financial reporting as of June 30, 2014 based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of ImmunoGen, Inc. as of June 30, 2014 and 2013, and the related consolidated statements of operations and comprehensive loss, shareholders' equity, and cash flows for each of the three years in the period ended June 30, 2014 and our report dated August 28, 2014 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Boston, Massachusetts
August 28, 2014

(c) Changes in Internal Control Over Financial Reporting

There have not been any changes in our 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 June 30, 2014 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

3. Limitations on the Effectiveness of Controls

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or its internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within an organization have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake.

Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 9B. ***Other Information***

None.

PART III

The information called for by Part III of Form 10-K (Item 10—Directors, Executive Officers and Corporate Governance of the Registrant, Item 11—Executive Compensation, Item 12—Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, Item 13—Certain Relationships and Related Transactions, and Director Independence, and Item 14—Principal Accounting Fees and Services) is incorporated by reference from our proxy statement related to our 2014 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission not later than October 28, 2014 (120 days after the end of the fiscal year covered by this Annual Report on Form 10-K), except that information required by Item 10 concerning our executive officers appears in Part I, Item 3.1 of this Annual Report on Form 10-K.

PART IV

Item 15. ***Exhibits, Financial Statement Schedules***

(a) Financial Statements:

(1) See "Index to Consolidated Financial Statements" at Item 8 of this Annual Report on Form 10-K. Schedules not included herein are omitted because they are not applicable or the required information appears in the accompanying Consolidated Financial Statements or Notes thereto.

(2) The following schedule is filed as part of this Annual Report on Form 10-K:

Schedule II—Valuation and Qualifying Accounts for the years ended June 30, 2014, 2013 and 2012.

(3) See Exhibit Index following the signature page to this Annual Report on Form 10-K.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IMMUNOGEN, INC.

By: /s/ DANIEL M. JUNIUS

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

Dated: August 28, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ DANIEL M. JUNIUS Daniel M. Junius	President, Chief Executive Officer and Director (Principal Executive Officer)	August 28, 2014
/s/ DAVID B. JOHNSTON David B. Johnston	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	August 28, 2014
/s/ STEPHEN MCCLUSKI Stephen McCluski	Chairman of the Board of Directors	August 28, 2014
/s/ MARK GOLDBERG, M.D. Mark Goldberg, M.D.	Director	August 28, 2014
/s/ DEAN MITCHELL Dean Mitchell	Director	August 28, 2014
/s/ NICOLE ONETTO, M.D. Nicole Onetto, M.D.	Director	August 28, 2014
/s/ KRISTINE PETERSON Kristine Peterson	Director	August 28, 2014
/s/ HOWARD PIEN Howard Pien	Director	August 28, 2014
/s/ JOSEPH VILLAFRANCA PH.D. Joseph Villafranca, Ph.D.	Director	August 28, 2014
/s/ RICHARD WALLACE	Director	August 28, 2014

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
3.1	Restated Articles of Organization, as amended		10-Q	April 30, 2010	3.1
3.1(a)	Articles of Amendment		10-Q	January 30, 2013	3.1
3.2	Amended and Restated By-Laws		8-K	April 6, 2007	3.1
4.1	Article 4 of Restated Articles of Organization, as amended (see Exhibit 3.1)				
4.2	Form of Common Stock certificate		S-1	November 15, 1989 (File No. 33-31219)	4.2
10.1	Leases dated as of December 1, 1986 and June 21, 1988 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and Charles River Biotechnical Services, Inc. ("Lessee"), together with Assignment of Leases dated June 29, 1989 between Lessee and the Registrant		S-1	September 22, 1989 (File No. 33-31219)	10.10
10.1(a)	First Amendment to Lease dated May 9, 1991 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant		S-1	November 6, 1991 (File No. 33-43725)	10.10a
10.1(b)	Confirmatory Second Amendment to Lease dated September 17, 1997 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant		10-K	September 26, 1997	10.10
10.1(c)	Third Amendment and Partial Termination of Lease dated as of August 8, 2000 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant		10-K	September 2, 2008	10.1(c)
10.1(d)	Fourth Amendment to Lease dated as of October 3, 2000 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant		10-K	September 2, 2008	10.1(d)
10.1(e)	Fifth Amendment to Lease dated as of June 7, 2001 by and between James H. Mitchell, Trustee of New Providence Realty Trust, lessor, and the Registrant		10-K	September 2, 2008	10.1(e)
10.1(f)	Sixth Amendment to Lease dated as of April 30, 2002 by and between Bobson 333 L.L.C., lessor, and the Registrant		10-K	September 2, 2008	10.1(f)
10.1(g)	Seventh Amendment to Lease dated as of October 20, 2005 by and between Bobson 333 L.L.C., lessor, and the Registrant		10-K	September 2, 2008	10.1(g)
10.1(h)	Eighth Amendment to Lease dated as of February 21, 2007 by and between Bobson 333 L.L.C., lessor, and the Registrant		10-K	September 2, 2008	10.1(h)
10.1(i)	Ninth Amendment to Lease dated as of November 17, 2010 by and between Bobson 333 LLC and the Registrant		8-K	November 18, 2010	10.1

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
10.2	Lease Agreement, dated as of July 27, 2007, by and between Intercontinental Fund III 830 Winter Street LLC, landlord, and the Registrant		10-Q	November 7, 2007	10.2
10.2(a)	First Amendment to Lease Agreement dated as of December 9, 2013, by and between Intercontinental Fund III 830 Winter Street LLC, landlord, and the Registrant		10-Q	February 5, 2014	10.1
10.2(b)	Second Amendment to Lease Agreement dated as of April 28, 2014, by and between Intercontinental Fund III 830 Winter Street LLC, landlord, and the Registrant		10-Q	May 2, 2014	10.1
10.3*	License Agreement dated effective May 2, 2000 by and between the Registrant and Genentech, Inc.		10-Q	October 31, 2011	10.1
10.3(a)*	Amendment to License Agreement for Anti-HER2 Antibodies, dated as of May 3, 2006, between the Registrant and Genentech, Inc.		10-K	August 28, 2006	10.32
10.3(b)*	Amendment to License Agreements made effective as of March 11, 2009, between the Registrant and Genentech, Inc.		10-Q	May 7, 2009	10.1
10.3(c)	Third Amendment to License Agreement for Anti-HER2 Antibodies, made effective as of December 18, 2012, between the Registrant and Genentech, Inc.		10-Q	January 30, 2013	10.11
10.4*	Collaboration and License Agreement dated as of July 30, 2003 by and between the Registrant and sanofi-aventis U.S. LLC (as successor-in-interest to Aventis Pharmaceuticals Inc.)	X			
10.4(a)*	Amendment No. 1, dated as of August 31, 2006, to the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC	X			
10.4(b)*	Amendment No. 2, dated as of December 7, 2007, to the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC	X			
10.4(c)*	Amendment No. 3, dated as of August 31, 2008, to the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC	X			
10.5*	Option and License Agreement dated as of December 21, 2006 by and between the Registrant and sanofi-aventis U.S. LLC		10-Q	February 8, 2007	10.2
10.6*	Collaborative Development and License Agreement dated as of July 7, 2006 by and between the Registrant and Biotest AG		10-Q	November 3, 2006	10.2
10.6(a)*	Amendment No. 1, dated August 23, 2006, to Collaborative Development and License Agreement by and between the Registrant and Biotest AG		10-Q	November 3, 2006	10.3

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
10.7*	Development and License Agreement dated as of October 20, 2008 by and between the Registrant and Bayer HealthCare AG		10-Q/A	October 10, 2012	10.1
10.8*	Multi-Target Agreement dated as of October 8, 2010 by and between the Registrant and Novartis Institutes for BioMedical Research, Inc.		10-Q/A	October 10, 2012	10.2
10.8(a)*	First Amendment, effective as of March 29, 2013, to Multi-Target Agreement by and between the Registrant and Novartis Institutes for BioMedical Research, Inc.		10-Q	May 6, 2013	10.1
10.9*	Clinical Supply Agreement effective as of December 12, 2010 by and between the Registrant and Societá Italiana Corticosteroidi S.r.l. (Sicor)		10-Q	February 8, 2011	10.1
10.10*	Multi-Target Agreement dated as of December 19, 2011 by and between the Registrant and Eli Lilly and Company		10-Q/A	October 10, 2012	10.3
10.10(a)*	First Amendment to Agreements dated as of December 9, 2013 by and between the Registrant and Eli Lilly and Company		10-Q	February 5, 2014	10.2
10.11†	Restated Stock Option Plan		8-K	February 7, 2006	10.1
10.11(a)†	Form of Incentive Stock Option Agreement		8-K	February 7, 2006	10.2
10.11(b)†	Form of Non-Qualified Stock Option Agreement		8-K	February 7, 2006	10.3
10.12†	2006 Employee, Director and Consultant Equity Incentive Plan, as amended and restated through November 13, 2012		8-K	November 16, 2012	10.1
10.12(a)†	Form of Incentive Stock Option Agreement for Executives		S-8	November 15, 2006	99.4
10.12(b)†	Form of Non-Qualified Stock Option Agreement for Executives		S-8	November 15, 2006	99.5
10.12(c)†	Form of Non-Qualified Stock Option Agreement for Directors		10-Q	October 29, 2010	10.1
10.12(d)†	Form of Director Deferred Stock Unit Agreement		10-Q	October 29, 2010	10.1
10.12(e)†	Form of Incentive Stock Option Agreement for all employees (including executives)		10-K	August 29, 2012	10.14(g)
10.12(f)†	Form of Non-Qualified Stock Option Agreement for all employees (including executives)		10-K	August 29, 2012	10.14(h)
10.12(g)†	Form of Non-Qualified Stock Option Agreement for Directors		10-K	August 29, 2012	10.14(i)
10.12(h)†	Form of Restricted Stock Agreement for all employees (including executives)		S-8	November 21, 2012	99.1
10.13†	2001 Non-Employee Director Stock Plan		S-8	December 18, 2001	99

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
10.14†	2004 Non-Employee Director Compensation and Deferred Stock Unit Plan, as amended on September16, 2009		10-Q	November 4, 2009	10.1
10.15†	Form of Proprietary Information, Inventions and Competition Agreement between the Registrant and each of its executive officers		10-Q	February 8, 2007	10.15
10.16†	Change in Control Severance Agreement dated as of November 30, 2012 between the Registrant and Craig Barrows		10-Q	January 30, 2013	10.1
10.17†	Change in Control Severance Agreement dated as of November 30, 2012 between the Registrant and Daniel M. Junius		10-Q	January 30, 2013	10.2
10.18†	Change in Control Severance Agreement dated as of November 30, 2012 between the Registrant and John M. Lambert		10-Q	January 30, 2013	10.3
10.19†	Change in Control Severance Agreement dated as of November 30, 2012 between the Registrant and Charles Q. Morris		10-Q	January 30, 2013	10.4
10.20†	Change in Control Severance Agreement dated as of November 30, 2012 between the Registrant and James J. O'Leary		10-Q	January 30, 2013	10.5
10.21†	Change in Control Severance Agreement dated as of November 30, 2012 between the Registrant and Peter Williams		10-Q	January 30, 2013	10.7
10.22†	Compensation Policy for Non-Employee Directors, as amended through November 12, 2013		10-Q	February 5, 2014	10.3
10.23†	Summary of Annual Bonus Program		8-K	June 16, 2014	99.1
10.24†	Employment offer letter between the Registrant and Charles Q. Morris		10-Q	January 30, 2013	10.9
10.25†	Employment Agreement dated as of November 26, 2012 between the Registrant and Charles Q. Morris		10-Q	January 30, 2013	10.10
10.26†	Transition and Separation Agreement dated as of September 13, 2013 between the Registrant and Gregory D. Perry		10-Q	October 29. 2013	10.1
10.27†	Employment offer letter between the Registrant and David B. Johnston		10-Q	February 5, 2014	10.4
10.28†	Employment Agreement dated as of December 30, 2013 between the Registrant and David B. Johnston		10-Q	February 5, 2014	10.5
10.29†	Change in Control Severance Agreement dated as of December 30, 2013 between the Registrant and David B. Johnston		10-Q	February 5, 2014	10.6
10.30†	Employment offer letter between the Registrant and Ellie Harrison		10-Q	May 2, 2014	10.2

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
10.31†	Change in Control Severance Agreement dated as of February 20, 2014 between the Registrant and Ellie Harrison		10-Q	May 2, 2014	10.3
21	Subsidiaries of the Registrant		10-K	August 30, 2007	21
23	Consent of Ernst & Young LLP	X			
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
32	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
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				

* Portions of this Exhibit were omitted, as indicated by [***], and have been filed separately with the Secretary of the Commission pursuant to the Registrant's application requesting confidential treatment.

† Exhibit is a management contract or compensatory plan, contract or arrangement required to be filed as an exhibit to the annual report on Form 10-K.

IMMUNOGEN, INC.

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

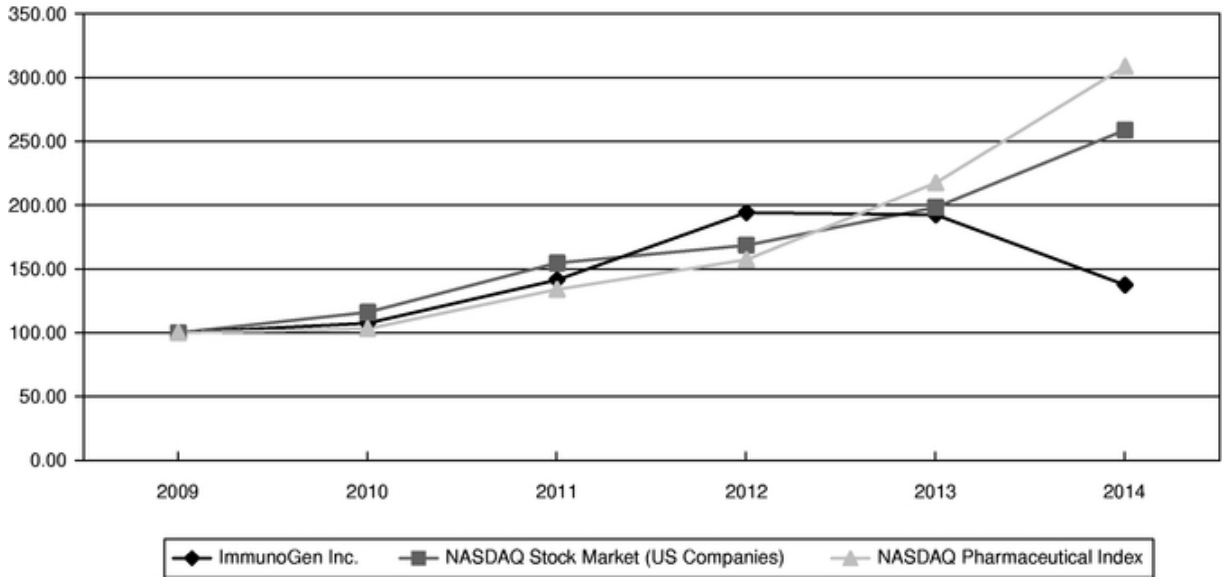
(In thousands)

COLUMN A—DESCRIPTION Inventory Valuation Allowance	COLUMN B Balance at Beginning of Period	COLUMN C—ADDITIONS Charged to Costs and Expenses	COLUMN D Use of Zero Value Inventory	COLUMN E Balance at End of Period
Year End June 30, 2014	$ 810	$ 364	$ (513)	$ 661
Year End June 30, 2013	$ 1,291	$ 798	$ (1,279)	$ 810
Year End June 30, 2012	$ 1,993	$ 786	$ (1,488)	$ 1,291

IMMUNOGEN, INC.

Stock Price Performance Graph

The graph and table below compare the annual percentage change in our cumulative total shareholder return on our common stock for the period from June 30, 2009 through June 30, 2014 (as measured by dividing (i) the sum of (A) the cumulative amount of dividends for the measurement period, assuming dividend reinvestment, and (B) the difference between our share price at the end and the beginning of the measurement period; by (ii) the share price at the beginning of the measurement period) with the total cumulative return of the NASDAQ Stock Market Index (U.S.) and the NASDAQ Pharmaceutical Stocks Total Return Index during such period. We have not paid any dividends on our common stock, and no dividends are included in the representation of our performance. The stock price performance on the graph below is not necessarily indicative of future price performance. This graph is not "soliciting material," is not deemed filed with the Commission and is not to be incorporated by reference in any of our filings under the Securities Act of 1933, or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing. Information used on the graph for the NASDAQ Pharmaceutical Stocks Total Return Index and the NASDAQ Stock Market Index (U.S.) was prepared by the Center for Research in Security Prices, a source believed to be reliable, but we are not responsible for any errors or omissions in such information.



	2009	2010	2011	2012	2013	2014
IMMUNOGEN, INC.	$ 100.00	$ 107.54	$ 141.42	$ 194.20	$ 192.46	$ 137.47
NASDAQ STOCK MARKET INDEX (U.S.)	$ 100.00	$ 116.08	$ 154.71	$ 168.54	$ 198.33	$ 258.88
NASDAQ PHARMACEUTICAL STOCKS TOTAL RETURN INDEX*	$ 100.00	$ 103.17	$ 133.98	$ 157.28	$ 217.45	$ 308.69

* This index represents a group of peer issuers compiled by the Center for Research in Security Prices.

The above graph and table assume $100 invested on June 30, 2009 with all dividends reinvested, in each of our common stock, the NASDAQ Stock Market Index (U.S.) and the NASDAQ Pharmaceutical Stocks Total Return Index. Upon written request by any shareholder, we will promptly provide a list of the companies comprising the NASDAQ Pharmaceutical Stocks Total Return Index.

Exhibit 10.4

CONFIDENTIAL TREATMENT REQUESTED

Execution Copy

COLLABORATION AND LICENSE AGREEMENT

By and Between

IMMUNOGEN, INC.

and

AVENTIS PHARMACEUTICALS INC.

***Portions of the exhibit, indicated by the mark "[***],"* were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.**

TABLE OF CONTENTS

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

TABLE OF CONTENTS
(continued)

TABLE OF CONTENTS
(continued)

(continued)

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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(continued)

COLLABORATION AND LICENSE AGREEMENT

This Collaboration and License Agreement dated as of July 30, 2003 (the "Effective Date") is by and between ImmunoGen, Inc., a Massachusetts corporation with a principal office at 128 Sidney Street, Cambridge, Massachusetts 02139 ("ImmunoGen"), and Aventis Pharmaceuticals Inc., a Delaware corporation with a principal office at 200 Crossing Boulevard, Bridgewater, New Jersey 08807 ("Aventis").

INTRODUCTION

WHEREAS, Aventis is in the business of discovering, developing and commercializing pharmaceutical products;

WHEREAS, ImmunoGen is in the business of discovering and developing antibody-based therapeutics;

WHEREAS, Aventis desires to access ImmunoGen's scientific and development expertise in the areas of antibody target validation, antibody generation and humanization, effector molecule generation and development, conjugation and linker technology, and process development expertise for antibody-drug conjugates; and

WHEREAS, ImmunoGen and Aventis are interested in collaborating in the identification and validation of targets for use in the discovery of antibodies and antibody-drug conjugates in the Collaborative Focus Area and in the development and commercialization of such antibodies and antibody-drug conjugates.

NOW, THEREFORE, ImmunoGen and Aventis agree as follows:

ARTICLE 1

DEFINITIONS

When used in this Agreement, each of the following terms shall have the meanings set forth in this Article 1:

1.1 "Active" or **"Activity"**, with respect to an Antibody or TAP Antibody, means that such Antibody or TAP Antibody has the [***] to an Antibody Target as determined by the Joint Research Committee on an Antibody Target-by-Antibody Target basis.

1.2 "Adverse Event" means any untoward medical occurrence in a human patient or subject who is administered a product, whether or not considered related to the product, including, without limitation, any undesirable sign (including abnormal laboratory findings of clinical concern), symptom or disease associated with the use of such product.

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

1.3 "Affiliate" means any corporation, company, partnership, joint venture, firm and/or other entity that controls, is controlled by, or is under common control with a Party to this Agreement. For purposes of this Section 1.3, "control" shall be presumed to exist if one of the following conditions is met: (a) in the case of corporate entities, direct or indirect ownership of more than fifty percent (50%) of the stock or shares having the right to vote for the election of directors, and (b) in the case of non-corporate entities, direct or indirect ownership of more than fifty percent (50%) of the equity interest with the power to direct the management and policies of such non-corporate entities or status as the general partner in the case of any partnership. The Parties acknowledge that in the case of certain entities organized under the laws of certain countries outside of the United States, the maximum percentage ownership permitted by law for a foreign investor may be fifty percent (50%) or less, and that in such case such lower percentage shall be substituted in the preceding sentence, provided that such owner has the power to direct the management and policies of such entity.

1.4 "Annual Research Plan" means the plan and budget to be developed by the Joint Research Committee for each Contract Year, to be updated as necessary during each Contract Year, setting forth, among other things, a master plan for the Research Program during the Research Program Term and the matters described in Section 2.6 below. Exhibit A sets forth the Annual Research Plan for the Contract Year 1.

1.5 "Antibody" means a polyclonal or monoclonal antibody, whether multiple or single chain, recombinant or naturally occurring, whole or fragment, and any variants, derivatives or constructs thereof, including but not limited to, antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb and CDR fragments, single chain antibodies (scFv), chimeric antibodies, diabodies and polypeptides (including any humanized versions thereof) that contain at least a portion of an immunoglobulin that is sufficient to confer specific antigen binding to the polypeptide. When used alone, the term "Antibody" does not include TAP Antibodies.

1.6 "Antibody Progression Manual" means the manual prepared by Aventis and ImmunoGen that sets forth selection criteria to be used by the Joint Research Committee in its Development decisions with respect to any Antibody or TAP Antibody, as amended from time to time by the Joint Research Committee.

1.7 "Antibody Target" means, subject to the limitations set forth in Section 2.8.2(b), [***] that (a) either Party [***] has [***] in [***] or [***] or [***] that may be useful in the [***] and (b) has been [***] by such [***] to the [***] for [***] in the [***].

1.8 "Approved Subcontractors" means (a) any Third Party with which ImmunoGen has entered into a subcontract agreement for the supply or manufacture of components or materials as of the Effective Date, but only with respect to such subcontract agreement, and (b) any Third Party approved by

the Joint Research Committee or the Joint Development Committee, as appropriate, as a subcontractor for the performance of a Party's obligations hereunder, but only with respect to the performance of the obligations for which such approval was granted. Schedule 1.8 to this Agreement sets forth all Approved Subcontractors of ImmunoGen as of the Effective Date.

1.9 "Aventis Intellectual Property" means the Aventis Technology, Aventis Patent Rights, any other intellectual property rights Controlled by Aventis covering the Aventis Materials, Aventis Technology Improvements, and all Patent Rights Controlled by Aventis Covering any Aventis Technology Improvements.

1.10 "Aventis Materials" means any material, including without limitation, biological materials or chemical compounds such as tissue samples, molecules, reagents and screens, Antibody Targets, Antibodies, Effector Molecules and Linkers, which are (a) Controlled by Aventis and (b) provided by Aventis, and accepted by the Joint Research Committee, for use in the Research Program in accordance with Section 2.2.2 of this Agreement.

1.11 "Aventis Patent Rights" means all Patent Rights that are Controlled by Aventis that Cover any Aventis Technology or Aventis Materials.

1.12 "Aventis Technology" means any Technology that is used by Aventis, or provided by Aventis for use, in the Research Program and that is (a) Controlled by Aventis as of the Effective Date or (b) developed or conceived by employees of, or consultants to, Aventis on or after the Effective Date in the conduct of activities outside of the Research Program. For purposes of clarity, Aventis Technology shall not include Aventis Technology Improvements or Aventis Materials.

1.13 "Aventis Technology Improvements" means any Technology which (a) is developed or conceived by employees of, or consultants to, either Party or jointly by both Parties under this Agreement and (b) is Covered by the Aventis Patent Rights.

1.14 "BLA" means (a) (i) a Biologics License Application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed with the FDA, or any successor application or procedure, and (ii) any foreign counterpart of a U.S. Biologics License Application, and (b) all supplements and amendments, including supplemental Biologics License Applications (and any foreign counterparts), that may be filed with respect to the foregoing.

1.15 "Business Day" means a day on which banking institutions in New York are open for business.

1.16 "Calendar Quarter" means, with respect to the first such Calendar Quarter, the period beginning on the Effective Date and ending on the last day of the calendar quarter within which such Effective Date falls, and thereafter each successive period of three (3) consecutive calendar months ending on March 31, June 30, September 30 or December 31; except that the last Calendar Quarter shall end upon the expiration or termination of this Agreement.

1.17 "Calendar Year" means each successive period of twelve (12) months commencing on January 1 and ending on December 31.

1.18 "Change of Control" means (a) a merger or consolidation of ImmunoGen and any Third Party which results in the voting securities of ImmunoGen outstanding immediately prior thereto ceasing to represent more than fifty percent (50%) of the combined voting power of

the surviving entity immediately after such merger or consolidation, or (b) any Third Party, together with its affiliates, becoming the beneficial owner of fifty percent (50%) or more of the combined voting power of the outstanding securities of ImmunoGen, or (c) the sale or other transfer to a Third Party of all or substantially all of ImmunoGen's assets which relate to this Agreement.

1.19 "Clinical Materials" means any materials, including without limitation, any Effector Molecules, Linkers or Program Antibodies, used in connection with the Development or Commercialization of a Product.

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

1.21 "Collaborative Focus Area" means the use of Antibodies and TAP Antibodies in the prevention, control and/or treatment in humans of precancerous and/or cancerous conditions.

1.22 "Combination Product" means any Product or [***]that contains, in addition to an Antibody or TAP Antibody, one or more other ingredients that (a) are not covered by ImmunoGen Intellectual Property or Program Intellectual Property, and (b) have independent biologic or chemical activity as a therapeutic, prophylactic or diagnostic agent when present alone.

1.23 "Commercialization" or **"Commercialize"** means any and all activities directed to pre-launch and launch of products, marketing, promoting, distributing, offering for sale and selling a product, importing a product for sale, conducting Phase III Studies (other than in connection with Development activities) and Phase IV Studies, and manufacturing for commercial sale (except for scale-up activities, which shall be Development activities). When used as a verb, "Commercialize" means to engage in Commercialization.

