PROSPECTUS

IMMUNOGEN, INC.
687,648 SHARES OF COMMON STOCK
(PAR VALUE OF $.01 PER SHARE)

The 687,648 shares of Common Stock of ImmunoGen, Inc., a Massachusetts corporation ("ImmunoGen" or the "Company"), offered hereby are being sold by the selling stockholders identified herein (the "Selling Stockholders"). Such offers and sales may be made on one or more exchanges, in the over-the-counter market, or otherwise, at prices and on terms then prevailing, or at prices related to the then-current market price, or in negotiated transactions, or by underwriters pursuant to underwriting agreements in customary form, or in a combination of any such methods of sale. The Selling Stockholders may also sell such shares in accordance with Rule 144 under the 1933 Act. The Selling Stockholders are identified and certain information with respect to them is provided under the caption "Selling Stockholders" herein, to which reference is made. The expenses of the registration of the securities offered hereby, including fees of counsel for the Company, will be paid by the Company. The following expenses will be borne by the Selling Stockholders: underwriting discounts and selling commissions, if any, and the fees of legal counsel, if any, for the Selling Stockholders. The filing by the Company of this Prospectus in accordance with the requirements of Form S-3 is not an admission that any person whose shares are included herein is an "affiliate" of the Company.

The Selling Stockholders have advised the Company that they have not engaged any person as an underwriter or selling agent for any of such shares, but they may in the future elect to do so, and they will be responsible for paying such a person or persons customary compensation for so acting. The Selling Stockholders and any broker executing sell orders on behalf of any Selling Stockholder may be deemed to be "underwriters" within the meaning of the 1933 Act, in which event commissions received by any such broker may be deemed to be underwriting commissions under the 1933 Act. The Company will not receive any of the proceeds from the sale of the securities offered hereby. The Common Stock is listed on the Nasdaq Stock Market ("Nasdaq") under the symbol IMGN. On July 11, 1996, the closing sale price of the Common Stock, as reported by Nasdaq, was $3.75 per share.

THE COMMON STOCK OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS" ON PAGE 4 OF THIS PROSPECTUS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

No person is authorized in connection with any offering made hereby to give any information or to make any representations other than as contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company. This Prospectus is not an offer to sell, or a solicitation of an offer to buy, by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. Neither the delivery of this Prospectus nor any sales made hereunder shall under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof.

THE DATE OF THIS PROSPECTUS IS JULY 12, 1996.

AVAILABLE INFORMATION

The Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "Commission"). These reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024 of the Commission's office at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549, and at its regional offices located at 7 World Trade Center, Suite 1300, New York, NY 10048 and Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, IL 60661. Copies of such reports, proxy statements and other information can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Additional updating information with respect to the securities covered herein may be provided in the future to purchasers by means of appendices to this Prospectus.

The Company has filed with the Commission in Washington, D.C. a registration statement (herein, together with all amendments and exhibits, referred to as the "Registration Statement") under the 1933 Act with respect to the securities offered or to be offered hereby. This Prospectus does not contain all of the information included in the Registration Statement, certain items of which are omitted in accordance with the rules and regulations of the Commission. For further information about the Company and the securities offered hereby, reference is made to the Registration Statement and the exhibits thereto.

The Company will provide without charge to each person to whom this Prospectus is delivered, on the written or oral request of such person, a copy of any document incorporated herein by reference, excluding exhibits. Requests should be made to ImmunoGen, Inc., 148 Sidney Street, Cambridge, MA 02139, telephone (617) 661-9312 and directed to the attention of the Chief Financial Officer.

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RISK FACTORS

An investment in the shares being offered by this Prospectus involves a high degree of risk. The following factors, in addition to those discussed elsewhere in the Prospectus or incorporated herein by reference, should be carefully considered in evaluating the Company and its business prospects before purchasing shares offered by this Prospectus. This Prospectus contains and incorporates by reference forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Reference is made in particular to the discussion set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 1995 (the "Form 10-K") and the Quarterly Reports on Form 10-Q for the quarters ended September 30, 1995, December 31, 1995 and March 31, 1996, and under "Business" in the Form 10-K, incorporated in this Prospectus by reference. Such statements are based on current expectations that involve a number of uncertainties including those set forth in the risk factors below. Actual results could differ materially from those projected in the forward looking statements.