1.24 "Commercially Reasonable Efforts" means (a) with respect to Aventis, the efforts and resources typically used by pharmaceutical companies similar in size to Aventis, including Aventis, to perform the obligation at issue, and (b) with respect to ImmunoGen, the efforts and resources typically used by biotechnology companies similar in size to ImmunoGen, including ImmunoGen, to perform the obligation at issue; in each case with respect

to a product or potential product of similar nature at a similar stage in its development or product life and of similar market potential, in view of conditions prevailing at the time, and evaluated taking into account all relevant factors, including without limitation, the mechanism of action, efficacy, safety, the anticipated regulatory authority approved labeling, the competitiveness of alternative products that are in the marketplace or under development, the patent and other proprietary position of the product, the likelihood of Regulatory Approval, the profitability of the product and other technical, scientific, legal, medical, marketing and competitive factors.

1.25 "Confidential Information" means all proprietary materials, know-how or other information (whether or not patentable) regarding a Party's technology, products, business information or objectives, which is designated as confidential in writing by the disclosing Party,

whether by letter or by the use of an appropriate stamp or legend, prior to or at the time any such material, know-how or other information is disclosed by the disclosing Party to the other Party. Notwithstanding the foregoing to the contrary, materials, know-how or other information which is orally, electronically or visually disclosed by a Party, or is disclosed in writing without an appropriate letter, stamp or legend, shall constitute Confidential Information of a Party (a) if the disclosing Party, within thirty (30) days after such disclosure, delivers to the other Party a written document or documents describing the materials, know-how or other information and referencing the place and date of such oral, visual, electronic or written disclosure and the names of the persons to whom such disclosure was made, or (b) such information is of the type that is customarily considered to be confidential information by persons engaged in activities that are substantially similar to the activities being engaged in by the Parties. Notwithstanding the foregoing, (w) any technical or financial information of a Party disclosed at a meeting of the Joint Research Committee, the Joint Development Committee, any U.S. Commercialization Team or the Joint Steering Committee (or any subcommittees or project teams of the foregoing) or disclosed through an audit report shall constitute Confidential Information of such Party, (x) the terms of this Agreement to the extent not disclosed in a public filing, shall constitute Confidential Information of each Party unless otherwise specified, (y) all know-how and trade secrets disclosed by ImmunoGen to Aventis in connection with the license set forth in Section 7.3 of this Agreement shall constitute Confidential Information of ImmunoGen, and (z) all know-how and trade secrets disclosed by Aventis to ImmunoGen in connection with the license set forth in Section 7.2.4 of this Agreement shall constitute Confidential Information of Aventis.

1.26 "Contract Year" means the period beginning on September 1, 2003 and ending on August 31, 2004 ("Contract Year 1") and each succeeding twelve (12) month period thereafter during the Research Program Term (referred to as "Contract Year 2", "Contract Year 3", etc.) unless the Research Program Term is terminated or extended, in which case the final Contract Year shall end as of the last date of the Research Program Term, as terminated or extended.

1.27 "Control" or **"Controlled"** means with respect to any (a) material, document, item of information, method, data or other know-how or (b) intellectual property right, the possession (whether by ownership or license, other than by a license granted pursuant to this Agreement) by a Party or its Affiliates of the ability to grant to the other Party access and/or a license or sublicense as provided herein under such item or right without violating the terms of any agreement or other arrangement with any Third Party existing before or after the Effective Date.

1.28 "Cost" means, with respect to any [***], [***] or [***] by [***], [***] (including the [***] associated with [***] and [***]) of [***] and [***] such [***], [***] or [***], including the [***] of the [***]: (i) [***], including (1) [***] used in [***] and [***] such [***] and (2) with respect to any [***], [***] or [***] by [***] from a [***] and [***] to Aventis without [***], the [***] by [***] to such [***] for the same; (ii) [***] to the [***] of [***] under the [***] clause (i) (1), including [***] and [***] and [***] and [***], [***] and [***] of the [***] and [***] and [***] which are [***] to [***] based on [***] or [***], or another [***] and are subject to the [***] as determined [***] to [***]; (iii) any other [***] borne by [***] for the [***], [***], [***], [***], [***] and/or [***] of such [***], [***] or

[***]; and (iv) [***] and [***], including [***], [***], [***], [***] and [***], which are [***] to [***] based on [***] or [***] or another [***]. [***] under the foregoing clause (ii) and [***] and [***] under the foregoing clause (iv) are [***] to each [***], [***] and/or [***] produced based upon [***] at [***] and are [***] to the [***] as [***] to [***]. Notwithstanding the foregoing, [***] shall not [***] the [***] of [***] any [***] by [***] pursuant to [***] of this Agreement.

1.29 "Covering", **"Cover"**, or **"Covered"** means, with respect to a Patent Right, that, but for a license granted to a party under a Valid Claim included in such Patent Right, the practice by such party of an invention claimed in such Patent Right would infringe such Valid Claim.

1.30 "Dedicated Equipment" means any equipment, instrument or machinery used by ImmunoGen exclusively in the manufacturing of Product, Preclinical Materials or Clinical Materials.

1.31 "Detail" means a face-to-face sales call made to an individual medical professional with prescribing authority or a small group of such professionals during which a Co-Promoted Product is discussed with such professional(s).

1.32 "Development" or **"Develop"** means, with respect to an EDC Antibody, all preclinical and clinical drug development activities undertaken to obtain Regulatory Approval of such EDC Antibody in accordance with this Agreement after the Effective Date and up to the obtaining of Regulatory Approval of such EDC Antibody. These activities shall include among other things: test method development and stability testing, toxicology, formulation, process development, manufacturing scale-up, development-stage manufacturing, quality assurance/quality control development and performance with respect to clinical materials, statistical analysis and report writing, clinical studies and regulatory affairs, product approval and registration (including pricing approvals). When used as a verb, "Develop" means to engage in Development. Development shall include a Phase III Study conducted in conjunction with Development activities.

1.33 "Drug Approval Application" means any application for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Product in any country or jurisdiction in the Territory, including, without limitation, (a) any NDA filed with the FDA within the United States, and (b) any equivalent application, including any MAA, filed with any Foreign Regulatory Authority.

1.34 "Early Development Candidate Status" or **"EDC Status"** means the status that may be assigned by the Joint Research Committee to a Lead Antibody when the results of Pre-EDC Research Evaluation Activities [***] of [***].

1.35 "EDC Antibody" means a Lead Antibody that has achieved EDC Status in the Research Program, as determined in accordance with Section 3.2.

1.36 "Effective Date" means the date set forth in the first paragraph of this Agreement.

1.37 "Effector Molecule" means any small molecule cytotoxic or anticancer chemical entity that may be conjugated to an Antibody to create a TAP (Tumor Activated Prodrug).

1.38 "European Union" means [***], [***], [***], [***], [***], [***], [***], [***], [***], the [***], [***], [***], [***], [***] and the [***].

1.39 "Facility" means any one or more of ImmunoGen's plant facilities as may be designated by ImmunoGen from time to time during the term of this Agreement.

1.40 "FDA" means the United States Food and Drug Administration, or a successor agency thereto.

1.41 "Field" means all human therapeutic, prophylactic and diagnostic uses.

1.42 "First Commercial Sale" means, for a product, on a country-by-country basis, the first shipment of such product to a Third Party by the selling Party, or its Affiliates or sublicensees, in a country in the Territory after Regulatory Approval has been achieved for such product in such country. Sales for test marketing, sampling and promotional uses, clinical trial purposes or compassionate or similar use shall not be considered to constitute a First Commercial Sale.

1.43 "Foreign Regulatory Authority" means any applicable supranational, national, federal, state or local regulatory agency, department, bureau or other governmental entity of any country or jurisdiction in the Territory (other than the FDA in the United States), having responsibility in such country or jurisdiction for any Regulatory Approvals of any kind in such country or jurisdiction, and any successor agency or authority thereto.

1.44 "FTE" means a full time equivalent person year (consisting of a total of [***] hours per year) of scientific, technical or managerial work on or directly related to the Research Program or the Development or Commercialization of Products.

1.45 "Good Clinical Practices" or **"GCP"** means the standards, practices and procedures set forth in the guidelines entitled "Guidance for Industry E6 Good Clinical Practice: Consolidated Guidance," including related regulatory requirements imposed by the FDA, any successor agency and, as applicable, the equivalent thereof in jurisdictions outside the United States.

1.46 "Good Laboratory Practices" or **"GLP"** means the then-current good laboratory practice standards promulgated or endorsed by the FDA as defined in 21 C.F.R. Part 58, and comparable regulatory standards in jurisdictions outside the United States.

1.47 "Good Manufacturing Practices" or **"GMP"** means the then-current good manufacturing practices required by the FDA and set forth in the U.S. Federal Food, Drug, and Cosmetic Act, as amended, and the regulations promulgated thereunder, for the manufacturing and testing of pharmaceutical materials, and any other laws or regulations applicable to the manufacturing and testing of pharmaceutical materials in jurisdictions outside the United States.

1.48 "ImmunoGen Intellectual Property" means the ImmunoGen Technology, ImmunoGen Patent Rights, any other intellectual property rights Controlled by ImmunoGen covering the ImmunoGen Materials, ImmunoGen Technology Improvements, and all Patent Rights Controlled by ImmunoGen Covering ImmunoGen Technology Improvements. For purposes of clarity, the term "ImmunoGen Intellectual Property" shall not include Program Intellectual Property.

1.49 "ImmunoGen Materials" means any materials, including without limitation, biological materials or chemical compounds such as tissue samples, molecules, reagents and screens, Antibody Targets, Antibodies, TAP Antibodies, Effector Molecules and Linkers, which are (a) Controlled by ImmunoGen and (b) provided by ImmunoGen, and accepted by the Joint Research Committee, for use in the Research Program in accordance with Section 2.2.2 of this Agreement.

1.50 "ImmunoGen Patent Rights" means the patents and patent applications listed on Schedule 1.50, and any other Patent Rights that are Controlled by ImmunoGen that Cover any ImmunoGen Technology or ImmunoGen Materials.

1.51 "ImmunoGen Researcher" means a professional researcher and scientist who is an employee of ImmunoGen and has at least a [***] in [***] (except, as of the Effective Date, [***] who does not have a [***] in [***] but has been employed by ImmunoGen in a capacity which involves

performing the task assigned to such individual for at least [***] ([***]) [***]) and other academic or professional credentials reasonably demonstrating appropriate expertise for the task to be performed.

1.52 "ImmunoGen Technology" means any Technology that is used by ImmunoGen, or provided by ImmunoGen for use, in the Research Program and that is (a) Controlled by ImmunoGen as of the Effective Date or (b) developed or conceived by employees of, or consultants to, ImmunoGen on or after the Effective Date in the conduct of activities outside of the Research Program. For purposes of clarity, ImmunoGen Technology shall not include ImmunoGen Technology Improvements or ImmunoGen Materials.

1.53 "ImmunoGen Technology Improvements" means any Technology which (a) is developed or conceived by employees of, or consultants to, either Party or jointly by both Parties, under this Agreement and (b) (i) is Covered by the ImmunoGen Patent Rights or (ii) is a maytansinoid that is substantially equivalent to a maytansinoid Covered by an ImmunoGen Patent Right listed on Schedule 1.50 or (iii) 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.

1.54 "IND" means (a) (i) an Investigational New Drug Application, as defined in the U.S. Federal Food, Drug and Cosmetic Act, as amended, and the regulations promulgated thereunder, that is required to be filed with the FDA before beginning clinical testing of a pharmaceutical product in human subjects, or any successor application or procedure and (ii) any

foreign counterpart of a U.S. Investigational New Drug Application, and (b) all supplements and amendments that may be filed with respect to the foregoing.

1.55 "Joint Steering Committee" or **"JSC"** means a committee comprised of representatives of ImmunoGen and Aventis and established for the purpose of planning and overseeing the activities under this Agreement as contemplated by Article 13.

1.56 "Laws" means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any federal, national, multinational, state, provincial, county, city or other political subdivision, domestic or foreign.

1.57 "Lead Antibody" means a Program Antibody that meets the Lead Selection Criteria as determined by the Joint Research Committee.

1.58 "Lead Selection Criteria" means the criteria set forth in the Antibody Progression Manual that, when met by a Program Antibody, will make such Program Antibody eligible for designation as a Lead Antibody by the Joint Research Committee pursuant to Section 3.1 of this Agreement.

1.59 "Licensed Antibody" means [***] known as [***], as more fully described on Schedule 1.59.

1.60 "Licensed Product" means the first to occur of each of the following:

(a) a product containing only [***] without any Effector Molecule; or

(b) a product containing [***] to an [***] in the [***] of [***]; it being understood that any product containing [***] alone or conjugated to an Effector Molecule not in the [***] of Effector Molecules shall be considered a [***], not a [***].

1.61 "Licensed TAP Antibody" means [***] known as [***], as more fully described on Schedule 1.61.

1.62 "Limited Target" means, subject to the proviso at the end of this Section 1.62:

(a) (i) any Target where ImmunoGen has granted a Third Party the exclusive option to obtain an exclusive license to conjugate TAP Antibodies with respect to any Effector Molecule directed thereto (a "Limited Exclusive Option Target") and (ii) any Limited Exclusive Option Target where such Third Party exercises such option and obtains such license (a "Limited Exclusive Target"),

(b) (i) any Target where [***]has [***]a [***]the [***]to [***]an [***]to [***]directed thereto with an [***]only from the [***]of [***](a "Limited Exclusive Maytan Option Target") and (ii) (A) any [***]where such [***]such [***]and [***]such [***]or (B) any [***]where [***]has a [***]and [***]to [***]directed thereto with an [***]from the [***]of [***](each, a "Limited Exclusive Maytan Target"),

(c) any Target where [***]has [***]a [***]the [***]to [***]a [***]to [***]thereto with an [***]from the [***]of [***](a "Limited Non-Exclusive Maytan Option Target") and (ii) any [***]where such [***]such [***]and [***]such [***](a "Limited Non-Exclusive Maytan Target"), and

(d) any Target where [***]has [***]a [***]the right to [***]whether to [***]an [***]to have such [***]become either a Limited Exclusive Maytan Option Target or Limited Non-Exclusive Maytan Option Target and/or, [***]thereof, a Limited Exclusive Maytan Target or Limited Non-Exclusive Maytan Target, respectively (a "Limited Maytan Evaluation Target");

provided, however, that (a) any Limited Exclusive Option Target, Limited Exclusive Maytan Option Target or Limited Non-Exclusive Maytan Option Target shall [***]to be a [***]if the [***]does not[***], in [***]with all [***]and[***], the [***]to [***]such [***]into a[***], [***]or[***], respectively, and

(b) any Limited Maytan Evaluation Target shall [***]to be a [***]if the [***]does not[***], in [***]with all [***]and other[***], the [***]to [***]such [***]into either (x) a Limited Exclusive Maytan Option Target and/or a Limited Exclusive Maytan Target or (y) a Limited Non-Exclusive Maytan Option Target and/or a Limited Non-Exclusive Maytan Target. Schedule 1.62 sets forth a list of the categories of Limited Targets and a description of the agreements and the number of Targets related thereto.

1.63 "Linker" means any chemical entity utilized to attach an Effector Molecule to a TAP Antibody.

1.64 "MAA" means an application filed with the relevant Foreign Regulatory Authority seeking Regulatory Approval to market and sell any Product outside the United States for a particular indication.

1.65 "NDA" means a New Drug Application, as defined in the U.S. Federal Food, Drug and Cosmetics Act or BLA submitted to the FDA, or any successor application or procedure required for Regulatory Approval to commence sale of a Product in the United States.

1.66 "Net Sales" means:

(a) with respect to Aventis, the gross amounts invoiced by any of Aventis or its Affiliates or sublicensees on account of sales of Products or [***]to Third Parties (including without limitation Third Party distributors and wholesalers), less the total of the following amounts absorbed or accrued by Aventis or its Affiliates under generally accepted accounting principles consistently applied:

(i) trade, cash and/or quantity discounts allowed and taken directly with respect to such sales, or reflected in the invoiced amount;

(ii) excise, sales and other consumption taxes (including VAT on the sale of Products or [***]and excluding taxes based on income) and custom duties imposed upon and paid directly by Aventis with respect to the Products or[***], to the extent included in the invoice price;

(iii) freight, insurance and other transportation charges, to the extent included in the invoice price;

(iv) amounts repaid or credited by reason of returns, rejections, defects or recalls, chargebacks, retroactive price reductions, refunds and billing errors; and

(v) compulsory payments and rebates directly related to the sale of Products or[***], accrued, paid or deducted, pursuant to agreements (including, but not limited to, managed care agreements) or governmental regulations.

Use of Products or [***]for promotional or sampling purposes and for use in clinical trials contemplated under this Agreement shall not be considered in determining Net Sales. In the case of any sale of a Product or [***]between or among Aventis and its Affiliates or sublicensees for resale, Net Sales shall be calculated as above only on the first arm's length sale thereafter to a Third Party.

In the event a Product or [***]is sold as part of a Combination Product, the Net Sales from the Combination Product, for the purposes of determining royalty payments, shall be determined by multiplying the Net Sales of the Combination Product (as defined in the standard Net Sales definition above), during the applicable royalty reporting period, by the fraction, A/A+B, where A is the average per unit sale price of active ingredient contained in the Product or[***], when sold separately in finished form in the country in which the Combination Product is sold and B is the average per unit sale price of active ingredient contained in the other product(s) included in the Combination Product when sold separately in finished form in the country in which the Combination Product is sold, in each case during the applicable royalty reporting period or, if sales of the Product or [***]alone did not occur in such period, then in the most recent royalty reporting period in which arms length fair market sales of such Product or [***]occurred. In the event that such average sale price cannot be determined for the Product or[***], on the one hand, and all other product(s) included in the Combination Product, on the other, Net Sales for the purposes of determining royalty payments shall be mutually agreed upon by the Parties based on the relative value contributed by each component, such agreement to be negotiated in good faith.

(b) with respect to ImmunoGen, the gross amounts invoiced by any of ImmunoGen or its Affiliates or sublicensees on account of sales of any Dropped Products which are not otherwise subject to a Commercialization Agreement between the Parties to Third Parties (including without limitation Third Party distributors and wholesalers), less the total of the following amounts absorbed or accrued by ImmunoGen or its Affiliates under generally accepted accounting principles consistently applied:

(i) trade, cash and/or quantity discounts allowed and taken directly with respect to such sales, or reflected in the invoiced amount;

(ii) excise, sales and other consumption taxes (including VAT on the sale of such Dropped Products and excluding taxes based on income) and custom duties imposed upon and paid directly by ImmunoGen with respect to such Dropped Products, to the extent included in the invoice price;

(iii) freight, insurance and other transportation charges, to the extent included in the invoice price;

(iv) amounts repaid or credited by reason of returns, rejections, defects or recalls, chargebacks, retroactive price reductions, refunds and billing errors; and

(v) compulsory payments and rebates directly related to the sale of such Dropped Products, accrued, paid or deducted, pursuant to agreements (including, but not limited to, managed care agreements) or governmental regulations.

Use of Dropped Products for promotional or sampling purposes and for use in clinical trials contemplated under this Agreement shall not be considered in determining Net Sales. In the case of any sale of a Dropped Product between or among ImmunoGen and its Affiliates or sublicensees for resale, Net Sales shall be calculated as above only on the first arm's length sale thereafter to a Third Party.

1.67 **"[***]"** means a [***](other than a Product or Dropped Product) that contains a [***]or other [***](other than an [***]or[***]) that is [***]by [***]in a [***]in [***]against a [***](the "[***]").

1.68 **"Party"** means Aventis or ImmunoGen; **"Parties"** means Aventis and ImmunoGen.

1.69 **"Patent Rights"** means all existing patents and patent applications and all patent applications hereafter filed, including any continuations, continuations-in-part, divisions, provisionals or any substitute applications, any patent issued with respect to any such patent applications, any reissue, reexamination, renewal or extension (including any supplemental patent certificate) of any such patent, and any confirmation patent or registration patent or patent of addition based on any such patent, and all foreign counterparts of any of the foregoing.

1.70 **"Phase I Study"** means a clinical study in subjects to evaluate the pharmacokinetic and pharmacodynamic properties, maximum tolerated dose, dosing interval, and absorption, distribution, metabolism and excretion (ADME) of a candidate drug.

1.71 **"Phase IIB Study"** means a controlled dose ranging clinical trial to evaluate further the efficacy and safety of a candidate drug in the targeted patient population and to define the optimal dosing regimen.

1.72 **"Phase III Study"** means, as to a particular product for a particular indication, a controlled and lawful study in humans of the safety and efficacy of such product for such indication, which is prospectively designed to demonstrate statistically whether such product is safe and effective for use in such indication in a manner sufficient to file a Drug Approval Application to obtain Regulatory Approval to market and sell that product for the indication under investigation in such study.

1.73 **"Phase IV Study"** means a study initiated in a country after receipt of Regulatory Approval in such country within the approved product labeling.

1.74 **"Preclinical Materials"** means any materials, including without limitation any Effector Molecules, Linkers, Program Antibodies and Antibody Targets, used for the purpose of conducting preclinical testing of a Product.

1.75 **"Pre-EDC Research Evaluation Activities"** means any and all of the activities relating to the qualification of a Program Antibody for EDC Status, including, but not limited to, molecular biological or other modification activities and preclinical activities.

1.76 **"Products"** means, collectively, any and all Licensed Products and Collaboration Products.

1.77 **"Program Antibody"** means an Antibody or a TAP Antibody that: (a) (i) is in a Party's or any of its Affiliates' Control as of the Effective Date, or becomes Controlled by a Party or any of its Affiliates during the Research Program Term but outside of the Research Program, (ii) is Active against a Program Target and (iii) is selected by the Joint Research Committee for Pre-EDC Research Evaluation Activities in the conduct of the Research Program; or (b) is created, made or acquired by a Party or its Affiliate in the course of performing activities under the Research Program and is Active against a Program Target.

1.78 **"Program Intellectual Property"** means, collectively, Program Patent Rights, Program Materials and Program Technology. For purposes of clarity, "Program Intellectual Property" shall not include Aventis Technology Improvements or ImmunoGen Technology Improvements.

1.79 **"Program Materials"** means any material first identified or discovered by either or both Parties in the conduct of the Research Program, including, without limitation, biological materials or chemical compounds such as tissue samples, molecules, reagents and screens, Antibody Targets, Program Antibodies, Effector Molecules and Linkers subject to Burdened Technology Obligations.

1.80 **"Program Patent Rights"** means the Patent Rights that Cover any Program Technology or Program Materials.

1.81 **"Program Target"** means any Antibody Target that is [***]by the [***]as a Program Target and for which the Joint Research Committee has committed to initiate activities in the Research Program that relate to [***]or [***]of [***]against such Target.

1.82 **"Program Technology"** means any Technology, other than ImmunoGen Technology Improvements and Aventis Technology Improvements, that is developed or conceived by employees of, or consultants to, either Party or jointly by both Parties, in the conduct of the Research Program.

1.83 **"Regulatory Approval"** means any and all approvals (including any applicable governmental price and reimbursement approvals), licenses, registrations, or authorizations of any federal, national, multinational, state, provincial or local regulatory agency, department, bureau or other governmental entity necessary for the manufacture, use, storage, import, transport, promotion, marketing and sale of a product in a country or group of countries.

1.84 **"Research Program"** means the collaborative research program to be conducted by the Parties in accordance with the Annual Research Plan and any Development activities allocated to ImmunoGen FTEs under this Agreement.

1.85 **"ROW"** means all the countries in the Territory excluding the United States.

1.86 **"Serious Adverse Event"** means any Adverse Event occurring at any dose that:

(a) results in death or threatens life;

(b) results in persistent or significant disability/incapacity;

(c) results in or prolongs hospitalization;

(d) results in a congenital anomaly or birth defect; or

(e) is otherwise medically significant.

1.87 **"TAP Antibody"** means an Antibody that is conjugated to an Effector Molecule.

1.88 **"Target"** means any antigen that can be recognized by an Antibody.

1.89 **"[***]"** means, with respect to a given Program Target, a [***]of [***]which the Joint Research Committee determines in good faith based upon reasonable scientific evidence to so designate, including, in particular, a determination that the [***]is [***]to the given [***]and is reasonably likely to have substantially the [***]as such[***]. The Parties hereby acknowledge and agree that unless the Joint Research Committee has a reasonable scientific basis for determining otherwise: (a) no more than [***]([***]) [***]may be included as part of a[***]; and (b) a [***]shall not include all or substantially all of the [***]known to be [***]with a[***].

1.90 **"Technology"** means and includes all inventions, discoveries, improvements, trade secrets and proprietary methods and materials, whether or not patentable, relating to the Field, including but not limited to (a) samples of, methods of production or use of, and structural and functional information pertaining to, chemical compounds, proteins or other biological substances and (b) data, formulations, techniques and know-how (including any negative results).

1.91 **"Territory"** means the entire world.

1.92 **"Third Party"** means any person or entity other than a Party or any of its Affiliates.

1.93 **"Valid Claim"** means a claim (a) of any issued, unexpired patent which has not been revoked or held unenforceable or invalid by a decision of a court or governmental agency of competent jurisdiction from which no appeal can be taken, or with respect to which an appeal is not taken within the time allowed for appeal, and which has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise, or (b) of any

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

patent application which shall not have been pending on or after the [***]([***]th) anniversary of the date of issuance of a first Patent Office communication during examination of the first application related thereto, and shall not have been earlier cancelled, withdrawn or abandoned, and, on a country-by-country basis, which is enforceable on the operative date of inquiry by virtue of applicable Law in such country.

1.94 **Additional Definitions**. Each of the following definitions is set forth in the section of this Agreement indicated below:

Definition	Section
Aventis Indemnified Parties	15.1.2
Aventis Reply	3.8.2
Breaching Party	12.2.1
Burdened Technology	2.2.1
Burdened Technology Obligations	2.2.1
Collaboration Product Royalties	8.4.2
Commercialization Agreement	3.8.1
Comparable Product	2.9.1
Confidential Information	2.9.1
Co-Promoted Product	6.2
Dropped Product	3.7.1
Dropped Target	2.8.4
Event	8.2

ImmunoGen Indemnified Parties	15.1.1
ImmunoGen Notice	3.8.1
ImmunoGen Sales Reps	6.5
Joint Development Committee	3.5.1
Joint Research Committee	2.3.1
Joint Research Project Team	2.3.1
Lead Data Package	3.1.1
Licensed Product Royalties	8.4.1
Limitations	2.8.2(a)
Limited Exclusive Maytan Option Target	1.62(b)
Limited Exclusive Maytan Target	1.62(b)
Limited Exclusive Option Target	1.62(a)
Limited Exclusive Target	1.62(a)
Limited Maytan Evaluation Target	1.62(d)
Limited Non-Exclusive Maytan Option Target	1.62(c)
Limited Non-Exclusive Maytan Target	1.62(c)
Limited Target	2.8.2
Limited Target Notice	2.8.2
Marks	10.8.1
naked Antibodies	2.8.2(b)(ii)
[***]	3.8.2
Non-Antibody Target	1.67

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

[***]	4.1.2
Patent Prosecution	10.4.1
[***]	7.5.2
Research Program Term	2.1.2
Royalties	8.4.2
U.S. Commercialization Team	6.2
U.S. Marketing Plan	6.4(b)
Withholding Taxes	9.1.2

ARTICLE 2
RESEARCH PROGRAM

2.1 General.

2.1.1 Objective.

(a) The Parties shall collaborate in carrying out the Research Program as set forth in the then-current Annual Research Plan, with the global objectives, consistent with the resources allocated to such activities under the Annual Research Plan, of: (i) utilizing ImmunoGen Technology, ImmunoGen Materials and ImmunoGen Technology Improvements within the Collaborative Focus Area, including Target validation, Antibody generation and humanization, Effector Molecule generation and development, and process development expertise for TAP Antibodies and Linkers; (ii) identifying Targets for designation as Antibody Targets and evaluating Antibody Targets for designation as Program Targets suitable for discovery and development of Antibodies and TAP Antibodies Active against such Program Targets; (iii) [***]with respect to TAP Antibodies and Linker conjugation; (iv) [***], prior to the end of[***], [***]([***]) [***]ready to enter[***]; (v)[***], prior to the end of[***], [***]([***]) or [***]([***]) [***]ready to enter [***](including [***]of all [***]with respect thereto), and between [***]([***]) to [***]([***])[***], of which at least [***]([***]) contains a [***]arising out of the Research Program, in each case with potential utility in the Collaboration Focus Area; and (vi) providing Aventis with access pursuant to the terms of this Agreement to ImmunoGen's scientific and development expertise in the areas of antibody target validation, antibody generation and humanization, effector molecule generation and development, conjugation and linker technology, and process development expertise for antibody-drug conjugates.

(b) It is intended that, to the extent practicable, both Parties will participate in the full range of activities to be conducted in the Research Program, including without limitation, Target identification and validation, generation of Antibodies and TAP Antibodies, resurfacing of Antibodies and Pre-EDC Research Evaluation Activities with respect to Program Antibodies, and chemical synthesis and optimization of Effector Molecules and Linkers, all of the foregoing subject to the Parties' respective capabilities and capacities to perform such activities and, in each case, in accordance with the Annual Research Plan.

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(c) It is intended that the Research Program will be conducted as a collaborative effort with activities by the Parties carried out at each Party's respective facilities as may be outlined in the Annual Research Plan.

(d) It is also understood that, during the Research Program Term, Aventis and, subject to the provisions of Section 7.5, ImmunoGen, will each be conducting broader Target identification and validation and research evaluation of Antibodies, TAP Antibodies,

Effector Molecules and Linkers, as well as assay configuration, high throughput screening and evaluation of small molecule and other compounds, in each case which may be directed to the Collaborative Focus Area but which may be conducted outside of the Research Program.

(e) It is also intended that, during the Research Program Term, the Parties shall collaborate in making available for the Research Program, Antibodies, TAP Antibodies, Targets, Effector Molecules and Linkers, as set forth in the then current Annual Research Plan, with the global objectives of maximizing the quantity and quality of Collaboration Products consistent with the resources allocated to such activities under the Annual Research Plan.

2.1.2 Term. The term of the Research Program (the "Research Program Term") shall commence on the first day of Contract Year 1 and end on the last day of Contract Year 3, unless (a) earlier terminated pursuant to the provisions of Article 12 or (b) extended pursuant to the provisions of this Section 2.1.2; provided, however, that, Aventis shall have the option to extend the Research Program Term for up to two (2) additional twelve (12) month periods upon not less than twelve (12) months' prior written notice of each such twelve (12) month extension to ImmunoGen.

2.2 Burdened Technology.

2.2.1 General. The Parties hereby acknowledge that certain ImmunoGen Technology and ImmunoGen Materials, and data and information relating thereto Controlled by ImmunoGen, may be subject to financial and/or other contractual obligations to Third Parties incurred by ImmunoGen as a result of an in-license or similar agreement entered into after the Effective Date ("Burdened Technology") and that the use of such Burdened Technology in the Research Program and the Development and Commercialization of Products resulting from the Research Program may (i) result in financial or other contractual obligations of ImmunoGen to Third Parties, or (ii) require that certain notices or disclosures be made by ImmunoGen to such Third Party as a result of the use thereof (collectively, the "Burdened Technology Obligations"). For purposes of clarity, neither the term "Burdened Technology", nor the term "Burdened Technology Obligations," shall include Limited Targets. For clarity, any financial and/or other contractual obligations to Third Parties under agreements entered into by ImmunoGen on or prior to the Effective Date, that would have been "Burdened Technology" if entered into after the Effective Date, shall be the [***]of ImmunoGen.

2.2.2 Review of Technology and Materials. The Joint Research Committee shall review all ImmunoGen Technology, ImmunoGen Materials, Aventis Technology and

Aventis Materials that ImmunoGen and Aventis, respectively, propose to use in the conduct of the Research Program. To the extent that the Technology or materials so proposed by ImmunoGen are subject to Burdened Technology Obligations or constitute Limited Targets, ImmunoGen shall promptly identify and, subject to any confidentiality obligations it may have to any Third Parties, describe in reasonable detail to the Joint Research Committee the extent and nature of such Burdened Technology Obligations or the fact that such Technology or materials constitute Limited Targets. Promptly upon receipt of ImmunoGen's notice, the Joint Research Committee shall determine whether to include such ImmunoGen Technology, ImmunoGen Materials, Aventis Technology or Aventis Materials in the Research Program. ImmunoGen shall be solely responsible for any Burdened Technology Obligations that are existing as of the date such Technology or materials are first used in the conduct of the Research Program to the extent not identified and described to the Joint Research Committee prior to such use; it being agreed and understood that ImmunoGen's failure to identify and describe Burdened Technology Obligations shall not be considered a material breach of this Agreement for purposes of Section 12.2.3 so long as the related Technology and materials remain available for use under this Agreement.

2.2.3 Inclusion of Burdened Technology. Aventis hereby agrees that, to the extent that the Joint Research Committee determines to include any Burdened Technology in the Research Program, and to the extent that ImmunoGen has identified and described such Burdened Technology Obligation in reasonable detail to the Joint Research Committee, the Parties will [***]the [***]of [***]for the contractual and/or financial obligations to such Third Parties which comprise such Burdened Technology Obligations, as necessary to include such Burdened Technology within the Research Program and/or in the Development or Commercialization of Products, for so long as such Burdened Technology is used in the Research Program or to the extent such obligations are otherwise applicable to the use of such Burdened Technology in the Research Program and/or is used to Develop or Commercialize Products. Once any ImmunoGen Technology or ImmunoGen Materials, including without limitation any Target, Program Antibody, Effector Molecule or Linker, is recommended by the Joint Research Committee for inclusion in the Research Program, ImmunoGen will not, without the prior written consent of Aventis, enter into any agreement with any Third Party that would result in any such ImmunoGen Technology or ImmunoGen Materials becoming subject to additional Burdened Technology Obligations with respect thereto or would result in any such Target becoming a Limited Target.

2.3 Joint Research Committee.

2.3.1 Formation and Membership. As soon as practicable after the Effective Date, Aventis and ImmunoGen shall establish a Joint Research Committee (the "Joint Research Committee") comprised of at least four (4) representatives designated by Aventis and at least four (4) representatives designated by ImmunoGen; provided, that, Aventis and ImmunoGen may designate additional representatives from time to time. The Joint Research Committee shall include at least one Development representative from each Party. Each Party shall be responsible for its own expenses incurred in connection with attendance by its personnel at any meeting of the Joint Research Committee. From time to time during the Research Program Term, the Joint Research Committee may establish one or more teams comprised of

representatives of both Parties to implement various aspects of the Annual Research Plan as determined by the Joint Research Committee (each, a "Joint Research Project Team"). Such Joint Research Project Teams shall be governed in the same manner and subject to the relevant requirements as set forth herein for the Joint Research Committee.

2.3.2 Administrative Matters. The Joint Research Committee shall appoint two co-chairpersons from among its members, which positions shall be filled by one representative of Aventis and one representative of ImmunoGen. The co-chairpersons shall be responsible for calling meetings of the Joint Research Committee and for leading the meetings. A Joint Research Committee member of the Party hosting a meeting of the Joint Research Committee shall serve as secretary of that meeting. The secretary of the meeting shall prepare and distribute to all members of the Joint Research Committee minutes of the meeting sufficiently in advance of the next meeting to allow adequate review and comment prior to the meeting. Such minutes shall provide a description in reasonable detail of the discussions had at the meeting and a list of any actions, decisions or determinations approved by the Joint Research Committee. Minutes of each Joint Research Committee meeting shall be approved or disapproved, and revised as necessary, at the next meeting. Final minutes of each meeting shall be distributed to the members of the Joint Research Committee by the co-chairpersons.

2.3.3 Decision Making. Each Party shall have one vote on the Joint Research Committee (and each Joint Research Project Team). Both Parties must vote in the affirmative to allow the Joint Research Committee (or Joint Research Project Team) to take any action that requires the vote of the Joint Research Committee or a Joint Research Project Team, with respect to any actions delegated to a Joint Research Project Team by the Joint Research Committee. If a Joint Research Project Team is unable to reach unanimous agreement on any matter, such matter shall be referred to the Joint Research Committee. If the Joint Research Committee is unable to reach unanimous agreement within [***]([***]) [***]following the date the matter was first put to a vote, then[***].

2.3.4 Meetings.

(a) The Joint Research Committee shall meet at least four (4) times per Contract Year (except that proportionately fewer meetings shall be held in a Contract Year with fewer than 12 months). Such meetings shall be held at such times and places as are mutually agreed upon by the members of the Joint Research Committee.

(b) Each Party shall endeavor to have its representatives attend the meetings of the Joint Research Committee in person. If a Party's representative is unable to attend a meeting, such Party may attend such meeting by telephonic or video conference or designate an alternate representative to attend such meeting in person in place of the absent representative. In addition, each Party may, at its discretion, invite additional employees and, with the consent of the other Party, consultants or scientific advisors, to attend the meetings of the Joint Research Committee.

(c) Either Party may also convene a special meeting of the Joint Research Committee for the purpose of resolving disputes or for the purpose of reviewing (or

making) a decision pertaining to the designation of an Antibody Target as a Program Target, or the designation of an Antibody or TAP Antibody as a Program Antibody, or the selection of an Effector Molecule by providing at least ten (10) Business Days written notice to the other Party.

2.3.5 Responsibilities. The Joint Research Committee shall be responsible for, among other things:

(a) overseeing the Research Program;

(b) providing a forum for consensual decision making;

(c) reviewing recommendations from and advising the Joint Research Project Teams;

(d) preparing and approving each Annual Research Plan for each Contract Year after Contract Year 1;

(e) appointing one or more Joint Research Project Teams, as may be appropriate, to implement the Annual Research Plan;

(f) monitoring the Parties' compliance with their respective obligations under the Annual Research Plan, including the accomplishment of key objectives and the devotion of an appropriate number of FTEs to the Research Program;

(g) reviewing and approving any amendments to the Annual Research Plan and evaluating any substantive departures by either Party from the Annual Research Plan;

(h) reviewing and approving any amendments to the Antibody Progression Manual, including without limitation the Lead Selection Criteria;

(i) evaluating any Burdened Technology Obligations and Limited Targets and deciding whether to accept Burdened Technology or Limited Targets into the Research Program;

(j) accepting a Target for inclusion into the Research Program as an Antibody Target, subject to the limitation set forth in Section 2.8.2(b);

(k) approving selection of an Antibody Target for designation as a Program Target and identifying any [***]of which such Program Target is a part;

(l) approving selection of an Antibody or a TAP Antibody for designation as a Program Antibody;

(m) approving selection of a Program Antibody for designation as a Lead Antibody;

(n) approving selection of Effector Molecules and directing the chemical optimization and synthesis thereof;

(o) approving selection of Linkers;

(p) monitoring reports submitted by the Parties pursuant to the Annual Research Plan;

(q) reviewing and commenting upon (but not approving) the patent filing strategies of the Parties as provided in Article 10 of this Agreement; and

(r) approving recommendations to drop Antibody Targets or Program Targets.

2.4 Joint Research Project Teams.

2.4.1 Formation of Joint Research Project Teams. If the Joint Research Committee determines to establish a Joint Research Project Team, Aventis and ImmunoGen shall each make its initial designation of its representatives not later than [***]([***]) [***]after the formation of such Joint Research Project Team. Either Party may change its designees to any Joint Research Project Team at any time upon written notice to the other Party.

2.4.2 Responsibilities. Each Joint Research Project Team shall be responsible for, among other things:

(a) implementing aspects of the Annual Research Plan assigned to such Joint Research Project Team by the Joint Research Committee;

(b) recommending to the Joint Research Committee Antibody Targets as Program Targets;

(c) recommending to the Joint Research Committee Antibodies and TAP Antibodies for designation as Program Antibodies;

(d) recommending to the Joint Research Committee Program Antibodies for designation as Lead Antibodies;

(e) recommending to the Joint Research Committee Effector Molecules based upon cytotoxicity, ease of synthesis, patentability and other relevant factors; and

(f) recommending Linkers to the Joint Research Committee.

2.4.3 Special Meeting. Either Party may convene a special meeting of the appropriate Joint Research Project Team for the purpose of reviewing (or making) such recommendations as described in Section 2.4.2 by providing [***]([***]) [***]prior written notice to the other Party.

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

2.5 Conduct of the Research Program.

2.5.1 ImmunoGen shall use Commercially Reasonable Efforts to perform its obligations under the Research Program in accordance with the Annual Research Plan. As part of such efforts, during the Research Program Term, ImmunoGen shall [***]the [***]and [***]necessary to carry out its obligations under the Annual Research Plan, and shall make available the [***]of [***]in each year of the Research Program Term as set forth in Section 2.5.3. In furtherance of the foregoing, the Annual Research Plan shall set forth the [***]of [***]and by Calendar Quarter (or partial Calendar Quarter, as the case may be) and shall set a [***]related to the use of Approved Subcontractors by project and by Calendar Quarter (or partial Calendar Quarter, as the case may be). If, at any time during the Research Program Term, ImmunoGen determines that either the [***]of [***]for a particular Calendar Quarter or the costs related to the use by ImmunoGen of Approved Subcontractors for a particular Calendar Quarter or for the Contract Year is expected to exceed the number or costs set forth in the Annual Research Plan for such Calendar Quarter or for the Contract Year by [***]([***]) or more, ImmunoGen shall convene a special meeting of the Joint Research Committee. The Joint Research Committee shall then determine whether to [***]the use of such [***]or such additional Approved Subcontractor services or whether to [***]the [***]to be[***], such that such [***]or [***]related to the use by ImmunoGen of Approved Subcontractors are[***]. Such determination of the Joint Research Committee shall be set forth in a revised Annual Research Plan as a revised work plan or budget, as the case may be. To the extent agreed to by the Joint Research Committee, [***]may be allocated by the Joint Development Committee to Development activities relating to Collaboration Products or Licensed Products. Subject to ImmunoGen's right to receive the funding described in Section 2.5.3 below, ImmunoGen shall have the responsibility, at its sole cost and expense, of paying the [***]and [***]of its[***], including any [***]conducting [***]under the Research Program. Except as otherwise provided herein, Aventis shall have no liability as a result of its [***]hereunder to [***]for any[***], [***], [***], [***], [***]and [***]and [***]and [***]incurred by [***]and [***]with the[***].

2.5.2 During the Research Program Term, Aventis shall use Commercially Reasonable Efforts to perform its obligations under the Research Program in accordance with the Research Plan.

2.5.3 Pursuant to the terms of this Agreement, Aventis will pay to ImmunoGen funds in the amount of [***]in [***]and [***]and [***]in [***]and for any [***]for which the Research Program Term is extended. ImmunoGen shall invoice Aventis for, and Aventis shall fund, a minimum of [***]([***]) [***]in[***], and [***]([***]) [***]in each of [***]and[***]. Subject to Aventis' right to be reimbursed pursuant to Section 2.5.6 for any excess amounts paid by Aventis, all such payments made pursuant to this Section 2.5.3 shall be non-refundable and non-creditable against any other payments

owed by Aventis to ImmunoGen hereunder. The Parties shall mutually agree on the number of [***]to be used for any extension term, based upon the scope of activities to be performed in the Research Program as so extended; provided, however, that Aventis may determine not to exercise its option to extend the Research Program Term in its sole discretion and for any reason including, without limitation, the failure of the Parties to agree on the number of[***].

2.5.4 Within [***]([***]) [***]after the [***]of [***]during the Research Program Term and the [***]following the expiration or termination of the Research Program Term, [***]will provide to [***]a [***]and [***]the [***]of [***]to the Research Program during each [***]in such[***], along with [***]and[***], together with an [***]of the [***]between such [***]and the [***]of [***]for that[***]. Within [***]([***]) days from the date of its [***]of each such[***], [***]will pay to [***]the [***]as [***]for the [***]by the[***]. For purposes of clarity and pursuant to the [***]set forth in Section 2.5.3, but subject to Sections 2.5.6, 12.2.3, 12.2.7 and 15.6 of this Agreement, or except as otherwise permitted under this Agreement, the [***]to be [***]in [***] will be no less than[***]; the [***]to be [***]in [***]will be no less than [***]and the [***]to be [***]in [***]will be no less than[***].

2.5.5 Within [***]([***]) [***]after the end of each [***]during the Research Program Term and the [***]following the expiration or termination of the of the Research Program Term, ImmunoGen will provide to Aventis a report setting forth the names of the Approved Subcontractors actually applied to the Research Program during each month in 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 [***]([***]) [***]from the end of each Calendar Quarter, ImmunoGen shall provide to Aventis an invoice setting forth the names of such Approved Subcontractors and the costs incurred and invoiced by such Approved Subcontractors during such Calendar Quarter. Within [***]([***]) [***]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.

2.5.6 During the Research Program Term and for a period of [***]([***]) [***]thereafter, ImmunoGen shall keep and maintain, and shall require its Affiliates and Approved Subcontractors to keep and maintain, accurate and complete laboratory books and other records of activities performed by [***]in performing[***], and by each Approved Subcontractor in performing Approved Subcontractor services, under the Research Program. In furtherance of the foregoing, ImmunoGen shall keep track of the activities of [***]on a [***]as determined by [***]in a manner mutually agreed to by the Parties; it being agreed and understood that [***]to [***]of [***]shall [***]a [***]of the Research Program. ImmunoGen shall [***]this [***]with respect to all of its [***]and[***]. Not more than [***]per[***], [***]shall have the right to engage an independent certified public accounting firm of nationally recognized standing and reasonably acceptable to ImmunoGen, which shall have the right to examine in confidence the relevant books, records or other relevant reports, of ImmunoGen and its respective Affiliates and Approved Subcontractors as may be reasonably necessary to determine and/or [***]of the [***]to [***]and the [***]of [***]applied to the [***]of [***]under the Research Program. For clarity, such examination shall include, without limitation, the right of the certified public accounting firm to examine in confidence reports relating to [***]for all [***]with respect to the Research Program and all of [***]and[***], for the sole purpose of [***]the [***]of the [***]of [***]applied to the [***]of [***]under the Research Program and such accounting firm may not reveal to Aventis any information with respect to [***]and[***]. Such examination shall be conducted, and ImmunoGen shall make its records available, during normal business hours, after at least [***]([***]) [***]prior written

notice shall have been provided by Aventis to ImmunoGen, as applicable, and shall take place at the Facility(ies) where such records are maintained. Each such examination shall be limited to pertinent books, records or reports for any year ending not more than [***]([***]) months prior to the date of request; provided, that, Aventis shall not be permitted to audit the same period of time more than once. Before permitting such independent accounting firm to have access to such books and records, ImmunoGen may require such independent accounting firm and its personnel involved in such audit, to sign a confidentiality agreement (in form and substance reasonably acceptable to each of the Parties) as to any confidential information which is to be provided to such accounting firm or to which such accounting firm will have access, while conducting the audit under this paragraph. The accounting firm shall provide both ImmunoGen and Aventis with a written report stating whether the reports submitted by ImmunoGen are correct or incorrect and the specific details concerning any discrepancies. Such accounting firm may not reveal to Aventis any information learned in the course of such audit other than the amount of any such discrepancies. Aventis agrees that all such information shall be Confidential Information of ImmunoGen and further agrees to hold in strict confidence all information disclosed to it in accordance with Article 11 of this Agreement, except to the extent necessary for Aventis to enforce its rights under this Agreement or if disclosure is required by law. If the actual [***]in the [***]of the [***]is [***]than that [***]by ImmunoGen, ImmunoGen shall [***](but in no event [***]than [***]([***])[***] after ImmunoGen's receipt of the independent auditor's report so correctly concluding) [***]Aventis for any [***]by [***]to [***]pursuant to Section 2.5.3. Aventis shall bear the full cost of such audit unless such audit [***]the [***]in the [***]of [***]under the [***]to be [***]than that [***]by [***]by [***]([***]) or[***], in which case ImmunoGen shall [***]for all [***]by [***]in connection with such audit.

2.5.7 During the period commencing on the Effective Date and continuing for the longer of the termination or expiration of this Agreement and [***]([***]) [***]from the date of filing of any patent application pursuant to Article 10 covering any Product, each Party shall use Commercially Reasonable Efforts to keep and maintain accurate and complete lab notebooks reflecting the screening and other research and development activities performed by such Party under the Research Program. Upon [***]([***]) [***]prior written notice from a Party, the other Party shall permit a Third Party patent expert selected by the first Party and reasonably acceptable to the other Party to examine (at the first Party's sole cost and expense) the relevant lab notebooks of the other Party, as applicable; provided, that, any such Third Party patent expert shall be required to execute and deliver to the other Party an appropriate confidentiality agreement covering the information contained in the lab notebooks to be examined.

2.5.8 Each Party shall have caused or shall cause each participant in the Research Program to execute such Party's standard non-disclosure and invention assignment agreement.

2.5.9 Each Party shall identify one of its representatives to serve as a program coordinator with responsibility for overseeing that Party's day-to-day activities relating to the Research Program and to serve as a contact person for coordinating Research Program activities between the Parties.

2.5.10 Each Party shall identify one of its representatives to serve as a program manager with overall responsibility for achievement of the objectives of the Research Program. Such program manager shall serve as a member of the Joint Research Committee and the Joint Development Committee.

2.6 Annual Research Plan.

2.6.1 The Joint Research Committee shall prepare and approve the Annual Research Plan for each Contract Year (other than the Contract Year 1) at least [***]([***]) [***]prior to the [***]of such[***]. The Annual Research Plan for the Contract Year 1 is set forth in Exhibit A to this Agreement. As noted in the Annual Research Plan, and as soon as practicable following the Effective Date but no later than the commencement of Contract Year 1, the Joint Research Committee shall prepare and approve the budget for Contract Year 1.

2.6.2 The Joint Research Committee shall update and amend, as appropriate, the then current Annual Research Plan from time to time.

2.6.3 Each Annual Research Plan shall contain the specific research objectives to be achieved during the Contract Year, the specific activities to be performed under the Research Program and the timeline for performing such activities, the [***]and [***]of [***]and Approved Subcontractors required to perform such activities, a detailed budget for performing such activities and the Party which shall be responsible for performing each of the activities.

2.6.4 Each Annual Research Plan shall be consistent with the other terms and conditions of this Agreement, including the objectives set forth in Section 2.1.1, and shall be in substantially the same form, including the items itemized in, the Annual Research Plan attached as Exhibit A, except that it shall include a budget.

2.7 Materials.

2.7.1 Subject to Sections 2.7.2 and 2.8.2 below, during the Research Program Term, ImmunoGen shall present to the Joint Research Committee for inclusion in the Research Program all [***]and [***]and[***], and all[***], [***]and other [***]and [***]related to each of the foregoing in its [***]or in the [***]of which it[***], which [***]reasonably determines, based on its [***]at such time, is [***]to have [***]in the[***].

2.7.2 If, during the Research Program Term, ImmunoGen [***]a [***]to the [***]and [***]of [***](other than a[***]) that contains a [***]or other [***](other than an [***]or[***]), then:

(a) ImmunoGen shall have the right to [***]for [***]on its [***]or with a [***]any such [***]that is not [***]any [***]that has [***]for [***]or [***]in the[***]; and

(b) ImmunoGen shall have the right to [***]for [***]on its [***]or, subject to clause (ii) below, with a [***]any such [***]that is [***]against any [***]that has [***]for [***]or [***]in the[***], provided that (i) ImmunoGen shall [***]to [***]such [***](to

the extent [***]by [***]or in the[***]) to the Joint Research Committee pursuant to Section 2.8.2 and (ii) Aventis shall, at any time prior to the [***]of the [***]of the[***], have a [***]of [***]with respect to [***]pursuant to the procedures set forth in Sections [***]through [***]which shall apply *mutatis mutandis*.

2.8 Targets.

2.8.1 Obligations with respect to Targets. During the Research Program Term and consistent with the Annual Research Plan and the terms of this Agreement, ImmunoGen and Aventis shall (i) identify and provide Targets during the Research Program Term for use in the Research Program, (ii) use Commercially Reasonable Efforts to validate Targets so provided and (iii) designate such Targets as Antibody Targets pursuant to Section 2.8.2 below using the technologies, data and materials specified in such Annual Research Plan.