EARLY STAGE OF INITIAL PRODUCT DEVELOPMENT. The Company has not begun to market or generate revenues from the sale of products. The Company's products will require significant additional development, laboratory and clinical testing and investment prior to commercialization. There can be no assurance that such products will be successfully developed, prove to be safe and efficacious in clinical trials, meet applicable regulatory standards, obtain required regulatory approvals, be capable of being produced in commercial quantities at reasonable costs or be successfully marketed.

HISTORY OF OPERATING LOSSES AND ACCUMULATED DEFICIT. The Company has been unprofitable since inception and expects to incur additional net losses over the next several years, if it is able to raise sufficient working capital to continue operations.

FINANCING REQUIREMENTS AND ACCESS TO CAPITAL FUNDING. The Company's cash resources at June 30, 1996 were approximately $2.8 million. Gross proceeds to the Company from a March 1996 private placement of debentures (the "Private Placement") were $5.0 million. The Company anticipates that its existing cash resources will enable it to maintain its current and planned operations through September 1996. Although management continues to pursue additional funding arrangements, no assurance can be given that such financing will in fact be available to the Company. If the Company is unable to obtain financing on acceptable terms in order to maintain operations, it could be forced to curtail or discontinue its operations.

NO COMMERCIAL MANUFACTURING EXPERIENCE. The Company has not yet commercially introduced any products. To be successful, the Company's products must be manufactured in commercial quantities, in compliance with regulatory requirements and at acceptable costs. Although the Company has produced its products in the laboratory and scaled its production process to pilot levels, production in commercial quantities will create technical as well as financial challenges for the Company. The Company's current facilities are not yet approved by the Food and Drug Administration ("FDA") for commercial production of its proposed products, and there can be no assurance that such approval will be obtained. In order to manufacture its products in commercial quantities, the Company will have to enhance its existing manufacturing facilities, which will require additional funds. The Company has no experience in large-scale manufacturing, and no assurance can be given that the Company will be able to make the transition to commercial production successfully.

LACK OF MARKETING AND DISTRIBUTION EXPERIENCE. Although the Company intends to market certain of its products through a direct sales force if and when regulatory approval is obtained, it currently has no marketing or sales staff. To the extent that the Company determines not to, or is unable to, arrange third-party distribution for its products, significant additional expenditures, management resources and time will be required to develop a sales force. There can be no assurance that the Company will be able to establish such a sales force or be successful in gaining market acceptance for its products.

THIRD-PARTY REIMBURSEMENT. In both domestic and foreign markets, sales of the Company's proposed products will depend in part on the availability of reimbursement from third-party payors such as government health administration authorities, private health insurers and other organizations. Third-party payors are

increasingly challenging the price and cost-effectiveness of medical products and services. Significant uncertainty exists as to the reimbursement status of newly approved health care products. There can be no assurance that the Company's proposed products will be considered cost effective or that adequate third-party reimbursement will be available to enable ImmunoGen to maintain price levels sufficient to realize an appropriate return on its investments in product development. Legislation and regulations affecting the pricing of pharmaceuticals may change before any of the Company's proposed products are approved for marketing. Adoption of such legislation could further limit reimbursement for medical products and services.

TECHNOLOGICAL CHANGE AND COMPETITION. The biotechnology industry is subject to rapid and significant technological change. Competitors of the Company engaged in all areas of biotechnology in the United States and abroad are numerous and include major pharmaceutical and chemical companies, specialized biotechnology firms, universities and other research institutions. There can be no assurance that the Company's competitors will not succeed in developing technologies and products that are more effective than any which have been or are being developed by the Company or which would render the Company's technology and products obsolete and noncompetitive. Many of these competitors have substantially greater financial and technical resources and production and marketing capabilities than the Company. In addition, many of the Company's competitors have significantly greater experience than the Company in preclinical testing and human clinical trials of new or improved pharmaceutical products and in obtaining FDA and other regulatory approvals of products for use in health care. The Company has limited experience in conducting and managing preclinical and clinical testing necessary to obtain government approvals. Accordingly, the Company's competitors may succeed in obtaining FDA approval for products more rapidly than the Company. If the Company commences significant commercial sales of its products, it will also be competing with respect to manufacturing efficiency and marketing capabilities, areas in which it has limited or no experience.