2.8.2 Inclusion of Targets as Antibody Targets; Limited Targets.

(a) When a Party presents a [***]to the [***]for [***]in the [***]as an[***], such Party shall present to the [***]all [***]and [***]in the [***]of which such Party is [***]or [***]by such Party relating to the [***]for [***]in the [***]of any such[***]. Within [***]([***]) [***]from the date a Target is presented to the Joint Research Committee, ImmunoGen shall provide written notice to the Joint Research Committee if such Target is a Limited Target. Such notice shall include the identity of the type of Limited Target that it is and a reasonably detailed description of the limitations that would be imposed on Aventis' rights with respect to such Limited Target (in each case, the "Limitations").

(b) In the event that ImmunoGen provides notice within such [***]([***]) [***]period that such Target is a Limited Target, then the Joint Research Committee shall promptly determine whether to:

(i) decline to include such Limited Target in the Research Program and such Limited Target shall not become an Antibody Target, or

(ii) include such Limited Target in the Research Program as an Antibody Target subject to the Limitations identified by ImmunoGen; provided that, in no event shall such Limitations restrict the rights granted to Aventis in this Agreement with respect to the research, Development or Commercialization of (A) Antibodies other than TAP Antibodies (commonly referred to as "naked Antibodies") or (B) in the case of any Limited Target other than a Limited Exclusive Option Target or Limited Exclusive Target, any TAP Antibody containing an Effector Molecule from a class of molecules other than the maytansinoid class of molecules.

(c) Subject to Section 2.8.4 below, each Target included in the Research Program as an Antibody Target shall be subject to the restrictions contained in Section 7.5. ImmunoGen shall promptly notify Aventis and the Joint Research Committee if at any time during the Research Program Term any Limited Target ceases to be subject to any or all of the Limitations applicable thereto, whereupon such Limited Target shall be eligible for inclusion in the Research Program as an Antibody Target, subject to any remaining Limitations,

or if already an Antibody Target, such Limited Target shall no longer be subject to the particular Limitations that have ceased to be in effect.

(d) Notwithstanding anything to the contrary set forth in this Agreement, under no circumstances shall [***]than [***]([***]) [***]be [***]by the [***]as [***]at any [***]during the[***]. For clarity, such [***]of [***]shall not [***]any [***]that would be [***]in the [***]of such [***]upon such [***]becoming a[***].

2.8.3 Designation of Program Targets. From time to time during the Research Program Term and no less frequently than at each Joint Research Committee meeting, the Joint Research Committee shall review all data and information with respect to each Antibody Target, including any reports as to whether such Antibody Target may be useful in identifying Antibodies or TAP Antibodies suitable for the Development of Products in the Collaborative Focus Area. Promptly following its review, the Joint Research Committee shall determine whether additional data or information is required for the Joint Research Committee to make a decision as to whether to designate such Antibody Target as a Program Target. If the Joint Research Committee finds that sufficient data and information have been obtained by the relevant Joint Research Project Teams, the Joint Research Committee shall provide written notice of same to ImmunoGen. The Joint Research Committee shall, as soon as practicable, but in any event on or before [***]([***]) [***]from the date of such notice, determine in good faith whether to designate such Antibody Target as a Program Target or to drop such Antibody Target from the Research Program in accordance with Section 2.8.4 of this Agreement, which determination and the rationale therefor shall be recorded in the minutes of the meeting. The Joint Research Committee shall prepare and approve an amendment to the Annual Research Plan to reflect the activities to be undertaken by the Parties with respect to any Antibody Target that has been designated as a Program Target.

2.8.4 Dropped Targets. If at any time during the Research Program Term the Joint Research Committee fails to designate any Antibody Target as a Program Target within the period described in Section 2.8.3, then such Antibody Target shall be deemed a "Dropped Target." In addition, if at any time during the Research Program Term either Party determines in good faith that the evaluation of an Antibody Target or Program Target should be discontinued, then either Party may propose to the Joint Research Committee that the Antibody Target or Program Target should be dropped from the Research Program. The Joint Research Committee shall review each such proposal in good faith and make a determination in favor or against such proposal as soon as reasonably practicable. If the Joint Research Committee accepts any such proposal, then, subject to Section 2.8.3 (in the event that a Lead Antibody has been Developed against such Program Target), such Antibody Target or Program Target shall thereafter be deemed to be a "Dropped Target".

2.8.5 Use of Dropped Targets. Once a Target becomes a Dropped Target:

(a) Aventis shall have the right to exploit (i) any Dropped Target that was [***]for use in the Research Program by [***]and is not Covered by any Valid Claim of an issued patent within the [***]for [***]and [***]and (ii) any Dropped Target to the extent Covered by any Valid Claim of an issued patent within the [***]or to the extent obtained by

[***]from a [***]and [***]by [***]for use in the Research Program in accordance with Section 2.2 of this Agreement, for the sole purpose of making, using and selling[***], subject to Sections 8.2.3 and 8.4.3 of this Agreement.

(b) Subject to Section 2.8.5(a)(ii) above, ImmunoGen shall have the right to exploit any Dropped Target to the extent [***]by [***]or to the extent obtained by [***]from a [***]and [***]by [***]for use in the Research Program in accordance with Section 2.2 of this Agreement, for any purpose other than for the purpose of making, using and selling[***].

(c) Each Party shall have the right to exploit any Dropped Target that is part of the public domain.

(d) The exploitation by a Party described in each of subsections (a)(i), (b) and (c) above shall not require the consent of, nor trigger any duty to account or make a payment to, the other Party. The rights of Aventis and of ImmunoGen to Dropped Targets in each of subsections (a)(i), (b) and (c) above shall include the rights to all [***]and [***](together with the specific [***]and [***]to which it is[***]) that are [***]against such Dropped Target to the extent not covered by the intellectual property rights of the other Party.

2.9 Research Program Records.

2.9.1 All work conducted by either Party in the course of the Research Program shall be completely and accurately recorded, in sufficient detail and in good scientific manner, in separate laboratory notebooks. On reasonable notice, and at reasonable intervals, each Party shall have the

right to inspect and copy all such records of the other Party reflecting Program Technology, Aventis Technology Improvements, ImmunoGen Technology Improvements, or work done under the Research Program, to the extent reasonably required to carry out its respective obligations and to exercise its respective rights hereunder. Notwithstanding the definition of "Confidential Information", all such records shall constitute Confidential Information of the Party creating such laboratory notebooks and other records. The Parties acknowledge and agree that neither Party guarantees the success of the Research Program tasks undertaken hereunder.

2.9.2 In order to protect the Parties' Patent Rights under U.S. law in any inventions conceived or reduced to practice during or as a result of the Research Program, each Party agrees to maintain a policy which requires its employees to record and maintain all data and information developed during the Research Program in such a manner as to enable the Parties to use such records to establish the earliest date of invention and/or diligence to reduction to practice. At a minimum, the policy shall require such individuals to record all inventions generated by them in standard laboratory notebooks which are dated and corroborated by non-inventors on a regular, contemporaneous basis.

2.10 Disclosure of Research Program Results. Subject to restrictions imposed by a Party's confidentiality obligations to any Third Party, each Party will disclose to the other all Program Technology, Aventis Technology Improvements and ImmunoGen Technology

Improvements discovered, invented, or made by such Party during the course of the Research Program, including, without limitation, information regarding (i) Targets, Antibodies, TAP Antibodies, Effector Molecules and Linkers identified in the Research Program through the use of Program Targets, (ii) the Activity of such Antibodies and TAP Antibodies and any derivatives thereof, and (iii) the results of in vitro and in vivo studies, assay techniques and new assays. Such Program Technology, Aventis Technology Improvements and ImmunoGen Technology Improvements will be promptly disclosed to the other Party (including the actual sequence of a Target or the nucleic or amino acid sequence of an Antibody), with discoveries or advances being communicated as promptly as practicable after such information is obtained. Each Party will provide the other with copies of the raw data generated in the course of the Research Program, if reasonably necessary to the other Party's work under the Research Program or as requested by the other Party. Any information disclosed pursuant to this Section 2.10 may be used by the other Party solely for the purposes of the Research Program or as otherwise expressly permitted in this Agreement.

2.11 Material Transfer. Except as otherwise provided under this Agreement, (a) all Aventis Materials or ImmunoGen Materials delivered to the other Party shall remain the sole property of the supplying Party and shall be used only in furtherance of the Research Program under the sole control of the other Party and its Affiliates and (b) a Party receiving Aventis Materials or ImmunoGen Materials hereunder shall not use such materials for the benefit of, or deliver such materials to, any Third Party without the prior written consent of the supplying Party.

2.12 Liability. In connection with conduct of the Research Program, each Party shall be responsible for, and hereby assumes, any and all risks of personal injury or property damage attributable to the negligent acts or omissions of that Party or its Affiliates, and their respective directors, officers, employees and agents.

2.13 Use of Approved Subcontractors. Either Party may perform some of its obligations under the Research Program through one or more Approved Subcontractors as approved by the Joint Research Committee or Joint Development Committee, as appropriate; provided, that, (a) none of the rights of the other Party hereunder are diminished or otherwise adversely affected as a result of such subcontracting, and (b) the Approved Subcontractor undertakes in writing all obligations of confidentiality and non-use regarding the other Party's Confidential Information which are substantially the same as those undertaken by Aventis and ImmunoGen pursuant to Article 11 hereof and (c) with respect to ImmunoGen, only those obligations which ImmunoGen in good faith determines it does not have the ability and/or reasonable capacity to perform in light of its existing obligations to Aventis and/or Third Parties shall be eligible for assignment to an Approved Subcontractor; provided, that with respect to any such obligations of ImmunoGen described in this clause (c), to the extent that ImmunoGen does not take actions necessary to enable it to perform such obligations, then Aventis may, in its sole discretion, perform, or make arrangements for such obligations to be performed, in which case such obligations shall not be eligible for assignment to an Approved Subcontractor by ImmunoGen. In the event that a Party performs one or more of its obligations under the Research Program through any such Approved Subcontractor, then such Party shall at all times be responsible for the performance by such Approved Subcontractor of such Party's obligations

hereunder. Aventis shall reimburse ImmunoGen pursuant to Section 2.5.5 for payments made by ImmunoGen to Approved Subcontractors that are eligible to be used by ImmunoGen in accordance with this Section 2.13.

ARTICLE 3

PRECLINICAL AND CLINICAL DEVELOPMENT PROGRAM

3.1 Selection of Lead Antibodies.

3.1.1 Notification. Each Party or the applicable Joint Research Project Team shall notify the Joint Research Committee in writing when such Party or Joint Research Project Team determines to recommend that a Program Antibody should be designated as a Lead Antibody in accordance with the selection criteria as set forth in the Antibody Progression Manual. Such notification shall (a) identify the Program Antibody with specificity and (b) identify the related Program Target. Such notification shall be accompanied by any pertinent data, information, results and materials relating to the foregoing, which shall be made available to the Joint Research Committee for review (the "Lead Data Package").

3.1.2 Lead Data Package Approval. If the Joint Research Committee determines that the Lead Data Package is complete and that such Program Antibody meets the Lead Selection Criteria as set forth in the Antibody Progression Manual, it shall approve the Lead Data Package and such Program Antibody shall thereafter be designated as a Lead Antibody, subject to Section 3.4 of this Agreement. If the Joint Research Committee believes that the Lead Data Package is incomplete, or it is insufficient to make a determination as to whether to Develop and Commercialize such Lead Antibody, it shall promptly, but in no event later than [***]([***]) [***]following receipt of the Lead Data Package, notify the applicable Party or Joint Research Project Team and specifically identify any additional data, information, results or materials that should be provided to the Joint Research Committee for review.

3.1.3 Development of Lead Antibody. Aventis shall, as soon as possible after the Joint Research Committee has designated any Lead Antibody, provide the Joint Research Committee with written notification of its interest or lack of interest in Developing such Lead Antibody; provided, that, in no event shall Aventis have the right to [***]more than [***]([***])[***], without the prior written consent of ImmunoGen; provided, that, [***]the Joint Research Committee or the Joint Development Committee [***]of a [***]or[***], Aventis shall have the right to [***]an [***]in [***]thereof. Subject to the foregoing, if Aventis desires to pursue the Development of such Lead Antibody, the Parties shall thereafter conduct Pre-EDC Research Evaluation Activities with respect to such Lead Antibody.

3.2 Designation of an EDC Antibody. Once the Joint Research Committee has concluded that the results of Pre-EDC Research Evaluation Activities applicable to a Lead Antibody support the commencement of [***]as reasonably determined by the Joint Research Committee the Joint Research Committee shall then make a decision as to whether to designate such Lead Antibody as an EDC Antibody.

3.3 Development of an EDC Antibody into a Collaboration Product. Upon designation of each EDC Antibody by the Joint Research Committee under Section 3.2 of this Agreement, Aventis shall use Commercially Reasonable Efforts to Develop such EDC Antibody for the purpose of Commercializing a Product hereunder.

3.4 Inclusion of Rights. Upon designation of a Lead Antibody, the rights of Aventis to such Lead Antibody shall also include rights to (a) all [***]that are [***]the Target (and the members of the [***]of such Target) against which such Lead Antibody was directed under the Research Program and (b) solely to the extent that any such Lead Antibody is a TAP Antibody, all [***](together with any appropriate[***]) from the applicable [***]class(es) (e.g., [***]) for which such TAP Antibody (or any other Program Antibody included under clause (a) above) has been conjugated.

3.5 Joint Development Committee.

3.5.1 Formation Of Joint Development Committee. As soon as practicable after the Effective Date, the Parties shall establish a Joint Development Committee (the "Joint Development Committee") to provide a forum through which Aventis shall regularly update ImmunoGen on the Development of all Products and ImmunoGen can provide suggestions with respect thereto. The Joint Development Committee shall include at least [***] ([***]) representatives from each Party. In addition, the Joint Development Committee shall follow the organizational and meeting procedures set forth in Article 2 (including the decision making procedures set forth in Section 2.3.3) with respect to the Joint Research Committee, except that the [***]of the Joint Development Committee shall be an[***]. Each Party shall be responsible for its own expenses incurred in connection with attendance by its personnel at any meeting of the Joint Development Committee. It is understood that [***]will have [***]for [***]the [***]as to the Development of any Product. Notwithstanding the foregoing, Aventis shall have the right to make any final decisions with respect to the Development of Products. The Joint Development Committee shall not have the power to amend or waive any compliance by a Party under this Agreement.

3.6 Development Activities. Aventis shall use Commercially Reasonable Efforts to conduct the Development of all Products and shall be solely responsible for all activities in connection therewith, including without limitation, engaging any Third Party to manufacture and supply any Preclinical Materials and/or Clinical Materials necessary to Develop and Commercialize such Products, as well as all Development and commercial supplies of the finished Product. ImmunoGen shall use Commercially Reasonable Efforts to conduct such Development activities as are requested by the Joint Development Committee.

3.7 Dropped Products.

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 Research Program, then such Lead Antibody shall thereafter be deemed a "Dropped Product."

3.7.2 Subject to the provisions of Section 3.8 below, ImmunoGen shall have the right to exploit for any and all purposes any Dropped Product and (a) all licenses granted by ImmunoGen to Aventis with respect to such Dropped Product shall immediately terminate, (b) all obligations of Aventis for any Burdened Technology Obligations with respect to such Dropped Product shall terminate, and (c) Aventis shall be deemed to have granted to ImmunoGen the licenses set forth in Section 7.2.5 with respect to such Dropped Product, it being understood and agreed that such licenses shall [***]only the [***]with respect to the [***]in its [***]as a [***]and shall not [***]the [***]to use any [***]thereof (i.e., [***], [***], [***], [***]or[***]) by [***]or in a [***]other than the[***]. In addition, Aventis shall promptly transfer to ImmunoGen any related Drug Approval Applications or Regulatory Approvals related to such Dropped Product (including transfer of all relevant data and information relevant to regulatory authorities, if any).

3.8 Right of [***]; Royalty to Aventis.

3.8.1 If ImmunoGen desires to [***]an [***]with a [***]for the[***], [***], or [***]of a Dropped Product, or, if earlier, within [***] ([***]) [***]following the [***]of the [***]with respect to a[***], ImmunoGen shall [***]in [***]to [***]the [***]to [***]into an [***](a "[***]") pursuant to which ImmunoGen would [***]to [***]a [***]to[***], [***], [***], and [***]such [***](such [***]being referred to herein as the "[***]"). The [***]shall specify (i) the [***]that [***]to have [***]or [***]subject to such [***]and (ii) all reasonably relevant [***]and [***]relating to such [***]including, but not limited to, [***]of the[***], if applicable.

3.8.2 Within [***]([***]) [***]after provision of an[***], if [***]desires to [***]into a [***]by such[***], [***]shall send a [***]to such [***](an "[***]"). Upon receipt of an[***], [***]and [***]the [***]of the [***]in [***]for a period not to exceed [***]([***])[***], which [***]may be [***]in writing by the Parties (the "[***]").

3.8.3 If Aventis fails to [***]an [***]within such [***]([***]) [***]period or, if after providing an[***], Aventis fails to [***]to [***]a [***]setting forth [***]for a [***]within [***]([***]) [***]of the date of issuance of the[***], then ImmunoGen shall be [***]at its [***]to [***]to [***]such [***]or [***]into an [***]with respect to such [***]with any [***]in accordance with this Section 3.8.

3.8.4 ImmunoGen agrees not to [***]or to [***]into any [***]or [***]for a [***]with a [***]during the [***]([***]) [***]period after the [***]or during the[***]. If [***]and[***], despite their good faith efforts, do not [***]into a [***]within the[***], then [***]may at its [***]to [***]such [***]or [***]into an [***]with a[***], without any further [***]to [***]other than as provided in Sections 3.8.5 and 3.8.6; provided, however, that if the [***]and [***]of such [***]with such [***]would, [***]as a[***], be [***]to [***]than the [***]by[***], then [***]shall [***]a [***]to[***], whereupon [***]shall have another [***]([***]) [***]period to send a new [***]and, if it does so, another [***]([***])

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

[***]therefor. The Parties hereby acknowledge and agree that neither [***]nor [***]shall have an [***]to enter into a[***].

3.8.5 Notwithstanding anything to the contrary contained in this Agreement, if ImmunoGen either itself or in collaboration with a Third Party commercializes any Dropped Product with respect to which a [***]had commenced prior to the time such Product became a Dropped Product, then [***]shall [***]to [***]a [***]on the [***]of such [***]to [***]([***]). Such [***]shall be [***]on a [***]for the [***]of [***]([***]) [***]following the [***]of such [***]in such country or, [***], until the [***]to [***]under [***]existing as of the date [***]became a [***](a) for any[***], [***]the [***](i.e., [***]per se [***]only) of any[***], [***]or [***]of such [***]in such country or (b) for any other[***], [***]such [***]in such[***].

3.8.6 With respect to any obligation on the part of ImmunoGen to [***]to Aventis on [***]of [***]of a[***], the provisions of [***]shall apply *mutatis mutandis*.

3.9 Use Of Approved Subcontractors. Aventis may perform its obligations regarding the Development of Products through one or more Approved Subcontractors; provided, that, Aventis shall at all times be responsible for the performance of Aventis' obligations by such Approved Subcontractor.

ARTICLE 4

MANUFACTURE AND SUPPLY

4.1 Supply of Preclinical Materials, Clinical Materials and Product.

4.1.1 Aventis shall be responsible, at its sole cost, for manufacturing or having manufactured any materials (including without limitation, raw materials) as may be required for preclinical and clinical studies necessary to obtain Regulatory Approval of Products and in addition, such materials and/or quantities of each Product as may be required for all clinical studies applicable to such Product and for Commercialization of such Product.

4.1.2 Notwithstanding the foregoing, during the Term of this Agreement, Aventis may request ImmunoGen to supply it with Preclinical Materials, Clinical Materials and/or Products, and (a) with respect to the supply of Preclinical Materials and Clinical Materials up to and including for Phase IIB Studies, ImmunoGen shall be responsible for supplying Aventis with such Preclinical and Clinical Materials, and (b) with respect to Clinical Materials for Phase III and Phase IV Studies and Product for Commercialization, Aventis shall have the right to request ImmunoGen to produce such Clinical Materials and Product in ImmunoGen's conjugate pilot plant, in each case subject to the provisions of this Article 4. Notwithstanding the foregoing, Aventis acknowledges that ImmunoGen gives no assurances that its conjugate pilot plant can be modified, validated or obtain the necessary regulatory approval to enable the production of Products for Commercial sale. In the case that ImmunoGen's conjugate pilot plant does not fulfill GMP or other legal or regulatory requirements to produce Product or materials

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for Commercialization, ImmunoGen shall not have any obligation to produce such Product or materials for Aventis.

4.1.3 Upon any request by Aventis pursuant to Section 4.1.2, ImmunoGen shall provide Aventis with ImmunoGen's non-binding good faith estimate of the Costs for supply of such Preclinical Materials, Clinical Materials, or Product, as applicable. The Parties shall thereafter [***]in good faith (a) a [***](the "[***]") on the [***]under clause (ii) of the definition of [***]contained herein and [***]under clause (iv) of the definition of[***], (b) the specifications pursuant to which such Preclinical Materials, Clinical Materials or Product will be manufactured and (c) the other material terms and conditions of a separate manufacturing and supply agreement, consistent with the provisions of Section 4.2. The Parties acknowledge and agree that

(a) ImmunoGen shall have no obligation to supply Aventis with Preclinical Materials, Clinical Materials and/or Products until such a manufacturing and supply agreement has been executed by the Parties with respect to such Preclinical Materials, Clinical Materials and/or Products and (b) neither Aventis nor ImmunoGen shall have any obligation to enter into any such manufacturing and supply agreement if the Parties are unable to agree on the terms thereof, including the[***].

4.2 Manufacturing and Supply Agreement. The terms of any manufacturing and supply agreement shall provide, among other things, that: (a) ImmunoGen shall supply Aventis with such quantities of Preclinical Materials and/or Clinical Materials as may be reasonably requested by Aventis in order to conduct all preclinical Development and/or clinical activities relating to any Product; (b) Aventis shall order all amounts of Preclinical Materials, Clinical Materials and Products, and ImmunoGen shall deliver all such ordered amounts, in accordance with advance ordering timeframes and delivery timeframes as agreed upon by the Parties; (c) if ImmunoGen's conjugate pilot plant facility is to be utilized, appropriate periodic capacity limits and allocations as agreed upon by the Parties, such that the manufacture of Preclinical Material and Clinical Material shall take priority over the manufacture of Product for Commercial sale; (d) ImmunoGen shall use commercially reasonable efforts to deliver such amounts of Preclinical Materials, Clinical Materials and/or Products ordered in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; and (e) such quantities of Preclinical Materials, Clinical Materials and Products shall be manufactured in accordance with all applicable GMP and other legal requirements and all applicable specifications for the same and shall be supplied to Aventis at ImmunoGen's Cost (which term shall include the agreed upon Overhead Cap). An appropriate quality agreement shall be included as part of, or attached as an exhibit to, such manufacturing and supply agreement.

4.3 Purchase of Dedicated Equipment. If, during the Term of this Agreement, ImmunoGen determines in good faith that it is necessary or advisable that any Dedicated Equipment be purchased in order to perform any of its obligations to manufacture Preclinical Materials, Clinical Materials and/or Products under Section 4.1 of this Agreement, then ImmunoGen shall request that Aventis purchase such equipment by providing Aventis with written notice of such determination, along with the estimated price for such purchase and quality parameters for the Dedicated Equipment, for Aventis' approval. If Aventis approves the purchase of such Dedicated Equipment, then Aventis shall purchase such equipment and have such equipment delivered to an ImmunoGen Facility, as directed by the Joint Development

Committee. In no event shall the Joint Development Committee require ImmunoGen to purchase Dedicated Equipment with ImmunoGen's own funds. At any time, Aventis shall have the right to require that ImmunoGen, at Aventis' sole cost and expense, transfer any Dedicated Equipment to an Aventis facility as directed by Aventis. If Aventis does not approve the purchase of any Dedicated Equipment, the Parties shall modify any obligations of ImmunoGen as appropriate to exclude obligations that would require such Dedicated Equipment.

4.4 Use of Approved Subcontractors. Aventis may perform its obligations regarding the manufacturing and supply of Products through one or more Approved Subcontractors; provided, that, Aventis shall at all times be responsible for the performance by each such Approved Subcontractor of Aventis' obligations hereunder.

ARTICLE 5

REGULATORY MATTERS

5.1 Ownership. Aventis shall own all Drug Approval Applications and Regulatory Approvals with respect to all Products.

5.2 Regulatory Coordination. Aventis will have exclusive control over, and authority and responsibility for, the regulatory strategies relating to the development and commercialization of all Products, including, without limitation (i) the preparation of all documents submitted to Regulatory Authorities and the filing of all INDs, Drug Approval Applications and other submissions relating to Products and (ii) all regulatory actions, communications and meetings with any Regulatory Authority with respect to any Products. Subject to any confidentiality obligations of ImmunoGen to Third Parties, ImmunoGen shall provide to Aventis on a timely basis all information Controlled by ImmunoGen or otherwise in ImmunoGen's possession as a result of its activities under this Agreement or the manufacturing and supply agreement contemplated by Article 4 which is necessary to enable Aventis to comply with all regulatory obligations on a global basis applicable to Products, including without limitation, filing updates, information amendments, annual reports, pharmacovigilance filings, preclinical research data, preclinical study reports, investigator notifications and chemistry, manufacturing and controls information. All updates and reports provided hereunder shall be provided in a form as reasonably required by Aventis for inclusion in any regulatory submission. Aventis shall be responsible for interfacing, corresponding and meeting with all Regulatory Authorities with respect to any Product. The Parties shall cooperate with each other to provide all reasonable assistance and take all actions reasonably requested by the other Party that are necessary or desirable to comply with any law applicable to any Product, including, but not limited to, providing Aventis with reasonable access during ordinary business hours and upon reasonable written notice to ImmunoGen personnel, ImmunoGen contract research organizations and any facilities at which preclinical studies were conducted, as reasonably necessary for audit purposes and/or to answer questions or explain any information ImmunoGen provides pursuant to this Section 5.2, and the reporting of adverse drug experience reports (and serious adverse drug experience reports) to Regulatory Authorities pursuant to Section 5.4 below.

5.3 Review of Correspondence for Products. Aventis shall use reasonable efforts to provide ImmunoGen with at least [***]([***]) [***]advance notice of any material meeting with the FDA which is for the purpose of obtaining Regulatory Approval for any Product and ImmunoGen may elect to send one person reasonably acceptable to Aventis to participate as an observer (at ImmunoGen's [***]and[***]) in such meeting. To the extent reasonably practicable and subject to any Third Party confidentiality obligations, Aventis shall provide ImmunoGen with drafts of any material documents or correspondence pertaining to any Product and prepared for submission to the FDA sufficiently in advance of submission so that ImmunoGen may review and comment on the substance of such material documents or correspondence. Aventis shall promptly provide ImmunoGen with copies of any material documents or other correspondence received from the FDA pertaining to any Product. If ImmunoGen has not commented on such material documents or

correspondence within [***]([***]) [***]of provision of such material documents or correspondence to ImmunoGen, then ImmunoGen shall be deemed to have no comments on such material documents or correspondence. Aventis agrees to consider all comments in good faith, taking into account the best interests of the Product on a global basis.

5.4 Notice of Adverse Events. Each Party shall provide the other Party with prompt notice of Adverse Events as follows:

5.4.1 Adverse Events.

(a) Aventis agrees to provide ImmunoGen with (i) Serious Adverse Event information and product complaint information relating to Products as compiled and prepared by Aventis in the normal course of business in connection with the Development, Commercialization or sale of any Product, within time frames consistent with reporting obligations under applicable laws and regulations and (ii) upon ImmunoGen's reasonable request, all other Adverse Event information with respect to such Products and all other safety data and information relevant to an analysis or investigation of such Adverse Event; provided, however, that the foregoing shall not require Aventis to violate any agreements with or confidentiality obligations owed to any Third Party.

(b) ImmunoGen agrees to provide Aventis with (i) Serious Adverse Event and product complaint information relating to any Dropped Product and any product containing any ImmunoGen Materials (if applicable) that is compiled and prepared by ImmunoGen or any Third Party in the normal course of business in connection with the Development, Commercialization or sale of any such product, within time frames consistent with reporting obligations under applicable laws and regulations and (ii) upon Aventis' reasonable request, all other Adverse Event information with respect to such products and all other safety data and information relevant to an analysis or investigation of such Adverse Events; provided, however, that the foregoing shall not require ImmunoGen to violate any agreements with or confidentiality obligations owed to any Third Party.

(c) Aventis shall provide its Adverse Event and product complaint information hereunder to ImmunoGen's designated representative. ImmunoGen shall provide its Adverse Event and product complaint information hereunder to Aventis' designated representative.

5.4.2 Confidential Information. All Adverse Event, product complaint and other information provided by one Party to the other Party under this Agreement (including under this Section 5.4), shall be considered Confidential Information of the disclosing Party, subject to the terms of Article 11 of this Agreement.

ARTICLE 6

COMMERCIALIZATION PROGRAM

6.1 Objectives for Commercialization of Products. Aventis will have the sole discretion and exclusive right to promote, sell and distribute Products in the ROW. Aventis will have the sole discretion and exclusive right to promote, sell and distribute Products in the United States, subject to ImmunoGen's right to Co-Promoted Products (as defined below) as set forth in this Article 6.

6.2 ImmunoGen Option to Co-Promote Products. If, with respect to any Product, ImmunoGen provides written notice of its intent to participate in the Commercialization of such Product in the United States and such written notice is received by Aventis within [***]([***]) [***]following the date of the [***]for such Product, then (a) such Product shall be deemed to be a "Co-Promoted Product" for purposes of this Agreement and (b) ImmunoGen and Aventis shall form a commercialization team (the "U.S. Commercialization Team") which shall have as its overall purpose the implementation of Commercialization activities for such Co-Promoted Product in the United States. The U.S. Commercialization Team shall be comprised of an equal number of representatives from each of Aventis and ImmunoGen, as selected by such Party. The exact number of representatives of each Party shall be as determined by Aventis and ImmunoGen. The chairperson of the U.S. Commercialization Team shall be a [***]of [***]and shall be responsible for calling meetings of the U.S. Commercialization Team and for leading the meetings.

6.3 Decision Making; Meetings. Decisions of the U.S. Commercialization Team shall be made by unanimous approval of both Parties, with each Party having one (1) vote on all matters. If such efforts do not result in mutual agreement on resolution of the matter, [***]have the [***]to [***]a[***], which shall be deemed the decision of the U.S. Commercialization Team on the issue. The U.S. Commercialization Team shall meet at least one (1) time per Calendar Quarter.

6.4 Duties. The U.S. Commercialization Team shall:

(a) develop and discuss strategies for the promotion and marketing of each Co-Promoted Product in the United States, including allocation of responsibility for marketing and Commercialization activities;

(b) implement the U.S. portion of the marketing plan as developed by Aventis (the "U.S. Marketing Plan");

(c) prepare short term and long term sales forecasts;

(d) present sales forecasts and the results of all U.S. Commercialization efforts to the Joint Steering Committee as needed, but no less often than quarterly;

(e) coordinate the Detailing efforts of both Parties in the United States;

(f) oversee all recalls, market withdrawals and any other corrective actions related to each Co-Promoted Product in the United States;

(g) receive and provide to the Parties sales reports pertaining to Co-Promoted Products; and

(h) perform such activities as are or may be delegated to the U.S. Commercialization Team pursuant to this Agreement.

6.5 Notice of Number of ImmunoGen Sales Reps. At the time ImmunoGen delivers its notice to Aventis of ImmunoGen's desire to participate in the Commercialization of a Co-Promoted Product pursuant to Section 6.2, and thereafter on an annual basis in accordance with the timetable established by the U.S. Commercialization Team, ImmunoGen shall inform Aventis of the [***]of [***]that ImmunoGen desires and in good faith expects to have participate in [***]and [***]Co-Promoted Products in the United States ("[***]") for the next succeeding Calendar Year and the estimated [***]of [***]that each of these [***]are expected (i) to be [***]and (ii) to be devoted to [***]products other than Co-Promoted Products during such Calendar Year. Aventis shall reimburse ImmunoGen under Section 6.6 for up to [***]([***]) [***]for[***].

6.6 Reimbursement. Aventis shall reimburse ImmunoGen for the cost of up to [***]([***]) [***]for [***]per Calendar Year, and for such other activities performed by ImmunoGen in accordance with the U.S. Marketing Plan, calculated as set forth in this Section 6.6.

6.6.1 Aventis' [***]for the [***]of [***]for [***]shall be at a [***]to be mutually agreed upon by Aventis and ImmunoGen following ImmunoGen's election to participate in the Commercialization of the Co-Promoted Product. The [***]shall be based upon Aventis' then [***]for its[***].

6.6.2 Aventis' reimbursement for the cost of any activities performed by ImmunoGen in accordance with the U.S. Marketing Plan shall be [***]to the [***]unless otherwise agreed by the Parties: (a) all payments made to Third Parties that are approved by the U.S. Commercialization Team and directly related to conduct of such activities, and (b) the out-of-pocket costs of [***]for use in conducting such activities; provided, however, that if such Co-Promoted Product is obtained from or through Aventis, it shall be at Aventis' [***]for such Co-Promoted Product.

6.6.3 Within [***]([***]) [***]prior to the end of each Calendar Quarter during which ImmunoGen is participating with Aventis in Detailing a Co-Promoted Product in the United States, ImmunoGen shall submit to Aventis a [***]reasonably detailing ImmunoGen's

good faith estimate of the [***]by ImmunoGen during such Calendar Quarter, if such [***]did not [***]in the [***]of Co-Promoted Products for the [***]Calendar Quarter, when such [***]and [***]such[***], whether such individuals participated in the detailing of any products other than Co-Promoted Products, if such [***]did [***]in the [***]of any such[***], the [***]that such [***]spend [***]such [***]versus the time they spent [***]Co-Promoted Products, and any other activities performed by ImmunoGen in accordance with the U.S. Marketing Plan for which ImmunoGen is seeking reimbursement hereunder. Within [***]([***]) [***]following the end of each Calendar Quarter, ImmunoGen shall submit to Aventis a final report reasonably detailing the items described in the preceding sentence. Payment of amounts to be reimbursed under this Section 6.6 shall be made in accordance with the provisions of Section 9.1.1 below.

6.7 Sales Rep Performance. ImmunoGen will use Commercially Reasonable Efforts in performing its designated activities under the U.S. Marketing Plan, and to ensure that its sales force is adequately trained with respect to Co-Promoted Products to be co-promoted thereunder.

6.8 Booking Sales. During the term of this Agreement, [***]will book [***]sales for all Products in the Territory and [***]the [***]at which such Products are sold.

6.9 Promotional Materials. In connection with its marketing and promotion of Co-Promoted Products, [***]shall make and use only claims, promotional materials, Product samples, advertising and literature approved by [***]and provided to the U.S. Commercialization Team.

6.10 Information Exchange. Each Party shall keep the U.S. Commercialization Team reasonably informed as to such Party's activities in connection with the marketing, sale, promotion, distribution and other Commercialization of Co-Promoted Products in the United States. In addition, [***]shall provide [***]with [***]of Net Sales of all Co-Promoted Products in the United States.

6.11 Public Statements Regarding Products. Each of ImmunoGen and Aventis shall ensure that no claims or representations in respect of the Co-Promoted Products or the characteristics thereof are made by or on behalf of it (by members of its sales force or otherwise) which do not represent an accurate summary or explanation of the labeling of the Co-Promoted Products or a portion thereof, except to the extent permitted by Law.

6.12 Compliance with Laws. Each of ImmunoGen and Aventis agrees to comply with all applicable Laws with respect to the Commercialization of Co-Promoted Products. Neither ImmunoGen nor Aventis shall be required to undertake any activity relating to the Commercialization of Co-Promoted Products in that it believes, in good faith, may violate any Law.

6.13 Use of Subcontractors. [***]may perform its obligations regarding the Commercialization of Co-Promoted Products through one or more subcontractors; provided, that, [***]shall at all times be responsible for the performance by its subcontractor.

6.14 Training Program. [***]will ensure that adequate training programs are developed for personnel involved in the Commercialization of Co-Promoted Products in the U.S.; provided, that, (a) [***]shall participate, as reasonably determined by the Joint Development Committee, in the preparation of such training materials and conduct of training and (b) [***]shall submit to the U.S. Commercialization Team for its review all such training materials. Such training shall be carried out at a time that is mutually acceptable to the Parties hereto. Except as provided herein, it is agreed that the out-of-pocket costs of the development, production and printing of such training materials shall be borne by[***]. Each [***]shall bear [***]incurred in participating in the preparation of such training materials.

6.15 Labeling. To the extent not prohibited by law or regulation and subject to approval by the FDA, all product labels for Co-Promoted Products shall include, in equal prominence, the names of both Aventis and ImmunoGen.

ARTICLE 7

LICENSES AND EXCLUSIVITY

7.1 ImmunoGen Grants.

7.1.1 Activities Under Research Program. ImmunoGen hereby grants to Aventis and its Affiliates, subject to Section 7.1.8 below, a co-exclusive (with ImmunoGen and its Affiliates), worldwide, royalty-free license, during the Research Program Term, with the right to grant sublicenses to Approved Subcontractors, under the ImmunoGen Intellectual Property, to conduct the Research Program in accordance with the Annual Research Plan.

7.1.2 Development Licenses. On a Lead Antibody, EDC Antibody, Licensed Antibody and Licensed TAP Antibody basis, 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.

7.1.3 Commercialization Licenses. 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-bearing license, with the right to grant sublicenses, under ImmunoGen Intellectual Property, to Commercialize Products in the Field and in the Territory.

7.1.4 Manufacturing License. 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 any subcontractor, under ImmunoGen Intellectual Property, to make and have made Products, including but not limited to any active pharmaceutical ingredients, Antibodies, TAP Antibodies, Effector Molecules, Linkers and pharmaceutical dosage forms that comprise such Product as well as the finished Product.

7.1.5 General Research License; Commercial License.

(a) ImmunoGen hereby grants to Aventis and its Affiliates a non-exclusive, worldwide, royalty-free license under the ImmunoGen Patent Rights, to conduct research during the Research Program Term. The foregoing license shall be [***]by [***]and its [***]only upon the [***]of[***], [***]be [***]or[***]; [***]no [***]shall be required in order for Aventis or its Affiliates to [***]a [***]to any [***]in connection with the supply or manufacture of components or materials or the supply or performance of services.

(b) Upon written request of Aventis at any time during or after the Research Program Term, [***]shall [***]in [***]with [***]for a period of [***]([***]) [***]the [***]and [***]of a [***]pursuant to which [***]would [***]to [***]a [***]under the [***]to enable [***]to continue to [***]for [***]and[***]. Any such [***]shall be on [***]and [***]to the [***]and [***]then [***]by [***]from [***]to whom [***]in[***]. At the request of[***], such [***]shall include a [***]on such [***]as the [***]may [***]for [***]to [***]and [***]that result from [***]of the [***]set forth in this Section 7.1.5. Notwithstanding the foregoing, in no event shall either Party be [***]to [***]into any such [***]with the other Party.

7.1.6 License With Respect to[***]. 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-bearing license, [***]the [***]to[***], under ImmunoGen Patent Rights, to develop, make, use and sell [***]in the Field and in the Territory.

7.1.7 License With Respect to ImmunoGen Technology Improvements. ImmunoGen hereby grants to Aventis and its Affiliates a co-exclusive perpetual, irrevocable, worldwide, fully paid, royalty free license under the ImmunoGen Technology Improvements and all Patent Rights that Cover any ImmunoGen Technology Improvements, to research, develop and commercialize any products, and to otherwise commercially exploit such ImmunoGen Technology Improvements and Patent Rights for any and all purposes. The foregoing license shall be [***]by [***]and its [***]only upon the [***]of[***], [***]be [***]or[***]; [***]no [***]shall be required in order for Aventis or its Affiliates to [***]a [***]to any [***]in connection with the supply or manufacture of components or materials or the supply or performance of services.

7.1.8 Limitation on Scope of License Grants. Notwithstanding anything to the contrary set forth in this Section 7.1, the co-exclusive licenses granted to Aventis under Sections 7.1.1 and 7.1.7. and the exclusive licenses granted to Aventis under Sections 7.1.2, 7.1.3, 7.1.4 and 7.1.6 shall be co-exclusive and exclusive, respectively, but shall be subject to the Limitations with respect to Limited Targets.

7.2 Aventis Grants.

7.2.1 Activities under Research Program. 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, during the Research Program Term, under the Aventis Intellectual Property and the Program Intellectual Property, to conduct the Research Program in accordance with the Annual Research Plan.

7.2.2 Development Licenses. On a Lead Antibody, EDC Antibody, Licensed Antibody and Licensed TAP Antibody basis, Aventis hereby grants to ImmunoGen and its Affiliates a non-exclusive, non-sublicensable, royalty-free license, under the Aventis Intellectual Property and the Program Intellectual Property, to Develop Products in the manner and to the extent such Development is assigned to ImmunoGen by the Joint Development Committee.

7.2.3 Co-Promotion License. On a Co-Promoted Product-by-Co-Promoted Product basis, Aventis hereby grants to ImmunoGen and its Affiliates a co-exclusive (with Aventis and its Affiliates), royalty-free license with the right to grant sublicenses [***]to[***], under the Aventis Intellectual Property and the Program Intellectual Property, to co-promote Co-Promoted Products in the United States, in the manner set forth in the U.S. Marketing Plan for such Co-Promoted Product.

7.2.4 Limited Research License. Aventis hereby grants to ImmunoGen and its Affiliates a perpetual, irrevocable, worldwide, non-exclusive, non-sublicensable, royalty-free, license, under the Program Intellectual Property to conduct research in the Field.

7.2.5 Exclusive License for Dropped Products. Subject to the rights of Aventis contained in Section 3.8, Aventis hereby grants to ImmunoGen and its Affiliates a worldwide, exclusive (even as to Aventis and its Affiliates) license under the Aventis Intellectual Property, the Program Intellectual Property, to the extent required to research, develop, and commercialize Dropped Products.

7.3 Technology Transfer. ImmunoGen hereby grants to Aventis and its Affiliates a non-exclusive, worldwide, royalty-free, perpetual, irrevocable license under (a) any ImmunoGen Technology or ImmunoGen Materials existing as of the Effective Date and not Covered by a Valid Claim of the ImmunoGen Patent Rights listed on Schedule 1.50, and (b) any other ImmunoGen Technology or ImmunoGen Materials not Covered by a Valid Claim of [***]existing as of the [***]of the[***], in each case to[***], [***]and [***]any[***], other than[***], [***]or in [***]or [***]with[***], and to [***]such [***]and [***]for [***]and[***]. The foregoing license shall be [***]by [***]and [***]only upon the [***]of[***], [***]shall not be [***]or[***]; [***]no such [***]shall be [***]in order for [***]or [***]to [***]a [***]to any [***]in connection with the [***]or [***]of [***]or [***]or the [***]or [***]of[***]. The restrictions on [***]contained in this Section 7.3 and Sections 7.1.5 and 7.1.7 above shall not be deemed to [***]or [***]from[***], and it is understood that [***]and/or [***]may [***]into, [***]or other [***]with [***]with respect to the[***], [***]and [***]of[***], other than[***], pursuant to which [***]or [***]may[***], but not [***]except as otherwise [***]or [***]to, (a) the [***]and/or [***]which are [***]under this Section 7.3 and/or (b) the [***]Rights which are [***]under Section 7.1.5(a) above, and/or (c) the [***]which are [***]under Section 7.1.7 above.

7.4 Retained Rights.

7.4.1 Aventis Retained Rights. With respect to this Agreement, any rights of Aventis not expressly granted to ImmunoGen under the provisions of this Agreement shall be retained by Aventis. Without limiting the foregoing, subject to the other terms of this Agreement, including, without limitation, Section 7.5, Aventis retains the right to use the Aventis

Intellectual Property and the Program Intellectual Property (i) to perform its work hereunder, (ii) to Develop and Commercialize Products hereunder and (iii) to research, have researched, develop, have developed, make, have made, use, have used, sell, offer for sale, have sold, imported and have imported, for any and all purposes, both alone and together with any Third Party, any product that is not a Product.

7.4.2 ImmunoGen Retained Rights. With respect to this Agreement, any rights of ImmunoGen not expressly granted to Aventis under the provisions of this Agreement shall be retained by ImmunoGen. Without limiting the foregoing, subject to the other terms of this Agreement including without limitation Section 7.5, ImmunoGen retains the right to use the ImmunoGen Intellectual Property (i) to perform its work hereunder and to manufacture and supply Preclinical Materials, Clinical Materials and Products for Aventis, (ii) to co-promote Co-Promoted Products hereunder and (iii) to research, have researched, develop, have developed, make, have made, use, have used, sell, offer for sale, have sold, import and have imported, for any and all purposes, both alone and together with any Third Party, any product that is not a Product.

7.4.3 No Other Rights. Except as otherwise expressly set forth in Section 7.1 and 7.2, nothing in this Agreement shall be construed as a grant to a Party of any license or other rights with respect to any Technology (including, without limitation, any Confidential Information) or Patent Rights Controlled (in whole or in part) by the other Party.

7.5 Exclusivity.

7.5.1 Neither Party may either, [***]or [***]a[***], [***]any [***]or[***], or [***]in such [***], or any Target against which a [***]is [***](including without limitation the [***], [***]and[***]) for any purpose other than for the performance of such Party's obligations and responsibilities under the relevant Annual Research Plan or this Agreement, except that (a) Aventis shall have the right to exploit, both within and outside the Collaborative Focus Area, any such[***], subject to Sections 8.2.3 and 8.4.3 of this Agreement, if applicable, for the [***]of[***], [***]and [***], and (b) ImmunoGen shall have the right to [***]its [***]to [***]relating to [***]with respect to the[***].

7.5.2 During the[***], ImmunoGen shall not [***]or [***]any [***]or other [***]with a [***]such [***]to [***](or any portion thereof) in the[***], except for (a) (i) [***]between [***]and [***]as of the [***]relating to [***]and listed on[***], together with a [***]of the [***]of [***]so[***], and (ii) [***]between [***]and [***]with respect to [***]and [***]as of the [***]and listed on[***], and (b) [***]with[***], in addition to those described on[***], [***]into after the[***], not to [***]([***]) in [***] the [***](the "[***]"), that are [***]to those [***]in [***]([***]) [***](other than [***]to [***]and[***]) that are on a [***]whereby the [***]that is the [***]of such [***]is [***]a [***]or was [***](as between [***]and such[***]) by such[***];

[***], the [***]of [***]shall be [***]by [***]([***]) for each [***]that the [***]is extended, up to an [***]of [***]([***])[***]. In addition, during the[***], [***]shall not [***]any [***]and [***]in the[***], other than with a[***].

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

7.5.3 During the[***], [***]not [***]into any [***]with a [***]that [***]the [***]to such [***]of exclusive rights to [***](or any portion thereof) with respect to an entire therapeutic indication or disease without[***]; provided that, following the[***], [***]ability to [***]into any [***]shall [***]to the other [***]contained in this[***].

7.5.4 During the Term of this Agreement, ImmunoGen shall not, either alone or with a Third Party, develop, manufacture or commercialize (i) any [***]or [***]that is [***]in a [***]or that is [***]a [***](or any [***]of the [***]of any[***]), or (ii) any[***], except in each case (a) in the performance of its obligations and responsibilities under the relevant Annual Research Plan or this Agreement, (b) to the extent included in a Dropped Product pursuant to Section 3.7 or (c) as necessary to [***]its [***]to [***]relating to the [***]with respect to[***].

7.5.5 During the period commencing on the Effective Date and [***]the [***]of the [***]of [***]or [***]of the[***], ImmunoGen shall not, either alone or with a Third Party, develop, manufacture or commercialize any TAP Antibody where the Effector Molecule of such TAP Antibody is from the taxane class of molecules, except (i) in the performance of its obligations and responsibilities under the relevant Annual Research Plan or this Agreement, (ii) to the extent included in a Dropped Product pursuant to Section 3.7, or (iii) as necessary to [***]its [***]to a [***]relating to the [***]permitting such [***]to [***]to the relevant [***]or[***], as the case may be, with an [***]from the [***]of[***].

7.6 Section 365(n) of the Bankruptcy Code. All rights and licenses granted under or pursuant to any section of this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(35A) of the Bankruptcy Code. The Parties shall retain and may fully exercise all of their respective rights and elections under the Bankruptcy Code. Upon the bankruptcy of any Party, the non-bankrupt Party shall further be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property, and such, if not already in its possession, shall be promptly delivered to the non-bankrupt Party, unless the bankrupt Party elects to continue, and continues, to perform all of its obligations under this Agreement.

ARTICLE 8

FINANCIAL PROVISIONS

8.1 Upfront Research Payment. In connection with the funding of research of Products, Aventis shall pay ImmunoGen, within three (3) Business Days of the execution of this agreement, Twelve Million Dollars ($12,000,000), which amount shall be non-refundable and non-creditable. For purposes of clarity, in no event shall payments under this Section 8.1 be credited against the amounts payable under Section 2.5.3 of this Agreement.

8.2 Payments. As additional funding of research of Products, Aventis shall pay ImmunoGen the non-refundable and non-creditable amounts set forth below within [***]([***]) [***]following the first occurrence of each event specified below, together with a copy of any applicable Regulatory Approval letter in connection therewith (each, an "Event"):

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

8.2.1 Events and Payments Related to Licensed Products.

(a) Phase I Study. Two Million Dollars ($2,000,000) upon initiation of enrollment of patients for the first Phase I Study of a Licensed Product.

(b) Phase IIB Study. Four Million Dollars ($4,000,000) upon initiation of enrollment of patients for the first Phase IIB Study of a Licensed Product.

(c) [***]. [***]($[***]) upon [***]of [***]of [***]for the [***]of a[***].

(d) [***]. [***]($[***]) upon [***]by [***]of the [***]with the [***]with respect to a[***].

(e) [***]. [***]($[***]) upon [***]of the [***]by the [***]with respect to a[***]; provided that if, at the [***]of[***], the [***]by Section [***] above was [***]to the [***]that [***]had been [***]on any [***]at the time of[***], then the [***]to be [***]by [***]under this Section 8.2.1(e) shall be [***]by [***]($[***]) for a [***]under this subsection (e) of [***]($[***]).

(f) [***]. [***]($[***]) upon [***]of the [***]and [***]of a [***]in any [***]of the[***], whether by the [***](by the [***]for [***]of [***]([***])) in the [***]or by the [***]in the [***]of the [***]in the[***].

(g) [***]. [***]($[***]) upon [***]of the [***]and [***]of a [***]in[***].

For purposes of clarification, (i) each of the [***]shall be [***]and upon the [***]of each [***]for each[***], [***]of the [***]of [***]of each [***]for such[***], (ii) [***]or [***]shall be [***]the [***]for purposes of this Section 8.2.1 if [***]are [***]at the[***], (iii)[***], [***], [***]or [***]for a [***]for which a [***]has been made shall not[***], (iv) in no event shall [***]under this Section 8.2.1 be [***]any [***]under Section [***]of this Agreement, and (v) "[***]" with respect to a [***]shall mean the [***]the [***]is [***]with a [***]in[***].

8.2.2 Events and Payments Related to Collaboration Products.

(a) Designation of EDC Antibody. Five Hundred Thousand Dollars ($500,000) upon the designation by the Joint Development Committee pursuant to Section 3.2 of a Lead Antibody as an EDC Antibody for further development into a Collaboration Product.

(b) Phase I Study. One Million Dollars ($1,000,000) upon initiation of enrollment of patients for the first Phase I Study of a Collaboration Product.

(c) Phase IIB Study. Three Million Dollars ($3,000,000) upon initiation of enrollment of patients for the first Phase IIB Study of a Collaboration Product.

Portions of the exhibit, indicated by the mark "[***],", were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(d) Phase III Study. Three Million Dollars ($3,000,000) upon initiation of enrollment of patients for the first Phase III Study of a Collaboration Product.