DEPENDENCE ON OTHERS. The Company plans to conduct certain aspects of its future operations with third-party collaborators. While the Company believes its potential collaborators will have an economic motivation to succeed in performing their obligations under such arrangements, the amount and timing of funds and other resources to be devoted under such arrangements will be controlled by such other parties and would be subject to financial or other difficulties that may befall such other parties. Thus, no assurance can be given that the Company will generate any revenues from such arrangements. In addition, although the Company is currently exploring entry into such arrangements, no such arrangements have been concluded nor is there any assurance that any such arrangements will ever come into effect.

The Company currently depends on a single supplier to produce required quantities of a certain antibody. There can be no assurance that this antibody will continue to be available from this supplier or, if not available, that the Company will be able to obtain this antibody from other sources at all or at acceptable cost or to manufacture sufficient supplies of this antibody on its own.

DEPENDENCE ON KEY PERSONNEL. The Company's success is dependent on certain key management and scientific personnel. Competition for qualified employees among biotechnology companies is intense, and the loss of key personnel, or the inability to attract and retain the additional, highly skilled employees required for the expansion of the Company's activities, could adversely affect its business.

PATENTS AND PROPRIETARY RIGHTS. The patent situation in the field of biotechnology generally is highly uncertain 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, there can be no assurance that patent applications relating to the Company's products or technology will result in patents being issued or that, if issued, the patents will afford protection against competitors with similar technology.

There has been significant litigation in the biotechnology industry regarding patent and other intellectual property rights and this litigation is likely to continue in the future. If the Company becomes involved in such litigation, it could consume a substantial portion of the Company's resources. Also, patents and applications owned or licensed by the Company may become the subject of interference proceedings in the U.S. Patent and Trademark Office to determine priority of invention, which could result in substantial cost to the Company, as well as a possible adverse decision as to priority of invention of the patent or patent application involved. An

adverse decision in an interference proceeding may result in the Company's loss of rights under a patent or patent application subject to such a proceeding.

In addition, companies may obtain patents claiming products or processes that are necessary for or useful to the development of the Company's products and bring legal actions against the Company claiming infringement and may seek to recover damages and to enjoin the Company from manufacturing and marketing the affected product or process. If any such actions are successful, in addition to any potential liability for damages, the Company may be required to obtain licenses from others to continue to develop, manufacture or market its products. There can be no assurance that the Company will prevail in any such action or that it will be able to obtain such licenses on commercially reasonable terms.

The Company owns three issued patents. It has also applied for several patents. In addition, Dana-Farber has filed applications for a number of patents to which the Company has exclusive rights, and several of these have been issued as patents. There can be no assurance that any patent applications will issue as patents or that any issued patents will provide the Company with significant protection against competitors.

In order to practice its antibody humanization technology using either Complementarily Determining Region ("CDR") grafting or resurfacing, the Company will need to obtain one or more licenses under patents issued to third parties. The Company understands that such licenses may be available on what it believes to be commercially acceptable terms. However, there can be no assurance that any such licenses will in fact be, or continue to be, available on commercially acceptable terms, if at all.

The Company is aware that a patent has been issued to a third party in Europe which contains claims covering the Company's blocked ricin technology. The Company also is aware that patents have been issued in Australia and New Zealand, that a patent application has been filed in Canada, and the Company believes that a patent application has been filed in the United States, each of which may contain claims covering the Company's blocked ricin technology. The Company intends to oppose the European patent and will, as it deems appropriate, initiate revocation proceedings against the Australian and New Zealand patents and interference proceedings against the Canadian and United States applications, if such patents and applications are shown to cover the Company's blocked ricin technology. However, there can be no assurance that the Company will be successful in any opposition, revocation or interference proceeding. Moreover there can be no assurance that additional patents containing similar claims will not be issued in other jurisdictions. If the Company is not successful in invalidating or opposing such patents or otherwise avoiding infringement, its business may be materially adversely affected as a result of one or more of the adverse consequences described above.

The Company also relies upon unpatented proprietary technology, and no assurance can be given that others will not duplicate or independently develop substantially equivalent technology, or otherwise gain access to the Company's proprietary technology or disclose such technology, or that the Company can meaningfully protect its rights in such unpatented proprietary technology.

The Company's license agreement with Dana-Farber requires ImmunoGen to use all reasonable efforts, consistent with sound and reasonable business practices and judgment, to effect introduction of licensed products into the commercial market as soon as practicable. Failure to do so can result in the loss of the Company's exclusive rights to such licensed products.

GOVERNMENT REGULATION. The production and marketing of the Company's products and its ongoing research and development activities are subject to regulation by numerous governmental authorities in the United States and other countries. The rigorous preclinical and clinical testing requirements and regulatory approval processes typically take a number of years and require the expenditure of substantial resources. Delays in obtaining regulatory approvals would adversely affect the marketing of products developed by the Company and the Company's ability to receive product revenues or royalties. In light of the limited regulatory history of monoclonal antibody-based therapeutics, there can be no assurance that regulatory approvals for the Company's products will be obtained without lengthy delays, if at all. Moreover, the Company is, 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 the Company's research work. In addition, the Company cannot predict the extent to which existing or proposed governmental regulations might have an adverse effect on the production and marketing of the Company's products.

PROPOSED INTERNATIONAL TREATY. More than 150 nations, including the United States, are signatories to an international treaty restricting the manufacture and sale of chemical substances identified therein as components of chemical warfare. Ricin, a natural toxin obtained from a cultivated plant, is among the substances restricted pursuant to the proposed treaty. If the treaty is ratified by the United States, the Company's ability to obtain ricin could be affected, although the Company believes it could purchase adequate quantities within the United States and abroad to satisfy its needs.

PRODUCT LIABILITY EXPOSURE. The use of the Company's product candidates during testing or after approval entails an inherent risk of adverse effects which could expose the Company to product liability claims. There can be no assurance that the Company would have sufficient resources to satisfy any liability resulting from these claims. The Company currently has limited product liability insurance for products in clinical testing. There can be no assurance that such coverage will be adequate in scope to protect the Company in the event of a successful product liability claim.

VOLATILITY OF STOCK PRICE. The market prices for securities of biotechnology companies have been volatile. The market price for the Company's Common Stock has fluctuated significantly since public trading commenced in 1989, and it is likely that the market price will continue to fluctuate in the future. Announcements of technological innovations or new commercial products by the Company or its competitors, developments concerning proprietary rights, including patents and litigation matters, publicity regarding actual or potential medical results relating to products under development by the Company or its competitors, regulatory developments in both the United States and foreign countries, public concern as to the safety of biotechnology products and economic and other external factors, including the outbreak or material escalation of hostilities or other calamity or crisis, as well as period-to-period fluctuations in financial results, may have a significant impact on the Company's business and on the market price of the Common Stock. Sales of substantial amounts of the Common Stock in the public market may also have an adverse impact on the market price of the Common Stock.

ABSENCE OF DIVIDENDS. The Company has not paid any cash dividends on its capital stock since inception. Furthermore, the Company does not anticipate paying cash dividends in the foreseeable future.

SHARES ELIGIBLE FOR FUTURE SALE. Sales of substantial amounts of Common Stock in the public market could have an adverse affect on the price of the Company's Common Stock. In addition to the shares registered in the Registration Statement of which this Prospectus is a part, approximately 15,725,585 million shares of Common Stock are currently freely tradeable on the open market. In addition, approximately 874,270 million shares are eligible for sale pursuant to Rule 144 of the Act. Also, there were a total of 1,691,862 options to purchase Common Stock outstanding as of June 30, 1996 pursuant to the Company's stock option plans and 895,788 of such options are currently vested and can be exercised at any time prior to their respective expiration dates. As of June 30, 1996, 26,738 shares of Common Stock were issuable upon the exercise of warrants issued in connection with a capital lease financing in March 1994 and 1,009,000 shares of Common Stock were issuable upon the exercise of warrants issued to date in connection with the Company's March 1996 Debenture financing (the "March 1996 Private Placement").