(e) [***]. [***]($[***]) upon [***]by [***]of the [***]with the [***]with respect to a[***].

(f) [***]. [***]($[***]) upon [***]of the [***]by the [***]with respect to a[***]; provided that if, at the [***]of[***], the [***]required by Section [***]above was [***]to the [***]that [***]had been [***]on any [***]at the time of[***], then the [***]to be [***]by [***]under this Section 8.2.2(f) shall be [***]by [***]($[***]) for a [***]under this subsection (f) of [***]($[***]).

(g) [***]. [***]($[***]) upon [***]of the [***]and [***]of a [***]in any [***]of the[***], whether by the [***](by the [***]for [***]of [***]([***])) in the [***]or by the [***]in the [***]of the [***]in the[***].

(h) [***]. [***]($[***]) upon [***]of the [***]and [***]of a [***]in[***].

For purposes of clarification, (i) each of the [***]shall be made [***]and upon the [***]of each [***]for each[***], [***]of the [***]of [***]of each [***] (ii) [***]or [***]shall be [***]the [***]for purposes of this Section 8.2.2 if such [***]are [***]at the[***], (iii)[***], [***], [***]or [***]for a [***]shall not[***], (iv) in no event shall [***]under this Section 8.2.2 be [***]any [***]under Section [***]of this Agreement and (v) "[***]" with respect to a [***]shall mean the [***]the [***]is [***]with of a [***]in[***].

8.2.3 [***]. If (i) the [***]for such [***]constitutes [***]and is not a[***], (ii) a [***]for such [***]is [***]under this Agreement but such [***]becomes a [***]after an [***]has been [***]with respect thereto and (iii) the [***]by [***]of such [***]would [***]a [***]under the[***], then:

(a) [***]. [***]($[***]) upon [***]of [***]of [***]for the [***]of [***].

(b) [***]. [***]($[***]) upon [***]of [***]of [***]for the [***]of[***].

(c) [***]. [***]($[***]) upon the [***]in the [***]by [***]of[***].

(d) [***]. [***]($[***]) upon the [***]by [***]in any [***]of the [***]of[***].

(e) [***]. [***]($[***]) upon the [***]by [***]in [***]of[***].

For purposes of clarification, (i) each of the [***]shall be made [***]and upon the [***]of each [***]for each[***], [***]of the [***]of [***]of each[***], (ii) [***]([***]) or [***]shall be [***]the [***]for purposes of this Section 8.2.3 if such [***]are [***]at the[***], (iii)[***],

Portions of the exhibit, indicated by the mark "[***],", were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

[***], [***]or [***]for an [***]shall not[***], (iv) in no event shall [***]under this Section 8.2.3 be [***]any [***]under Section [***]of this Agreement and (v) "[***]" with respect to a [***]shall mean the [***]the [***]is [***]with [***]in[***].

8.3 Determination That Payments Are Due. Aventis shall provide ImmunoGen with prompt written notice upon its achievement of each of the Events set forth in Section 8.2 of this Agreement. In the event that, notwithstanding the fact that Aventis has not given any such notice, ImmunoGen believes any such Event has occurred, it shall so notify Aventis and the Joint Development Committee in writing, and shall provide to Aventis and the Joint Development Committee the data and information demonstrating that the conditions for payment have been achieved. Within [***]([***]) [***]of its receipt of such notice, the Joint Development Committee shall review the data and information and shall certify in writing whether or not the conditions for payment have been achieved. Any negative determination shall be accompanied by a detailed explanation of the reasons therefor.

8.4 Royalties.

8.4.1 Licensed Products. Subject to the provisions of this Section 8.4, Aventis shall pay the following royalties ("Licensed Product Royalties") on a Licensed Product-by-Licensed Product basis based on aggregate, worldwide, annual Net Sales of each Licensed Product, as follows:

(a) [***] ([***]) of that [***]of [***]of such [***]that is [***] than or [***]to $[***] in a[***].

(b) [***] ([***]) of that [***]of [***]of such [***]that is [***]than $[***] but [***]than or [***]to $[***] in a[***].

(c) [***] ([***]) of that [***]of [***]of such [***]that is [***]than $[***] in a[***].

8.4.2 Collaboration Products. Subject to the provisions of this Section 8.4, Aventis shall pay the following royalties ("Collaboration Product Royalties") on a Collaboration Product-by-Collaboration Product basis based on aggregate, worldwide, annual Net Sales of each Collaboration Product, as follows:

(a) [***] ([***]) of that [***]of [***]of such [***]that is [***]than or [***]to $[***] in a[***].

(b) [***] ([***]) of that [***]of [***]of such [***]that is [***]than $[***] but [***]than or [***]to $[***] in a[***].

(c) [***] ([***]) of that [***]of [***]of such [***]that is [***]than $[***] in a[***].

Portions of the exhibit, indicated by the mark "[***],"** ***were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.***

8.4.3 [***]. Subject to the provisions of this Section 8.4.3, Aventis shall pay the following royalties ("[***]" and together with the [***]and the[***], the "[***]") on a [***]-[***]-[***] [***]based on[***], [***], [***]of each[***], as follows:

(a) If (i) the [***]for such [***]constitutes [***]and is either (x) a [***]or (y) a [***]for a [***]that is [***]prior to the [***]of an [***]with respect thereto and (ii) the [***]by [***]of such [***]would [***]a [***]under the[***], then [***]([***]) of the [***]of such[***];

(b) If (i) (A) the [***]for such [***]constitutes [***]and is not a[***], (B) a [***]for such [***]is [***]and [***]under this Agreement for which [***]and [***]will be [***]under this Agreement, and (C) the [***]by [***]of such [***]would [***]a [***]under the[***], or (ii) the [***]meets the [***]set forth in Section[***], then (x) [***]([***]) of that [***]of [***]of such [***]that is [***]than or [***]to $[***] in a[***], (y) [***] ([***]) of that [***]of [***]of [***]that is [***]than $[***] but [***]than or [***]to $[***] in a[***], and (z) [***]([***]) of that [***]of [***]of such [***]that is [***]than $[***] in a[***].

(c) If (i) the [***]for such [***]is brought to the [***]by [***]from a [***]and constitutes [***]of such[***], (ii) the [***]by [***]of such [***]would [***]a [***]of a [***]of such [***]such [***]and (iii) no other [***]are due and payable pursuant to Section [***]or [***]hereof with respect to such[***], then [***]([***]) of the [***]of such[***].

8.4.4 Royalty Term.

(a) Subject to the provisions of Section 8.4.5 below, with respect to Products containing TAP Antibodies, Aventis shall pay to ImmunoGen the Royalties set forth in Sections 8.4.1 and 8.4.2 on a Product-by-Product basis and a country-by-country basis for so long as there exists in such country a Valid Claim within any ImmunoGen Patent Rights or Program Patent Rights [***]the [***]of [***](i.e., [***]per se [***]only) of any [***]or [***]of such[***]Product, or, if longer, until the [***]([***]) [***]of the First Commercial Sale of such Product in a given country; provided that, subject to Section 8.4.5(d), such Royalties shall be [***]by [***](e.g. a [***]([***]) [***]shall be [***]to [***]and [***]([***])) solely for that portion of the royalty payment term during which no such [***]exists in such[***].

(b) Subject to the provisions of Section 8.4.5 below, with respect to Products other than those containing TAP Antibodies, Aventis shall pay to ImmunoGen the Royalties set forth in Sections 8.4.1 and 8.4.2 on a Product-by-Product basis and a country-by-country basis for so long as there exists in such country a Valid Claim within any ImmunoGen Patent Rights or Program Patent Rights which [***]the[***], a [***]thereof or the [***]of [***]of such [***]in such[***], or, if[***], until the [***]([***]) [***]of the [***]of such [***]in a given country; provided that, subject to Section 8.4.5(d), such Royalties shall be [***]by [***](e.g. a [***]([***]) [***]shall be [***]to [***]and [***]([***])) solely for that portion of the royalty payment term during which no such [***]exists in such[***].

(c) Subject to the provisions of Section 8.4.5 below, with respect to[***], [***]shall [***]to [***]the [***]set forth in Section [***]on a [***]-[***]-[***]-[***]

Portions of the exhibit, indicated by the mark "[***],"** ***were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.***

basis and a [***]-[***]-[***] basis for so long as there [***]in such [***]a [***]under the [***](or under a [***]of a [***]in the case of Section[***]) which [***]the [***]of such [***]in such[***].

(d) For purposes of clarity, Royalties are determined on a country-by-country basis such that, if Aventis is no longer obligated to pay a Royalty in a given country with respect to a Product, [***]from the sale of such Product in such country shall not be [***]in[***], or the[***], under Sections 8.4.1, 8.4.2 and 8.4.3 above.

8.4.5 Additional Royalty Reductions. The Royalties payable hereunder shall be subject to the following additional reductions:

(a) If (i) [***]is [***]to [***]a [***]under [***]of a [***]in order to [***]the [***]thereof, or other [***]of a [***]in order to [***]thereof, in either case, in connection with the[***], [***]or [***]of a [***](other than [***]or [***]related to the [***]of [***]generally), and (ii) such [***]would be required by any company desiring to [***], [***]or [***]that incorporate the [***]related to[***], [***]or [***]of [***]or[***],

then, subject to Section 8.4.5(c), Aventis may [***]the [***]of any[***], [***]or other [***]made to such [***]for such[***]. Aventis shall use [***]to [***]any such [***]on [***]that, in [***]determination, are as [***]as then available.

(b) If a [***](other than [***]required under Section 8.4.5(a)) under [***]or other [***]of a [***](other than [***]or [***]related to the [***]of [***]generally) is necessary to [***]or [***]a[***], then, subject to Section 8.4.5(c), [***]may [***]of the amount of any[***], [***]or other [***]made by [***]to such [***]for such [***]from Royalties payable hereunder; provided, that (i) the foregoing reduction shall not apply to any [***]or [***]rights [***]subject matter whose [***]is a [***]in the [***]of [***]of[***], unless [***]an [***]in such [***]of [***]for the future Development or Commercialization of the Product, in which case, if such [***]is applied to [***]of[***], other than the Product, then such Royalty reduction shall be based on a [***]of the license to the Product; and (ii) in no event shall [***]provisions of this Section 8.4.5(b) [***]the [***](in each[***]) hereunder by more than [***]([***])[***]. To the extent any such [***]or other [***](other than[***]) [***]by [***]under this Section 8.4.5(b) are not able to be [***]by [***]in the [***]in which they are [***]by[***], then [***]may continue such [***]in [***]until such [***]or other [***]is[***].

(c) In no event shall all [***]provisions of Sections 8.4.4 and 8.4.5(a) and (b) [***]the [***]hereunder to [***]than [***] ([***]) of [***].

(d) All Royalties then in effect on a Product in a particular country shall be [***]by [***](e.g., a [***]([***]) [***]shall be [***]to [***]and [***]([***])) during the [***](as defined below) in the event that a [***]sells a [***](as defined below) in such[***]. For purposes of this Section 8.4.5(d), a "[***]" shall mean a[***], other than any [***]on the [***]as of the Effective Date, which includes an [***]or[***], as applicable, that is [***]against the [***]as a [***]and the term "[***]" shall mean the [***]during which the [***]of the [***]by such [***]in the relevant [***]are [***]to at [***]([***]) of [***]or [***]of the relevant [***]in such[***].

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(e) All Royalties then in effect on a Product in a particular country shall [***]on the [***]of (i) the [***]on which the [***]of [***]in such [***]are [***]to at least [***]([***]) of [***]or [***]of the relevant [***]in such[***], or (ii) the [***]on which a [***]is [***]in such country where the laws or regulations of such [***]permit [***]of [***]of a[***]. For purposes of this Section 8.4.5, a "[***]" shall mean a [***]that [***]the same [***]as a [***]([***]may vary) and is [***]to such[***].

(f) If [***]reasonably and in good faith believes that a [***]is required in order to permit Aventis to Commercialize a Product in a particular [***]with a[***], [***]may notify [***]of such belief and its basis therefor and, if such notification is made, the Parties shall [***]as [***]as [***]to discuss in good faith whether a [***]to the [***]for such [***]in such [***]is appropriate.

8.4.6 Development Costs. Except as otherwise provided in this Agreement, Development costs for all Products shall be borne one hundred percent (100%) by Aventis.

ARTICLE 9

ROYALTY PAYMENTS; REPORTING; BOOKS AND RECORDS

9.1 Reports and Payments.

9.1.1 Statements and Payment. Aventis shall deliver to ImmunoGen, within thirty (30) days after the end of each Calendar Quarter, a report setting forth for such Calendar Quarter the following information for each Product: (i) Net Sales of such Product or[***], on a country-by-country basis, (ii) the basis for any reductions to the Royalties payable due to the application of Sections 8.4.3 and 8.4.4, as applicable (iii) the Royalties due to ImmunoGen on account of sales of such Product or[***], and (iv) the exchange rates used in calculating any of the foregoing. The total Royalties due on account of sales of Products or [***]during such Calendar Quarter, plus any amounts due as reimbursement for [***]pursuant to Section 6.6, shall be remitted at the [***]is[***].

9.1.2 Taxes and Withholding. Any payments made by Aventis to ImmunoGen under this Agreement shall be free and clear of any taxes, duties, levies, fees or charges, and such amounts shall be reduced by the amount required to be paid or withheld pursuant to any applicable law, including, but not limited to, United States federal, state or local tax law ("Withholding Taxes"). Any such Withholding Taxes required by law to be paid or withheld shall be an expense of, and borne solely by, ImmunoGen. Aventis, as applicable, shall submit to ImmunoGen reasonable proof of payment of the Withholding Taxes, together with an accounting of the calculations of such taxes, within [***]([***]) [***]after such Withholding Taxes are remitted to the proper authority. The Parties will cooperate reasonably in completing and filing documents required under the provisions of any applicable tax laws or under any other applicable law in connection with the making of any required tax payment or withholding payment, or in connection with any claim to a refund of or credit for any such payment.

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

9.1.3 Currency Exchange. With respect to Net Sales invoiced or expenses incurred in U.S. dollars, the Net Sales or expense amounts and the amounts due to ImmunoGen hereunder shall be expressed in U.S. dollars. With respect to Net Sales invoiced or expenses incurred in a currency other than U.S. dollars, the Net Sales or expense shall be expressed in the domestic currency of the entity making the sale or incurring the expense, together with the U.S. dollar equivalent, calculated using the arithmetic average of the spot rates on the last Business Day of each month of the Calendar Quarter in which the Net Sales were made or the expense was incurred. The "closing mid-point rates" found in the "Dollar spot forward against the Dollar" table published by *The Financial Times*, or any other publication as agreed to by the Parties, shall be used as the source of spot rates to calculate the average as defined in the

preceding sentence. All payments shall be made by wire transfer in U.S. dollars to the credit of such bank account as shall be designated at least five (5) Business Days in advance by ImmunoGen in writing to Aventis.

9.1.4 Maintenance of Records; Audit. For a period of [***]([***])[***], Aventis shall keep and maintain, and shall require its respective Affiliates and sublicensees to keep and maintain, such accurate and complete books and records in connection with the sale of Products hereunder, as are necessary to allow the accurate calculation consistent with generally accepted accounting principles of the Royalties due to ImmunoGen, including any records required to calculate any royalty adjustments hereunder. [***]per[***], ImmunoGen shall have the right to engage an independent certified public accounting firm of nationally recognized standing and reasonably acceptable to Aventis, which shall have the right to examine in confidence the relevant books and records of Aventis and its respective Affiliates and sublicensees as may be reasonably necessary to determine and/or verify the amount of Royalty payments due hereunder. Such examination shall be conducted, and Aventis shall make its records available, during normal business hours, after at least [***]([***]) [***]prior written notice to Aventis, as applicable, and shall take place at the facility(ies) where such records are maintained. Each such examination shall be limited to pertinent books and records for any year ending not more than [***]([***]) [***]prior to the date of request; provided, that, ImmunoGen shall not be permitted to audit the same period of time more than once. Before permitting such independent accounting firm to have access to such books and records, Aventis may require such independent accounting firm and its personnel involved in such audit, to sign a confidentiality agreement (in form and substance reasonably acceptable to each of the Parties) as to any confidential information which is to be provided to such accounting firm or to which such accounting firm will have access, while conducting the audit under this paragraph. The ImmunoGen independent accounting firm will prepare and provide to each Party a written report stating whether the Royalty reports submitted and Royalties paid are correct or incorrect and the specific details concerning any discrepancies. Such accounting firm may not reveal to ImmunoGen any information learned in the course of such audit other than the amount of any such discrepancies. ImmunoGen agrees to hold in strict confidence all information disclosed to it, except to the extent necessary for ImmunoGen to enforce its rights under this Agreement or if disclosure is required by law. In the event there was an underpayment by Aventis hereunder, Aventis shall promptly (but in no event later than [***]([***]) [***]after such Party's receipt of the independent auditor's report so correctly concluding) make payment to ImmunoGen of any shortfall. In the event that there was an overpayment by Aventis hereunder, ImmunoGen shall promptly (but in no event later than [***]([***]) [***]after ImmunoGen's receipt of the

independent auditor's report so correctly concluding) refund to Aventis the excess amount. [***]shall bear the [***]of such audit unless such audit discloses an underreporting by Aventis of more than [***]([***]) of the aggregate amount of Royalties in any [***]([***]) [***]period, in which case, Aventis shall reimburse ImmunoGen for all costs incurred by ImmunoGen in connection with such examination and audit.

9.1.5 Overdue Royalties. In the event that any payment for Royalties due hereunder is not made when due, the payment shall accrue interest from the date due at a rate equal to the average one-month London Interbank Offered Rate (LIBOR) for the US Dollar, as published by *The Financial Times* or any other publication as mutually agreed to by the Parties, plus one hundred (100) basis points, calculated on the number of days between the actual date the payment is made and the date the payment was due; provided, however, that in no event shall such rate exceed the maximum annual interest rate permitted under applicable Law.

ARTICLE 10

INTELLECTUAL PROPERTY OWNERSHIP, PROTECTION AND RELATED MATTERS

10.1 Aventis Intellectual Property Rights. Aventis shall have sole and exclusive ownership of all right, title and interest on a worldwide basis in and to any and all Aventis Intellectual Property, with full rights to license or sublicense, subject to the licenses to ImmunoGen as set forth herein and subject to the provisions of Section 7.5.

10.2 ImmunoGen Intellectual Property Rights. ImmunoGen shall have sole and exclusive ownership of all right, title and interest on a worldwide basis in and to any and all ImmunoGen Intellectual Property, with full rights to license or sublicense, subject to the licenses to Aventis as set forth herein and subject to the provisions of Section 7.5.

10.3 Program Intellectual Property Rights. [***]shall have [***]and [***]of all[***], subject to [***]granted to [***]as set forth herein and subject to the provisions of Section[***].

10.4 Prosecution and Maintenance of Patent Rights.

10.4.1 Aventis shall be responsible for (a) preparing, filing and prosecuting patent applications (including reissue, continuing, divisional, and substitute applications and any foreign counterparts thereof), (b) for maintaining any Patent Rights, and (c) for managing any interference or opposition proceedings relating to the foregoing ("Patent Prosecution") Covering any Aventis Intellectual Property or Program Intellectual Property. ImmunoGen shall be responsible for Patent Prosecution for ImmunoGen Intellectual Property. All Patent Prosecution expenses, including attorneys' fees, incurred by a Party in the performance of Patent Prosecution shall be borne by such Party.

10.4.2 Except with respect to Aventis Intellectual Property, with respect to which ImmunoGen shall not have rights under this Section, if the prosecuting Party elects not to continue pursuing Patent Prosecution with respect to any rights within Patent Rights (and the

other Party has rights under such Patent Right), then the prosecuting Party shall notify the other Party in writing of such election at least [***]([***]) [***]prior to the last available date for action to preserve such Patent Rights. If such other Party elects to continue Patent Prosecution, such other Party may do so at its sole expense. If ImmunoGen is the Party that elects not to continue pursuing Patent Prosecution and Aventis elects to continue such Patent Prosecution, then (a) such affected Patent Rights shall not be considered a Valid Claim hereunder and no Royalties shall be payable by Aventis to ImmunoGen hereunder with respect to the affected Patent Rights in such country and (b) Aventis shall be entitled to offset the costs of such Patent Prosecution against Royalties, if any, due to ImmunoGen hereunder for sales of Products in such country. For clarity, in the event that Aventis incurs such costs of Patent Prosecution and there are not sufficient Royalties to fully offset such costs in the [***]in which such costs are incurred, ImmunoGen shall have no obligation to make a payment to Aventis for such costs; provided that, Aventis may continue such offsets in subsequent [***]until such costs are fully recovered.

10.5 Cooperation. Each Party hereby agrees:

10.5.1 to make its employees, agents and consultants reasonably available to the other Party (or to the other Party's authorized attorneys, agents or representatives), to the extent reasonably necessary to enable the prosecuting Party to undertake Patent Prosecution,

10.5.2 to provide the other Party with copies of all material correspondence with the U.S. Patent and Trademark Office or its foreign counterparts pertaining to Patent Prosecution for Program Patent Rights and Patent Rights Covering ImmunoGen Technology Improvements as to which such Party has a license under this Agreement reasonably in advance of any relevant filing deadline or intended filing date for such other Party to review and comment thereon, to incorporate, absent a substantial reason to the contrary, the non-filing Party's comments on such filing before submitting such filing to the relevant patent authority, and to provide the other Party a copy of all material notices received from a patent authority with respect thereto;

10.5.3 to cooperate, if necessary and appropriate, with the other Party in gaining patent term extensions wherever applicable to Program Patent Rights; and

10.5.4 to endeavor in good faith to coordinate its efforts with the other Party to minimize or avoid interference with the Patent Prosecution of the other Party's patent applications.

10.6 Third Party Infringement.

10.6.1 Notice. Each Party shall promptly provide the other Party with written notice reasonably detailing any known or alleged infringement by a Third Party of Program Patent Rights, Aventis Patent Rights, ImmunoGen Patent Rights or Patent Rights Covering either ImmunoGen Technology Improvements or Aventis Technology Improvements.

10.6.2 Products.

(a) [***]shall have the first right, but not the obligation, to institute and direct legal proceedings against any Third Party believed to be infringing the Program Patent

Rights. All costs, including attorneys' fees, relating to such legal proceedings shall be borne by[***].

(b) [***]shall have the first right, but not the obligation, to institute and direct legal proceedings against any Third Party believed to be infringing the ImmunoGen Patent Rights or Patent Rights Covering ImmunoGen Technology Improvements. All costs, including attorneys' fees, relating to such legal proceedings shall be borne by[***].

(c) Any damages, monetary awards or other amounts recovered, whether by judgment or settlement, pursuant to any suit, proceeding or other legal action taken under this Section 10.6.2, shall be applied as follows:

(i) First, to reimburse the Parties for their respective costs and expenses (including reasonable attorneys' fees and costs) incurred in prosecuting such enforcement action;

(ii) Second, to Aventis in reimbursement for lost sales associated with Products and to ImmunoGen in reimbursement for lost Royalties owing hereunder based on such lost sales;

(iii) Third, any amounts remaining shall be allocated as follows: (a) if ImmunoGen is the Party bringing such suit or proceeding or taking such other legal action, [***]([***]) to ImmunoGen, (b) if Aventis is the Party bringing such suit or proceeding or taking such other legal action, [***]([***]) to Aventis, and (c) if the suit is brought jointly, [***]([***]) to each Party.

10.6.3 Cooperation In Patent Infringement Proceedings. In the event that either Aventis or ImmunoGen takes action pursuant to this Section 10.6, the other Party shall cooperate to the extent reasonably necessary and at the first Party's sole expense. Upon the reasonable request of the Party bringing such action, such other Party shall join the suit and shall be represented in any such legal proceedings using counsel of its own choice, at the first Party's expense. Neither Party shall settle any claim or proceeding relating to Program Patent Rights, ImmunoGen Patent Rights or Patent Rights Covering ImmunoGen Technology Improvements Controlled in whole or in part by the other Party or licensed under this Agreement to the other Party without the prior written consent of such other Party, which consent shall not be unreasonably withheld.

10.6.4 Back-Up Enforcement Rights. If the Party having the first right under this Section 10.6 with respect to a Program Patent Right, ImmunoGen Patent Right or Patent Rights Covering ImmunoGen Technology Improvements fails to institute and prosecute an action or proceeding to abate the infringement within a period of [***]([***]) [***]after receiving written notice or otherwise having knowledge of the infringement as provided above (or [***]([***]) [***]if such action is brought under the Hatch-Waxman Act), then the other Party shall have the right, but not the obligation, to bring

and prosecute any such action if it is licensed under such Patent Right pursuant to this Agreement, or Controls such Patent Right. Any recovery of damages and costs in any such action brought pursuant to this Section 10.6.4 shall be shared by

the Parties equally to the extent arising out of the competitive product infringement that gave rise to a Party's ability to bring such action under this Section 10.6.

10.7 Other Intellectual Property Infringement.

10.7.1 Notice.

(a) Each Party shall notify the other in writing of any allegations it receives from a Third Party that Program Intellectual Property, ImmunoGen Intellectual Property, Aventis Intellectual Property or any Product infringes the intellectual property rights of such Third Party. Such notice shall be provided promptly, but in no event after more than [***]([***])[***], following receipt of such allegations.

(b) In the event that a Party receives notice that it or any of its Affiliates have been individually named as a defendant in a legal proceeding by a Third Party alleging infringement of a Third Party patent or other intellectual property right as a result of the manufacture, production, use, development, sale or distribution of Program Intellectual Property, ImmunoGen Intellectual Property or any Product, such Party shall immediately notify the other Party in writing and in no event notify them later than [***]([***]) [***]after the receipt of such notice. Such written notice shall include a copy of any summons or complaint (or the equivalent thereof) received regarding the foregoing.

(c) Each Party shall provide to the other Party copies of any allegations of alleged patent invalidity or non-infringement of a patent or patents with respect to Program Intellectual Property, ImmunoGen Intellectual Property or any Product pursuant to a Paragraph IV Patent Certification or equivalent certification by a Party filing for an approval of a generic product. Such copies shall be provided promptly, but in any event within [***]([***])[***], of receipt of such certification.