In addition, a $2.5 million debenture (the "$2.5 Million Debenture") issued by the Company in connection with the March 1996 Private Placement is convertible into shares of the Company's Common Stock at any time based on a predetermined formula. The price at which the $2.5 Million Debenture will convert into Common Stock will be the lower of (i) $2.50 or (ii) 85% of the average of the closing bid price for the five days prior to conversion (the "Conversion Date Price"). Upon conversion, the holder will receive warrants (the "Second Warrants") to purchase Common Stock (the "Second Warrant Shares") for 50% of the number of shares issuable upon conversion of the $2.5 Million Debenture. The Second Warrants will be exercisable at $4.00 per share and expire five years after the date of issuance. There can be no assurance, however, that any or all of the warrants will be exercised, or that the Company will receive any proceeds from

such exercise. The Company has registered for resale the approximately 1,873,000 shares of Common Stock which are issuable upon conversion of the $2.5 Million Debenture and the Second Warrants. If the $2.5 Million Debenture and the Second Warrants become convertible into more than 1,873,000 shares, the Company will be obligated to register additional shares of Common Stock.

The holders of approximately 792,769 shares of Common Stock (the "Registrable Securities") are entitled to certain rights to register such shares under the 1933 Act for sale to the public, pursuant to a Registration Rights Agreement by and among the Company and the holders of Registrable Securities, as amended (the "Registration Rights Agreement"). The holders of Registrable Securities include, among others, Aeneas Venture Corporation. Such holders have the right to require the Company, on not more than two occasions, whether or not the Company proposes to register any of its Common Stock for sale, to register all or part of their shares for sale to the public under the Securities Act, subject to certain conditions and limitations. In addition, holders of Registrable Securities may require the Company to register all or part of their shares on Form S-3 (or a successor short form or registration) if the Company then qualifies for use of such form, subject to certain conditions and limitations. The Registration Rights Agreement was amended on October 9, 1991 to limit the circumstances pursuant to which the registration rights granted thereunder may be transferred to third parties and to amend certain procedural requirements.

DILUTION. Dilution is likely to occur upon conversion of the $2.5 Million Debenture and the exercise of the Second Warrants, and also upon the exercise of other outstanding stock options and warrants. The $2.5 Million Debenture can be converted into shares of the Company's Common Stock at any time. See "Shares Eligible for Future Sales".

THE COMPANY

ImmunoGen develops pharmaceuticals, primarily for the treatment of cancer. The Company's products are "immunoconjugates," each comprising a potent effector molecule -- a proprietary toxin or drug -- coupled to a monoclonal antibody for delivery to and destruction of targeted cells. Through its subsidiary, Apoptosis Technology, Inc. ("ATI"), established in 1993, the Company is developing additional technology platforms, based on the regulation of cell proliferation and programmed cell death, or apoptosis, with which to identify therapeutic product candidates for the treatment of cancer and viral diseases.

Since its inception, the Company has acquired significant expertise and proprietary know-how with regard to the development of immunoconjugates for the treatment of cancer. The key elements of the Company's proprietary position include its expertise in identifying and designing both potent effector molecules and specific targeting agents. Through its network of collaborators, advisors and consultants, the Company also has access to significant medical expertise with regard to the treatment of cancer.

Through ATI, the Company has established collaborative ties with leading academic researchers in the area of apoptosis research and its applications to the treatment of cancer and viral diseases.

The Company uses several different toxins and drugs in its immunoconjugates as effector molecules with which to destroy target cells. In each of the Company's first four products -- the Oncolysins -- a proprietary derivative of ricin, a powerful, naturally occurring plant toxin, is coupled to a targeting monoclonal antibody. In the Company's next group of products -- small-drug immunoconjugates -- potent small-molecule drugs are conjugated to humanized monoclonal antibodies. ATI is basing its proprietary technology portfolio on the development of molecular and cellular screening systems for the identification of leads for therapeutic product candidates.

The Company began conducting clinical trials with the first of the Oncolysin products in 1988. That first product, Oncolysin B, is now being tested in lymphoma patients in a large-scale, randomized Phase III clinical study. The Company's small-drug immunoconjugates are in the research and preclinical phases of development: in April 1994, the Company successfully submitted an Investigational New Drug Application with the U.S. Food and Drug Administration to begin human clinical testing of anti-B4-DC1, its first small-drug immunoconjugate.

The Company's products will require significant additional investment and laboratory and clinical testing, and regulatory approvals. The Company is seeking to commercialize its products through collaborations with established pharmaceutical companies to support clinical testing and development and manufacturing and for product sales and marketing. The Company also may elect in the future to establish a specialized sales force in the United States and to serve international markets through foreign licensees. There can be no assurance, however, that the Company will be successful in attracting collaborative partners or in developing or commercializing its products.