(d) Each Party shall provide to the other Party copies of any notices it receives from Third Parties regarding any patent nullity actions, any declaratory judgment actions, any alleged infringement of Program Intellectual Property, ImmunoGen Intellectual Property or any Product. Such notices shall be provided promptly, but in no event after more than [***]([***])[***], following receipt thereof.

10.7.2 In all cases where a claim is made by a Third Party and for which notice was given in accordance with Section 10.7.1, [***]shall determine the appropriate course of action for such Product.

10.8 Marks for Products.

10.8.1 Aventis shall own all trademarks and service marks associated with Commercializing a Product (collectively, "Marks"). Aventis shall also own any domain names including any Marks. Under no circumstances shall Aventis acquire any rights under this Section 10.8 in any trademark or service mark including the word "ImmunoGen."

10.8.2 Aventis shall grant to ImmunoGen a license to such Marks solely for the purposes of performing its obligations and exercising its rights, if any, relating to the Commercialization of a Co-Promoted Product in the Territory.

10.8.3 Except as expressly stated in this Agreement, ImmunoGen shall not have any right, title, interest or other license in or to any of the Marks, and all uses of such Marks shall inure solely to the benefit of Aventis.

10.8.4 ImmunoGen agrees not to contest the validity of, by act or omission jeopardize, or take any action inconsistent with, Aventis' rights or goodwill in any of its Marks in any country, including, without limitation, attempted registration of any such Mark, or use or attempted registration of any confusingly similar names, trademarks or logos.

10.8.5 In the event that ImmunoGen becomes aware of any infringement of a Mark in the United States by a Third Party, it shall promptly notify Aventis.

ARTICLE 11

CONFIDENTIALITY; NON-SOLICITATION

11.1 Confidential Information. Except in connection with the activities contemplated by this Agreement, Confidential Information disclosed by a Party to the other Party during the term of this Agreement shall not be used by the receiving Party, shall be maintained in confidence by the receiving Party and shall not otherwise be disclosed by the receiving Party to any other person, firm, or agency, governmental or private (other than a Party's Affiliates), without the prior written consent of the disclosing Party, except to the extent that the Confidential Information (as determined by competent documentation):

11.1.1 was known or used by the receiving Party or its Affiliates prior to its date of disclosure to the receiving Party; or

11.1.2 either before or after the date of the disclosure to the receiving Party is lawfully disclosed to the receiving Party or its Affiliates by sources other than the disclosing Party rightfully in possession of the Confidential Information; or

11.1.3 either before or after the date of the disclosure to the receiving Party or its Affiliates becomes published or generally known to the public (including information known to the public through the sale of products in the ordinary course of business) through no fault or omission on the part of the receiving Party, its Affiliates or its sublicensees; or

11.1.4 is independently developed by or for the receiving Party or its Affiliates without reference to or reliance upon the Confidential Information. In addition, the provisions of this Section 11.1.4 shall not preclude the receiving Party or its Affiliates from disclosing Confidential Information to the extent such Confidential Information is required to be disclosed by the receiving Party or its Affiliates to comply with applicable laws, to defend or prosecute litigation or to comply with governmental regulations, provided that the receiving Party provides prior written notice of such disclosure to the disclosing Party and takes reasonable and lawful

actions to avoid and/or minimize the degree of such disclosure. Specific information shall not be deemed to be within any of the foregoing exclusions merely because it is embraced by more general information falling within these exclusions.

11.2 Exception for Disclosure of Tax Treatment. Notwithstanding anything else in this Agreement to the contrary, each Party hereto (and each employee, representative, or other agent of any Party) may disclose to any and all persons, without limitation of any kind, the Federal income tax treatment and Federal income tax structure of any and all transaction(s) contemplated herein and all materials of any kind (including opinions or other tax analyses) that are or have been provided to any Party (or to any employee, representative, or other agent of any party) relating to such tax treatment or tax structure, provided, however, that this authorization of disclosure shall not apply to restrictions reasonably necessary to comply with securities laws. This authorization of disclosure is retroactively effective immediately upon commencement of the first discussions regarding the transactions contemplated herein, and the Parties aver and affirm that this tax disclosure authorization has been given on a date which is no later than thirty (30) days from the first day that any Party hereto (or any employee, representative, or other agent of any party hereto) first made or provided a statement as to the potential tax consequences that may result from the transactions contemplated hereby.

11.3 Employee and Advisor Obligations. ImmunoGen and Aventis each agree that they shall provide Confidential Information received from the other Party only to their respective employees, consultants and advisors, and to the employees, consultants and advisors of such Party's Affiliates, who have a need to know and have a written obligation to treat such information and materials as confidential in a substantially similar manner to that reflected in the confidentiality obligations of the Parties contained herein.

11.4 Term. All obligations of confidentiality imposed under this Article 11 shall expire [***]([***]) [***]following termination or expiration of this Agreement.

11.5 Publications. Each Party shall consult with the other Party prior to the submission of any manuscript for publication if the publication will contain any Confidential Information of the other Party, unless the applicable laws and regulations prohibit such consultation. Such consultation shall include providing a copy of the proposed manuscript to the other Party at least [***]([***]) [***]prior to the proposed date of submission to a publisher, incorporating appropriate changes proposed by the other Party regarding its Confidential Information into the manuscript submission and deleting all Confidential Information of the other Party as it may request; provided however, that the other Party's review hereunder shall be deemed to be completed at the end of such [***]([***]) [***]period. The review period shall be extended for an additional [***]([***]) [***]in the event the non-publishing Party can demonstrate a reasonable need for such extension including, but not limited to, the preparation and filing of patent applications. Each Party shall provide to the other Party the opportunity to review any proposed abstracts, manuscripts or summaries of presentations which cover the results of the Research Program or of the Development of a Product. Each Party shall designate a person who shall be principally responsible for approving such publications.

11.6 Prohibition on Solicitation. Without the written consent of the other Party, neither Party nor its Affiliates shall, during the Research Program Term and for a period of one year following the expiration or termination of the Research Program Term, solicit (directly or indirectly) any person who was employed by the other Party or its Affiliates at any time during the Research Program Term and was primarily dedicated to the Research Program to terminate his or her employment with such Party or its Affiliates and become employed by such other Party. This provision shall not restrict either Party or its Affiliates from advertising employment opportunities in any manner that does not directly target the other Party or its Affiliates.

ARTICLE 12

TERM AND TERMINATION

12.1 Term.

12.1.1 This Agreement shall become effective as of the Effective Date and, unless earlier terminated by mutual agreement of the Parties or as set forth in this Article 12, this Agreement will continue in full force and effect on a country-by-country and product-by-product basis until the obligation to pay royalties with respect to the sale of such product in such country expires or is earlier terminated in accordance with the terms hereof.

12.1.2 On a country-by-country basis and on a Product-by-Product basis and a [***]-by-[***] basis, upon the scheduled expiration (as contemplated in Section 8.4.4) of Aventis' obligation to pay Royalties with respect to the sale of such Product or [***]in such country, the licenses granted

under Section 7.1, with respect to a given Product or [***]shall become fully paid up, royalty-free, perpetual and irrevocable.

12.1.3 On a country-by-country basis and on a Dropped Product-by-Dropped Product basis, upon the scheduled expiration (as contemplated in Section3.8.5) of ImmunoGen's obligation to pay royalties with respect to the sale of such product in such country, the licenses granted under Section 7.2.5 shall become fully paid up, royalty-free, perpetual and irrevocable.

12.2 Material Breach; Termination.

12.2.1 Material Breach. If either Party believes that the other Party (the "Breaching Party") is in material breach of this Agreement (including without limitation any material breach of a representation or warranty made in this Agreement), then the non-breaching Party may deliver notice to the Breaching Party specifying the material breach. For all breaches other than a failure to make a payment set forth in Article 8, the allegedly Breaching Party shall have [***]([***]) [***]to either cure such breach or, if cure cannot be reasonably effected within such [***]([***]) [***]period, to deliver to the other Party a plan for curing such breach that is reasonably sufficient to effect a cure within [***]([***])[***]. Such a plan shall set forth a program for achieving cure as rapidly as practicable. Following delivery of such plan, the Breaching Party shall use diligent efforts to carry out the plan and cure the breach. For any breach arising from a failure to make a payment set forth in Article 8 hereof, the allegedly Breaching Party shall have [***]([***]) [***]to cure such breach. If any material breach is not

cured as specified above, then the provisions of Sections 12.2.2, 12.2.3, 12.2.4 and 12.2.5 shall apply.

12.2.2 Consequences of Material Breach by Aventis Relating to the Research Program. If a material breach of Aventis relates to the Research Program and is not cured in accordance with Section 12.2.1, then ImmunoGen shall have the right to terminate the Research Program. Upon such termination, this Agreement shall continue in full force and effect with respect to Aventis' further Development and Commercialization of any Product then existing at a [***]or [***](including the payment of Royalties and Event based payments). For purposes of clarity, if ImmunoGen terminates the Research Program:

(a) the licenses granted under Sections[***], [***], [***]and [***] shall terminate;

(b) the provisions of the [***]only of Section [***]shall apply; and

(c) ImmunoGen will have no further obligations to perform activities under the Research Program or at the direction of the Joint Development Committee and Aventis will have no further funding obligations for the Research Program.

12.2.3 Consequences of Material Breach by ImmunoGen Relating to the Research Program. If a material breach of ImmunoGen relates to the Research Program and is not cured in accordance with Section 12.2.1, then Aventis shall have the right at its option to reduce or terminate ImmunoGen's participation in the Research Program by [***]the [***]to [***]the [***]of [***](which [***]may be to[***]) to be utilized in the Research Program and the obligation of Aventis to [***]a [***]of [***]shall terminate.

12.2.4 Consequences of Material Breach by Aventis Relating to a Product. If the material breach of Aventis relates to the Development or Commercialization of a Product and is not cured in accordance with the provisions of Section 12.2.1, then:

(a) such Product shall be deemed a Dropped Product;

(b) ImmunoGen shall have the rights thereto as set forth in Section 3.7; provided that Aventis shall not have the right to receive the royalty set forth in Section 3.8.5and shall not have the right of first negotiation with respect to such Product as set forth in Sections 3.8.1 through 3.8.4;

(c) if the Product is then being Commercialized, the Parties will take reasonable steps necessary to ensure that ImmunoGen has sufficient commercial supplies of such Product for a period of [***]([***]) [***]from the effective date of such termination; and

(d) upon ImmunoGen's request, Aventis shall grant to ImmunoGen an exclusive, worldwide license to utilize any of the Marks which were used exclusively to market the affected Product in [***]for a [***]from [***]to [***]to be [***]in [***]by the Parties not to [***]a [***]of [***]([***]) of [***]of such Products [***]by ImmunoGen or any of its Affiliates, licenses or sublicenses using any of such Marks.

12.2.5 Consequences of Material Breach by ImmunoGen Relating to a Co-Promoted Product. If the material breach by ImmunoGen relates to the Commercialization of a Co-Promoted Product and is not cured in accordance with the provisions of Section 12.2.1, then the license set forth in Section 7.2.3 shall terminate with respect to that Co-Promoted Product and ImmunoGen shall have no further right to co-promote that Co-Promoted Product.

12.2.6 Exclusive Remedy. The rights of the non-breaching Party set forth in Sections 12.2.2 through 12.2.4 shall be the exclusive legal remedy to a Party arising from a material breach other than the failure to make a payment; provided, however, that (i) in addition to the above described legal remedy, the Parties may seek any and all equitable remedies, including without limitation declarative and injunctive relief in accordance with applicable law and (ii) this restriction shall not prevent either Party from seeking indemnification pursuant to Article 15.

12.2.7 Rights of Aventis Upon[***]. At any time during Research Program Term, Aventis may at its option terminate this Agreement in its entirety or terminate the Research Program upon [***]([***]) [***]prior written notice to ImmunoGen in the event that the Joint Research Committee, the Joint Development Committee or the Joint Steering Committee determines that [***]and [***]that could reasonably result from the Research Program would be, [***]on[***], [***]to [***]such that no [***]could [***]be [***]to[***]. If this Agreement or the Research Program is terminated by Aventis pursuant to this Section 12.2.7, then on or before the effective date of such termination, [***]shall [***]to[***], in [***]an [***]to the [***]for [***]specified to be [***]to the [***]under the then [***]for the [***]([***]) [***]the delivery of Aventis' written notice to ImmunoGen and Aventis shall have [***]for the Research Program and (b) all [***]of ImmunoGen set forth in Sections [***] and [***]of this Agreement shall immediately terminate. Alternatively, Aventis shall have the option to [***]the [***]to [***]the [***]on [***]other than [***]and to [***]the [***]of [***]to be [***]in the [***]to a number appropriate in light of the [***]to be [***]under such[***], in which case the obligation of Aventis to [***]a [***]of[***].

12.3 Certain Rights Upon Scheduled Expiration of the Research Program Term. Upon the scheduled expiration of the Research Program Term:

12.3.1 All Antibody Targets that have not been designated as Program Targets and all Program Targets against which no Antibodies or TAP Antibodies have been generated as of the expiration of the Research Program Term shall be deemed to be Dropped Targets and the Parties shall have the rights to such Targets as set forth in Section 2.8.5. With respect to any such Targets that are [***]by[***], [***]shall have the [***]to [***]that [***]in [***]for a period of [***]([***]) [***]the [***]and [***]of a [***]with respect to such[***]. The consideration for any [***]such [***]shall be as agreed to in such [***]and the [***]and [***]contained herein shall not be [***]with respect thereto.

12.3.2 All[***], all [***]against which such [***]are [***]and all [***]in the [***]of such [***]shall remain subject to the restrictions contained in Section[***], and available to Aventis for [***]and [***]under this Agreement.

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

12.4 Residual Rights; Survival. Upon expiration or termination of this Agreement, except as specifically provided herein to the contrary, all rights and obligations of the Parties under this Agreement shall cease, except as follows:

12.4.1 Obligations to pay amounts accruing hereunder up to the date of expiration or termination;

12.4.2 The obligations regarding confidentiality as set forth in Article 11;

12.4.3 All obligations for record keeping and accounting reports;

12.4.4 The Parties' right to inspect books and records of each other as set forth in Section 9.1.4;

12.4.5 The Parties' rights with respect to the ownership of intellectual property as set forth in Article 10;

12.4.6 Obligations of defense and indemnity, which obligations shall continue in full force and effect for an unlimited period;

12.4.7 In addition to the provisions of Sections 12.1.2 and 12.1.3, the licenses granted pursuant to Sections[***], [***], [***], [***], [***], [***], [***], [***]and [***]shall survive.

ARTICLE 13

JOINT STEERING COMMITTEE

13.1 Joint Steering Committee.

13.1.1 As soon as practicable after the Effective Date, Aventis and ImmunoGen shall establish a Joint Steering Committee comprised of at least three (3) senior executives of Aventis and at least three (3) senior executives of ImmunoGen.

13.1.2 The Joint Steering Committee shall meet at least two (2) times annually to review the efforts of the Parties in the conduct of the Research Program and Development and Commercialization activities.

13.1.3 The location of such meetings of the Joint Steering Committee shall be as agreed by the Parties. The Joint Steering Committee may also meet by means of a telephone conference call or by videoconference.

13.1.4 Each Party may change any one or more of its representatives to the Joint Steering Committee at any time upon written notice to the other Party.

13.1.5 Each Party shall use commercially reasonable efforts to cause its representatives to attend the meetings of the Joint Steering Committee. If a representative of a

Portions of the exhibit, indicated by the mark "[***],," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Party is unable to attend a meeting, such Party may designate an alternative to attend such meeting in place of the absent representative, and such alternate shall have full voting power at such meeting.

13.1.6 In addition, each Party may, at its discretion, invite non-voting employees, and, with the consent of the other Party, consultants or scientific advisors, to attend meetings of the Joint Steering Committee.

13.1.7 Decisions of the Joint Steering Committee shall be made by unanimous consent of Aventis and ImmunoGen, with each Party having one vote, through written consent, through any other mutually agreed upon affirmative electronic form of consent, or at a regularly scheduled meeting or any other meeting held for such purpose. If the Joint Steering Committee is unable to reach unanimous agreement within [***]([***]) [***]following the date the matter was first put to a vote, then [***]have the [***]to [***]the[***]. Either Party may convene a special meeting of the Joint Steering Committee for the purpose of resolving disputes.

13.2 Chairperson of the Joint Steering Committee. The chairperson of the Joint Steering Committee shall be a representative of [***]and shall be responsible for calling meetings of the Joint Steering Committee and for leading the meetings.

ARTICLE 14

REPRESENTATIONS, WARRANTIES AND COVENANTS

14.1 Representation of Authority; Consents. ImmunoGen and Aventis each represent and warrant to the other Party that as of the Effective Date (a) it is a corporation duly organized and validly existing under the laws of its jurisdiction of incorporation, (b) it has full right, power and authority to enter into this Agreement, (c) this Agreement has been duly executed by such Party and constitutes a legal, valid and binding obligation of such Party, enforceable in accordance with its terms, and all necessary consents, approvals and authorizations of all government authorities and other persons required to be obtained by such Party in connection with the execution, delivery and performance of this Agreement have been and shall be obtained, and (d) it has the full right, power and authority to grant the licenses granted to the other under Section 7 hereof.

14.2 No Conflict. Each Party represents to the other Party, as of the Effective Date, that the execution and delivery of this Agreement and the performance of such Party's obligations hereunder (a) do not conflict with or violate such Party's corporate charter and bylaws or any requirement of applicable laws of regulations, and (b) do not and shall not in any material respect conflict with, violate or breach or constitute a default or require any consent under, any contractual obligation of such Party provided, that ImmunoGen makes no representations or warranties under this Section 14.2(b) with respect to Limited Targets and Burdened Technology, which matters are the subject to Section 14.4.

14.3 Knowledge of Pending or Threatened Litigation. Each Party represents and warrants to the other Party that there is no claim, investigation, suit, action or proceeding

pending or, to such Party's knowledge, expressly threatened, against such Party before or by any governmental entity or arbitrator that, individually or in the aggregate, could reasonably be expected to (i) materially impair the ability of such Party to perform any obligation under this Agreement or (ii) prevent or materially delay or alter the consummation of any or all of the transactions contemplated hereby.

14.4 Disclosure of Certain Agreements. ImmunoGen represents that [***]is true, complete and correct in all material respects.

14.5 Disclaimer of Warranty. NEITHER PARTY MAKES ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, QUALITY OR USEFULNESS OF ANY TARGET, PROGRAM ANTIBODY, LEAD ANTIBODY, EDC ANTIBODY, LICENSED PRODUCT OR COLLABORATION PRODUCT. EXCEPT AS OTHERWISE PROVIDED HEREIN, ALL IMMUNOGEN MATERIALS ARE PROVIDED "AS IS," AND IMMUNOGEN MAKES NO EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, QUALITY OR USEFULNESS OF ANY IMMUNOGEN TECHNOLOGY OR IMMUNOGEN MATERIALS. EXCEPT AS OTHERWISE PROVIDED HEREIN, ALL AVENTIS MATERIALS ARE PROVIDED "AS IS," AND AVENTIS MAKES NO EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, QUALITY OR USEFULNESS OF ANY AVENTIS TECHNOLOGY OR AVENTIS MATERIALS.

14.6 Additional ImmunoGen Representations, Warranties and Covenants. ImmunoGen represents, warrants and covenants to Aventis that:

14.6.1 all Patent Rights included within the ImmunoGen Patent Rights listed on Schedule 1.50 are existing and, to its best knowledge, are not invalid or unenforceable, in whole or in part;

14.6.2 as of the Effective Date, ImmunoGen has the right to (i) use and license the ImmunoGen Intellectual Property as is necessary to fulfill its obligations under this Agreement and to grant the licenses to Aventis pursuant to this Agreement, and (ii) except as set forth on Schedule 14.6.2, enforce all Patent Rights listed on Schedule 1.50.

14.6.3 (i) all inventors of any inventions included within the ImmunoGen Patent Rights listed on Schedule 1.50 have assigned their entire right, title and interest in and to such inventions and the corresponding Patent Rights to ImmunoGen and (ii) to the best knowledge of ImmunoGen, no Person, other than those Persons named as inventors on any patent or patent application included within such ImmunoGen Patent Rights, is an inventor of the invention(s) claimed in such patent or patent application;

14.6.4 as of the Effective Date, there are no claims, judgments or settlements against ImmunoGen pending or, to its best knowledge, threatened, seeking to invalidate the ImmunoGen Patent Rights listed on Schedule 1.50 and during the term of this Agreement,

ImmunoGen shall promptly notify Aventis in writing upon learning of any actual or threatened claim, judgment or settlement with respect to the ImmunoGen Patent Rights; and

14.6.5 as of the Effective Date, to the best of its knowledge, (a) the[***], [***]or [***]the [***]as [***]will not [***]a [***]of any [***]in [***]as of the[***]; provided that [***]is made as to the [***]of [***]by [***]to [***]in writing during [***]to the[***], and (b) no [***]is [***]the[***].

ARTICLE 15

MISCELLANEOUS PROVISIONS

15.1 Indemnification.

15.1.1 Aventis. Aventis agrees to defend ImmunoGen and its Affiliates at Aventis' cost and expense, and will indemnify and hold ImmunoGen and its Affiliates and their respective directors, officers, employees and agents (the "ImmunoGen Indemnified Parties") harmless from and against any losses, costs, damages, fees or expenses arising out of any Third Party claim relating to (i) any material breach by Aventis of any of its representations, warranties or obligations pursuant to this Agreement, (ii) the gross negligence or willful misconduct of Aventis, or (iii) injuries resulting from the development, manufacture, use, sale or other disposition by Aventis of any Product or [***](other than as set forth in Section 15.1.2(iii) below). In the event of any such claim against the ImmunoGen Indemnified Parties by any Third Party, ImmunoGen shall promptly notify Aventis in writing of the claim and Aventis shall manage and control, at its sole expense, the defense of the claim and its settlement. The ImmunoGen Indemnified Parties shall cooperate with Aventis and may, at their option and expense, be represented in any such action or proceeding. Aventis shall not be liable for any litigation costs or expenses incurred by the ImmunoGen Indemnified Parties without Aventis' prior written authorization. In addition, Aventis shall not be responsible for the indemnification or defense of any ImmunoGen Indemnified Party arising from any negligent or intentional acts by any ImmunoGen Indemnified Party or the breach by ImmunoGen of any obligation or warranty under this Agreement, or any claims compromised or settled without its prior written consent.

15.1.2 ImmunoGen. ImmunoGen agrees to defend Aventis and its Affiliates at ImmunoGen's cost, and will indemnify and hold Aventis and its Affiliates and their respective directors, officers, employees and agents (the "Aventis Indemnified Parties") harmless from and against any losses, costs, damages, fees or expenses arising out of any Third Party claim relating to (i) any material breach by ImmunoGen of any of its representations, warranties or obligations pursuant to this Agreement, (ii) the gross negligence or willful misconduct of ImmunoGen, (iii) any act or omission by ImmunoGen in the performance of its activities under the Research Program or with respect to Co-Promoted Products or Dropped Products except those Dropped Products with respect to which Aventis has entered into a Commercialization Agreement with ImmunoGen, or (iv) Aventis' use of Burdened Technology or Limited Targets, or any Burdened Technology Obligations, to the extent any of the foregoing were not properly disclosed by ImmunoGen to Aventis pursuant to Sections 2.2.2 and 2.8.2. In the event of any claim against

the Aventis Indemnified Parties by any Third Party, Aventis, shall promptly notify ImmunoGen in writing of the claim and ImmunoGen shall manage and control, at its sole expense, the defense of the claim and its settlement. The Aventis Indemnified Parties shall cooperate with ImmunoGen and may, at their option and expense, be represented in any such action or proceeding. ImmunoGen shall not be liable for any litigation costs or expenses incurred by the Aventis Indemnified Parties without ImmunoGen's prior written authorization. In addition, ImmunoGen shall not be responsible for the indemnification or defense of any Aventis Indemnified Party arising from any negligent or intentional acts by any Aventis Indemnified Party, or the breach by Aventis of any obligation or warranty under this Agreement, or any claims compromised or settled without its prior written consent.

15.1.3 Insurance Proceeds. Any indemnification hereunder shall be made net of any insurance proceeds recovered by the Indemnified Party; provided, however, that if, following the payment to the Indemnified Party of any amount under this Article 15, such Indemnified Party recovers any insurance proceeds in respect of the claim for which such indemnification payment was made, the Indemnified Party shall promptly pay an amount equal to the amount of such proceeds (but not exceeding the amount of such indemnification payment) to the Indemnifying Party.

15.2 Insurance. Each Party shall use all commercially reasonable efforts to maintain insurance, including product liability insurance, with respect to its activities hereunder.

15.2.1 Such insurance shall be in such amounts and subject to such deductibles as the Parties may agree based upon standards prevailing in the industry at the time.

15.2.2 Either Party may satisfy its obligations under this Section through self-insurance to the same extent.

15.3 Governing Law. This Agreement shall be governed and the respective rights of the Parties determined according to the substantive laws of the State of Delaware without giving effect to any choice of law principles that would require the application of the laws of a different state. Notwithstanding the foregoing, any dispute, controversy or claim relating to the scope, validity, enforceability or infringement of any Patent Rights or other intellectual property rights shall be submitted to a court of competent jurisdiction in the territory in which such Patent Rights or other intellectual property rights were granted or arose.

15.4 Assignment. Neither ImmunoGen nor Aventis may assign this Agreement in whole or in part without the consent of the other, except (subject in the case of ImmunoGen to Section 15.6) if such assignment occurs in connection with the sale or transfer (by merger or otherwise) of all or substantially all of the business and assets of ImmunoGen or Aventis to which the subject matter of this Agreement pertains, provided that the acquirer confirms to the other Party in writing its agreement to be bound by all of the terms and conditions of this Agreement. Notwithstanding the foregoing, either Party may assign this Agreement to an Affiliate, provided that such Party shall guarantee the performance of such Affiliate.

15.5 Amendments. This Agreement and the Exhibits and Schedules referred to in this Agreement constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all previous arrangements with respect to the subject matter hereof, whether written or oral. The Parties acknowledge that the Exhibits and Schedules referred to in this Agreement are being simultaneously delivered by the Parties on or before the Effective Date. Any amendment or modification to this Agreement shall be made in writing signed by both Parties.

15.6 [***]of [***]of[***]. If [***]into or [***]to [***]into a [***]which will [***]in a [***]of [***]during the [***]of this Agreement, [***]shall notify [***]of such [***]and the [***]of the [***]to such [***]and such notice may be given at any time [***]to [***]into, or [***]the [***]of, such[***]. Within [***]([***]) [***]of such notice, [***]may, at its[***], [***]to [***]in the [***](including [***]with respect thereto) and/or [***]any then [***]and [***]of [***]pursuant to Section [***]by written notice to[***]. If [***]to [***]in the[***], the [***]pursuant to Sections [***]and [***] shall[***]. If [***]to [***]the[***], the [***]pursuant to Section [***]shall[***]. If [***]does not [***]its [***]to [***]in the [***]and/or such [***]and [***]pursuant to this Section[***], [***]shall have no [***]under this Section 15.6 with respect to the [***]in such[***], provided that such [***]is [***]or [***]to the [***]of the [***]of [***]to [***]hereunder.

15.7 Notices. Notices to ImmunoGen shall be addressed to:

ImmunoGen, Inc.
128 Sidney Street
Cambridge, Massachusetts 02139
Attention: Chief Executive Officer
Facsimile No.: (617) 995-2510

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Attention: [***]
Facsimile No.: ([***]) [***]-[***]
Notices to Aventis shall be addressed to:

Aventis Pharmaceuticals Inc.
Vice President, Legal Corporate Development
200 Crossing Boulevard
Bridgewater, New Jersey 08807-0890
Attention: [***]
Facsimile No.: ([***]) [***]-[***]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

with a copy to:

Morgan, Lewis & Bockius, LLP
502 Carnegie Center
Princeton, New Jersey 08540
Attention: [***]
Facsimile No.: ([***]) [***]-[***]

Either Party may change its address to which notices shall be sent by giving notice to the other Party in the manner herein provided. Any notice required or provided for by the terms of this Agreement shall be in writing and shall be (a) sent by registered or certified mail, return receipt requested, postage prepaid, (b) sent via a reputable overnight courier service, or (c) sent by facsimile transmission, in each case properly addressed in accordance with the paragraph above. The effective date of notice shall be the actual date of receipt by the Party receiving the same.

15.8 Force Majeure. No failure or omission by either Party in the performance of any obligation of this Agreement shall be deemed a breach of this Agreement or create any liability if the same shall arise from any cause or causes beyond the control of such Party, including, but not limited to, the following: acts of gods; acts or omissions of any government; any rules, regulations or orders issued by any governmental authority or by any officer, department, agency or instrumentality thereof; fire; storm; flood; earthquake; accident; war; rebellion; insurrection; riot; terrorist attack and invasion; provided that such failure or omission resulting from one of the above causes is cured as soon as is practicable after the occurrence of one or more of the above mentioned causes.

15.9 Compliance with Export Regulations. Neither Party shall export any technology licensed to it by the other Party under this Agreement except in compliance with U.S. export laws and regulations.

15.10 Public Announcements. On the Effective Date, the Parties shall issue one or more press releases in the form attached hereto as Exhibit B, the timing of which shall be mutually agreed. Any announcements or similar publicity with respect to the execution of this Agreement shall be agreed upon between the Parties in advance of such announcement. The Parties agree that any such announcement will not contain confidential business or technical information and, if disclosure of confidential business or technical information is required by law or regulation, will make commercially reasonable efforts to minimize such disclosure and obtain confidential treatment for any such information which is disclosed to a governmental agency or group. Each Party agrees to provide to the other Party a copy of any public announcement as soon as reasonably practicable under the circumstances prior to its scheduled release. Except under extraordinary circumstances, each Party shall provide the other with an advance copy of any press release at least five (5) Business Days prior to the scheduled disclosure. Each Party shall have the right to expeditiously review and recommend changes to any announcement regarding this Agreement or the subject matter of this Agreement. Except as otherwise required by law, the Party whose press release has been reviewed shall remove any information the reviewing Party reasonably deems to be inappropriate for disclosure. The contents of any such announcement or similar publicity which has been reviewed and approved by the reviewing Party can be re-released by either Party without a requirement for re-approval. Furthermore,

each Party shall give the other Party a reasonable opportunity to review all filings with the United States Securities and Exchange Commission describing the terms of this Agreement prior to submission of such filings, and shall give due consideration to any reasonable comments by the non-filing Party relating to such filing, including without limitation the provisions of this Agreement for which confidential treatment should be sought.

15.11 Independent Contractors. It is understood and agreed that the relationship between the Parties is that of independent contractors and that nothing in this Agreement shall be construed as authorization for either ImmunoGen or Aventis to act as agent for the other. Members of the Joint Steering Committee, the Joint Research Committee, the Joint Development Committee, the U.S. Commercialization Team and any subcommittees thereof shall be, and shall remain, employees of ImmunoGen or Aventis, as the case may be. No Party shall incur any liability for any act or failure to act by members of the Joint Steering Committee, the Joint Research Committee, the Joint Development Committee, the U.S. Commercialization Team and any subcommittees thereof who are employees of the other Party.

15.12 No Strict Construction. This Agreement has been prepared jointly and shall not be strictly construed against either Party.

15.13 Headings. The captions or headings of the sections or other subdivisions hereof are inserted only as a matter of convenience or for reference and shall have no effect on the meaning of the provisions hereof.

15.14 No Implied Waivers; Rights Cumulative. No failure on the part of ImmunoGen or Aventis to exercise, and no delay in exercising, any right, power, remedy or privilege under this Agreement, or provided by statute or at law or in equity or otherwise, shall impair, prejudice or constitute a waiver of any such right, power, remedy or privilege or be construed as a waiver of any breach of this Agreement or as an acquiescence therein, nor shall any single or partial exercise of any such right, power, remedy or privilege preclude any other or further exercise thereof or the exercise of any other right, power, remedy or privilege.

15.15 Severability. If any provision hereof is held invalid, illegal or unenforceable in any respect in any jurisdiction, the Parties shall substitute, by mutual consent, valid provisions for such invalid, illegal or unenforceable provisions which valid provisions in their economic effect are sufficiently similar to the invalid, illegal or unenforceable provisions that it can be reasonably assumed that the Parties would have entered into this Agreement with such valid provisions. In case such valid provisions cannot be agreed upon, the invalid, illegal or unenforceable of one or several provisions of this Agreement shall not affect the validity of this Agreement as a whole, unless the invalid, illegal or unenforceable provisions are of such essential importance to this Agreement that it is to be reasonably assumed that the Parties would not have entered into this Agreement without the invalid, illegal or unenforceable provisions.

15.16 Execution in Counterparts. This Agreement may be executed in counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

15.17 No Third Party Beneficiaries. No person or entity other than Aventis, ImmunoGen and their respective Affiliates and permitted assignees hereunder shall be deemed an intended beneficiary hereunder or have any right to enforce any obligation of this Agreement.

15.18 No Consequential Damages. NEITHER PARTY HERETO WILL BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT OR THE EXERCISE OF ITS RIGHTS HEREUNDER, INCLUDING WITHOUT LIMITATION LOST PROFITS ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES. NOTHING IN THIS SECTION 15.18 IS INTENDED TO LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF EITHER PARTY WITH RESPECT TO THIRD PARTY CLAIMS.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

IMMUNOGEN, INC.

By: /s/ Mitchel Sayare
Mitchel Sayare, Ph.D.
President and Chief Executive Officer

AVENTIS PHARMACEUTICALS INC.

By: /s/ Frank L. Douglas, M.D.
Frank L. Douglas, M.D.
Executive Vice President
Drug Innovation & Approval
Aventis Authorized Signatory

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT A

ANNUAL RESEARCH PLAN
[***]

[***]

			[***]				**[***]**					**[***]**	
	[***]	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	**[***]**	
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Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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[***]			[***]	[***]	[***]	[***]						
[***]			[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]			[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]			[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

[***]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

[***]

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Exhibit B

PRESS RELEASE

[See Attached]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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Aventis and ImmunoGen Sign Collaboration Agreement to Discover, Develop, and Commercialize Novel Anti-cancer Therapeutics

Collaboration Pairs Aventis' Strength in the Global Development and Commercialization of Novel Anti-cancer Products with ImmunoGen's Antibody Expertise

Strasbourg, France, July 31, 2003 — Aventis and ImmunoGen announced today the signing of a collaboration agreement to discover, develop, and commercialize novel antibody-based anti-cancer products. The agreement combines the strength of Aventis in oncology product development and commercialization with ImmunoGen's antibody expertise.

Aventis will acquire the worldwide commercialization rights to the new product candidates created by the collaboration as well as worldwide commercialization rights to three early-stage product candidates in ImmunoGen's research pipeline: a potential new treatment for the blood cancer, acute myeloid leukemia; a potential new treatment for a number of solid tumors, including breast, lung and prostate cancers; and a potential new treatment for certain B-cell blood cancers including non-Hodgkin's lymphoma.

Aventis and ImmunoGen will collaborate to create antibody-based anti-cancer products using targets provided by both companies. Aventis is responsible for product development, manufacturing, and commercialization, and will cover all associated costs. ImmunoGen has an option to certain co-promotion rights in the United States on a product-by-product basis.

"Fully in line with our strategy to reinforce our leadership position in oncology, this alliance provides Aventis with a foothold in the expanding field of monoclonal antibodies. ImmunoGen's antibody expertise, including their immunoconjugate technology, is highly complementary to our established oncology expertise. We are very pleased to work with ImmunoGen to develop additional potential treatments to combat cancer," said Frank L. Douglas, Executive Vice President of Drug Innovation & Approval and a member of the Management Board of Aventis.

Mitchel Sayare, Ph.D., ImmunoGen Chairman and CEO, commented, "We are delighted to enter into a collaboration with Aventis, a leading pharmaceutical company and a global powerhouse in oncology. This partnership is an important milestone for ImmunoGen — it enables us to develop

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more products, faster, and at lower cost, than would be possible on our own and it provides us with a global commercialization partner for the collaboration products. We now are able to expand our efforts in the development of naked antibody therapeutics, enhance our effector molecule program for Tumor-Activated Prodrug (TAP) immunoconjugate products, and significantly increase our product development programs overall."

Under the terms of the agreement, ImmunoGen will receive an upfront payment of $12 million and more than $50 million in committed research funding over a three-year period. Aventis has an option to extend the research collaboration for one to two years. An extension of the collaboration could bring the total committed funding to ImmunoGen up to $99 million. Additionally, for each product candidate, ImmunoGen can receive milestone payments of between $20 million and $30 million based on development and regulatory achievements as well as royalties on commercial sales. Aventis is responsible for and pays for the manufacturing of clinical and commercial materials. Additional financial terms were not disclosed.

Aventis is a world leader in oncology. Its oncology product portfolio includes TaxotereÒ, one of the most widely used chemotherapeutics in the world. In 2002, Taxotere sales worldwide exceeded €1 billion.

In addition to Taxotere, Aventis markets CamptoÒ (irinotecan), a reference treatment for advanced colorectal cancer, in countries other than Japan and North America, and AnzemetÒ **(**dolasetron mesylate), a 5HT3 inhibitor for the treatment of chemotherapy induced nausea and vomiting that is marketed in North America.

Aventis also has a rich pipeline of investigational oncology compounds, including AVE-8062, a unique antivascular agent; flavopiridol, a novel cell cycle inhibitor; new taxoids, that may offer benefits over available taxanes; and the ALVAC cancer vaccines being developed through the vaccines business of Aventis.

In 2002, Aventis entered a global agreement with Genta Inc. to jointly develop and commercialize GenasenseÔ, an antisense compound designed to decrease the synthesis of Bcl-2, a protein which prevents apoptosis. Genasense, currently in late-stage development, may enhance the effectiveness of current anti-cancer treatments.

ImmunoGen has comprehensive capabilities in the creation of antibody-based anti-cancer therapeutics, including expertise and intellectual property related to the identification and validation of biological targets for cancer treatments, the development and humanization of monoclonal antibodies, and the creation of potent cell-killing agents designed for antibody delivery to cancer cells. ImmunoGen's proprietary Tumor-Activated Prodrug (TAP) technology provides the company with the flexibility to develop a product candidate as either an immunoconjugate (products that use the antibody to deliver a potent cell-killing agent to the cancer cell) or as a naked antibody (products in which the antibody alone inhibits or kills the cancer cell) depending on the target.

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About Aventis

Aventis is dedicated to treating and preventing disease by discovering and developing innovative prescription drugs and human vaccines. In 2002, Aventis generated sales of € 17.6 billion, invested € 3.1 billion in research and development and employed approximately 71,000 people in its core business. Aventis corporate headquarters are in Strasbourg, France. For more information, please visit: www.aventis.com

About ImmunoGen, Inc.

ImmunoGen, Inc. develops targeted anti-cancer therapeutics. The Company has extensive expertise and intellectual property related to identification of biological targets for cancer treatments, development and humanization of monoclonal antibodies, and creation of potent cell-killing agents designed for antibody delivery to cancer cells. The Company's TAP technology uses tumor-targeting antibodies to deliver a highly potent, cell-killing agent specifically to cancer cells. Two ImmunoGen-developed TAP products have begun clinical evaluation: cantuzumab mertansine and huN901-DM1/BB-10901; the latter is licensed to British Biotech in certain territories. Several companies are developing products using TAP technology licensed from ImmunoGen: Millennium Pharmaceuticals (MLN2704), Boehringer Ingelheim (bivatuzumab mertansine), and Genentech (Trastuzumab-DM1). For more information, visit ImmunoGen's website at www.ImmunoGen.com.

Statements in this news release other than historical information are forward-looking statement subject to risks and uncertainties. Actual results could differ materially depending on factors such as the availability of resources, the timing and effects of regulatory actions, the strength of competition, the outcome of litigation and the effectiveness of patent protection. Additional information regarding risks and uncertainties is set forth in the current Annual Report on Form 20-F of Aventis on file with the Securities and Exchange Commission.

ImmunoGen Contacts:

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info@ImmunoGen.com

Peter Holmberg (Media)
Rx Communications Group, LLC
Tel: +1 917 322 2164
pholmberg@rxir.com

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Schedule 1.8

Approved Subcontractors

Related to Production of GMP Grade Materials

Subcontractor	Address	Service Provided
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Research

Subcontractor	Address	Service Provided
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

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Schedule 1.50

ImmunoGen Patent Rights

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Schedule 1.59

[***] of [***]

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Schedule 1.61

Description of [***] Antibody

[***]

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Schedule 1.62

[***]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Schedule 14.6.2

PATENT [***]

[***]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

CONFIDENTIAL TREATMENT REQUESTED

Execution Copy

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

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Development at that point in time. In addition to those Program 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 [***], [***] and [***]."

(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 [***] with [***], including any [***] 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.

By: /s/ Mitchel Sayare
Name: Mitchel Sayare
Title: CEO

SANOFI-AVENTIS U.S. LLC

By: /s/ Larry Baugh
Name: Larry Baugh
Title: Site Director

By: /s/ Paul Darno
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
[***]	[***]	[***]	[***]	CD 33 (AVE9633)
[***]	[***]	[***]	[***]	CD 19 (SAR3419)
[***]	[***]	[***]		IGF-1R (AVE1642)
[***]		[***]		
[***]		[***]		
[***]		[***]		
		[***]		
		[***]		

CONFIDENTIAL TREATMENT REQUESTED

SANOFI-AVENTIS AND IMMUNOGEN CONFIDENTIAL
Execution Copy

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."

Portions of the exhibit, indicated by the mark "[***],"** ***were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.***

"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 [***] 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 [***] 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 [***] 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 [***] 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 [***]: If Aventis terminates the Services under Section 4.5.7(a) above at any time on or before [***] 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 [***] no later than the [***].

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 $[***] per hour or $[***] 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 [***]. In the event that Aventis reasonably disagrees with the achievement of any such milestone, it shall so notify ImmunoGen in writing within [***]. Within [***] 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 [***] 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 [***] 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 [***] beyond the scheduled payment due date may be subject to an interest charge equal to [***], 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:

[***]
ABA (routing): [***]
F/C Client Funds [***]
Account: [***]
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 [***] from the date of final payment for the Services, or longer if required by law. At the request of Aventis, upon at least [***] prior written notice, but no more often than [***] 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

By:	/s/ Thomas Metcalf
Name:	Thomas Metcalf
Title:	Site Director
Date:	13 Dec 2007

IMMUNOGEN, INC.

By:	/s/ John Lambert
Name:	John Lambert
Title:	Senior Vice President
Date:	07 Dec 2007

SANOFI-AVENTIS U.S., LLC

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

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit C

PROJECT PLAN

SAR3419 Phase IIb/Phase III Conjugation Process Development

Project Stages & Key Deliverables

stage	Description	duration	deliverables	Scheduled completion
I	[***]	[***]	[***]	[***]
II	[***]	[***]	[***]	[***]
III	[***]	[***]	[***]	[***]
IV	[***]	[***]	[***]	[***]

Project Timeline: Schedule

	Month #														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
[***]	[***]	[***]	[***]												
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]							
[***]									[***]	[***]					
[***]								[***]	[***]	[***]	[***]	[***]	[***]		

[***]

[***]

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: [***] or as determined appropriate by process requirements and equipment limitations.

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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 [***] batches should meet the following requirements:

1) [***]
2) [***]:
    a) [***]
    b) [***]
        i) [***]
3) [***]

Product Requirements: The conjugate drug substance should be [***] to the [***], with the exception of:

[***] [***]
[***]

STAGE I: [***]

Purpose: To demonstrate feasibility of [***].

Activities:

1) [***].
2) [***]
3) [***]
4) [***]
5) [***]

[***]
Deliverables:

S-A: [***]
[***]
[***]
Analytical testing beyond IMGN responsibility as described in Table 1

IMGN: Identified process steps
[***]
Weekly to biweekly update reports
Summary chart on [***]
Preliminary development report (delivered at end of [***]

Duration: [***]. 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 [***] for receipt of the data by ImmunoGen.

IMGN FTE: Average of [***] FTE's in Process and [***] 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 [***] batches with [***]. In case material is not comparable, parties will meet to decide how development program could be modified to meet the objective.

STAGE II: [***]

Purpose: To define [***] requirements for the pivotal/commercial manufacturing facility. This includes the [***].

Activities:

1) [***]
2) [***]
3) [***]
4) [***]
5) [***]
    a) [***].
    b) [***].
6) [***]
7) [***]
8) [***]
9) [***].

Deliverables:

S-A: [***]
[***]
Preliminary formulation, minimally base buffer (by [***])
Analytical testing beyond IMGN responsibility as described in Table 1

IMGN: Laboratory samples (mgs to grams)
Weekly update reports
[***]
[***]
[***]
[***].

Duration: [***]. 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 [***] for receipt of the data by ImmunoGen.

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

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

STAGE III: [***]

Purpose: To [***]. A protocol for the [***] will be formally approved to insure that the requirements for a [***] have been met. During the time required for this evaluation and protocol approval, the "clock will stop" on the [***] time frame for delivery of the success milestone. The milestone timing will resume once the [***] is initiated.

Activities:
1) [***]

Deliverables:

S-A: [***]
[***]
[***]
All materials generally representative of [***]
Analytical testing beyond IMGN responsibility as described in Table 1

IMGN: [***]
[***]
[***]
[***]

Duration: [***]. This assumes that the analytical results from sanofi-aventis are available in a timely manner. Unless otherwise agreed, timely execution will be defined as [***] from receipt of samples for testing to receipt of the analytical data by ImmunoGen.

IMGN FTE: Average of [***] FTEs in Process and [***] 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 [***] with [***], 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 [***] of at least [***] 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 [***] 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 [***] of execution of the Amendment. If the [***] 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: [***]

Purpose: [***].

Activities:
IMGN: [***]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

[***]
[***]
[***]
[***]

S-A: [***]
[***]
[***]
[***]
[***]

Deliverables: [***].

Duration: Assuming [***], transfer of [***] should be complete [***] from start of transfer

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

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended

Exhibit C-5

Total FTE Requirement at ImmunoGen

Stages I — IV (up to and including [***]) are estimated to take [***].

Average of [***] FTE in Process Science and Engineering (includes [***] and [***])
Average of [***] FTE in Analytical and Pharmaceutical Sciences (analytical resources only)

Estimated Materials Requirements (Stages I — IV)

	Ab (gm)	DM4 (gm)	SPDB (gm)
Month [***]	[***]	[***]	[***]
Month [***]	[***]	[***]	[***]
Month [***]	[***]	[***]	[***]
Month [***]	[***]	[***]	[***]
Month [***]	[***]	[***]	[***]

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

Travel Expenses

Expenses for [***] personnel to travel to [***] for [***] will be paid by [***] and will require prior approval of projected travel expenses from [***].

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit C-6

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

	IMGN	sanofi-aventis(1)
In Process/Process Characterization	[***]	Quantitative SDS-PAGE
	[***]	
	[***]	
	[***]	
	[***]	
	[***]	
	[***]	
	[***]	
	[***]	
Conjugate "Release" (2)	[***]	[***]
	[***]	[***]
	[***]	
	[***]	
	[***]	
Product Characterization	[***]	[***]
		[***]
		[***]

	[***]
Other	[***]

(1) If quantitative spec is required, sanofi-aventis will need to [***] 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 [***] from receipt of samples for testing to receipt of the analytical data by ImmunoGen unless otherwise mutually agreed upon

(2) At [***], these [***] will be performed in the Process Sciences group. We will use assays used in [***]. Assays may differ from those used in [***].

(3) Includes [***], as well as analytical investigation of any [***] uncovered during use testing at [***].

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Table 2 SAR3419 Phase I acceptance criteria (as [***])

Test	Acceptance criteria
[***]	[***]
[***]	[***]
[***]	[***]
[***]	
[***]	[***]
[***]	
[***]	[***]
[***]	
[***]	[***]
[***]	
[***]	[***]
[***]	[***]
[***]	
[***]	[***]
[***]	
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

CONFIDENTIAL TREATMENT REQUESTED

SANOFI-AVENTIS AND IMMUNOGEN CONFIDENTIAL
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, $[***]; and, for each Calendar Year thereafter, the result obtained by multiplying $[***] 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."

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

(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 [***] required to perform such services, (b) the costs, if any, related to the [***] in the performance of such services, and (c) the costs of any [***] not [***] by [***]. 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 [***] for all Additional Services to be performed during a particular Calendar Quarter or the costs related to the [***] for a particular Calendar Quarter or for the Calendar Year is expected to exceed the [***] or costs set forth in the mutually agreed upon work plan(s) for such Calendar Quarter or for the Calendar Year by [***] or more, ImmunoGen shall notify Aventis. The Parties shall thereafter discuss in good faith whether to use such [***] or such additional [***] or whether to [***] the [***] to be [***], such that such [***] or increased costs related to the use by ImmunoGen of [***] are not [***]; 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 [***] the [***] and [***] of [***], including any [***] performing the Additional Services. Except as otherwise provided herein, Aventis shall have no liability as a result of its [***] hereunder to [***] for any [***] and [***] and [***] and [***] incurred by [***] 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 [***] used by ImmunoGen in the performance of such services and pursuant the relevant agreed upon budget, at a rate [***] equal to the [***].

2.15.4 Within thirty (30) days after the end of each Calendar Quarter following the Third Amendment Effective Date

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

during which Additional Services were performed, ImmunoGen will provide to Aventis a report and invoice setting forth the [***] performing Additional Services during each month of such Calendar Quarter, together with an [***] of the [***] between such [***] and the [***] of [***] for that Calendar Quarter. Within [***] 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 [***].

2.15.5 Within [***] 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 [***] of the [***] to the Additional Services during each month in such Calendar Quarter and the [***] and [***] by such [***] during such Calendar Quarter, together with an [***] of the [***] between the [***] and the [***] for [***] for that Calendar Quarter. Within [***] 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 [***] to the extent such [***] are [***] 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

Portions of the exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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.]

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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/ Daniel M. Junius	By:	/s/ Thomas G. Metcalf 22 Dec. 2008
Name:	Daniel M. Junius	Name:	Thomas G. Metcalf
Title:	President and COO	Title:	Site Director
		By:	/s/ Paul Darno
		Name:	Paul Darno
		Title:	Finance

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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
		[***]	[***]	CD 33 (AVE9633)
			[***]	CD 19 (SAR3419)
			[***]	IGF-1R (AVE1642)
				DS6 antigen (SAR566658)
				CD38 (SAR650984)

Dropped Targets		Dropped Products
[***]	[***]	
[***]	[***]	
[***]	[***]	
[***]	[***]	
[***]	[***]	
[***]	[***]	

Portions of the exhibit, indicated by the mark "[***],"were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333 174335) of ImmunoGen Inc., and

(2) Registration Statements (Form S-8 No. 333-170788, 333-185086, 333-75372, 333-75374, 333-138713, 333-147738 and 333-155540) of ImmunoGen Inc.;

of our report dated August 28, 2014, with respect to the consolidated financial statements and schedule of ImmunoGen Inc. and the effectiveness of internal control over financial reporting of ImmunoGen Inc. included in this Annual Report (Form 10-K) of ImmunoGen Inc. for the year ended June 30, 2014.

/s/ Ernst & Young LLP

Boston, Massachusetts
August 28, 2014

QuickLinks

QuickLinks -- Click here to rapidly navigate through this document

EXHIBIT 31.1

CERTIFICATIONS UNDER SECTION 302

I, Daniel M. Junius, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 accounting 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: August 28, 2014

/s/ DANIEL M. JUNIUS

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

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EXHIBIT 31.2

CERTIFICATIONS UNDER SECTION 302

I, David B. Johnston, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 accounting 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: August 28, 2014

/s/ DAVID B. JOHNSTON

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

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EXHIBIT 32

CERTIFICATIONS UNDER SECTION 906

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 Annual Report for the year ended June 30, 2014 (the "Form 10- K") 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-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 28, 2014

/s/ DANIEL M. JUNIUS

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

Dated: August 28, 2014

/s/ DAVID B. JOHNSTON

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

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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