The Company's executive offices are located at 148 Sidney Street, Cambridge, Massachusetts 02139, and its telephone number is (617) 661-9312.

SELLING STOCKHOLDERS

The shares offered hereby by The Dana-Farber Cancer Institute, Inc. ("Dana-Farber") are issuable upon conversion of a $1,312,943 Convertible Debenture (the "Dana-Farber Debenture") issued by the Company to DanaFarber as repayment of certain sums owed by the Company to Dana-Farber. The shares offered hereby by LBC Capital Resources, Inc. ("LBC") are issuable upon the exercise of warrants to purchase Common Stock (the "LBC Warrants") acquired by LBC in partial payment for LBC's services in securing the March 1996 Private Placement for the Company.

The following table sets forth information with respect to the beneficial ownership of the Company's Common Stock by the Selling Stockholder as of June 30, 1996, and as adjusted to reflect the sale of the Common Stock offered hereby by the Selling Stockholders.

	SHARES OWNED PRIOR TO OFFERING		NUMBER OF SHARES BEING	SHARES OWNED AFTER OFFERING(3)	
SELLING STOCKHOLDER	NUMBER	PERCENT	OFFERED	NUMBER	PERCENT
Dana-Farber	437,648(1)	2.6%	437,648	0	--
LBC	250,000(2)	1.5%	250,000	0	--

(1) Based on 16,599,855 shares of Common Stock outstanding on June 30, 1996, and adjusted to reflect the conversion by Dana-Farber of the Debenture into up to 437,648 shares of Common Stock (assuming a market price of approximately $3.00 at the time of conversion).

(2) Based on 16,599,835 shares of Common Stock outstanding on June 30, 1996, and adjusted to reflect the exercise of the LBC Warrants.

(3) Assumes the sale of all shares offered hereby to unaffiliated third parties.

PLAN OF DISTRIBUTION

The 687,648 shares of Common Stock of the Company offered hereby may be offered and sold from time to time by the Selling Stockholders, or by pledgees, donees, transferees or other successors in interest. Such offers and sales may be made from time to time on one or more exchanges or in the over-the-counter market, or otherwise, at prices and on terms then prevailing or at prices related to the then-current market price, or in negotiated transactions. The methods by which the shares may be sold may include, but not be limited to, the following: (a) a block trade in which the broker or dealer so engaged will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction; (b) purchases by a broker or dealer as principal and resale by such broker or dealer for its account; (c) an exchange distribution in accordance with the rules of such exchange; (d) ordinary brokerage transactions and transactions in which the broker solicits purchasers; (e) privately negotiated transactions; and (f) a combination of any such methods of sale. In effecting sales, brokers or dealers engaged by the Selling Stockholder may arrange for other brokers or dealers to participate. Brokers or dealers may receive commissions or discounts from the Selling Stockholders or from the purchasers in amounts to be negotiated immediately prior to the sale. The Selling Stockholders may also sell such shares in accordance with Rule 144 under the 1933 Act.

The Company has agreed to use its best efforts to maintain the effectiveness of the registration of the shares being offered hereunder until (a) in the case of the shares offered by Dana Farber, the earlier of the date upon which all of the shares of Common Stock offered hereby have been sold or one year from the date hereof, and (b) in the case of LBC, the earlier of the date upon which all of the shares of Common Stock offered hereby have been sold, or the date on which the shares of Common Stock offered hereby, in the opinion of counsel, may be immediately sold by the Selling Stockholder without registration.

The Selling Stockholders and any brokers participating in such sales may be deemed to be underwriters within the meaning of the 1933 Act. There can be no assurance that the Selling Stockholders will sell any or all of the shares of Common Stock offered hereunder.

All proceeds from any such sales will be the property of the Selling Stockholder who will bear the expense of underwriting discounts and selling commissions, if any, and their own legal fees.

LEGALITY OF COMMON STOCK

The validity of the shares of Common Stock hereby is being passed upon for the Company by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts.

EXPERTS

The financial statements incorporated in this Prospectus by reference to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 1995 have been so incorporated in reliance on the report (which includes an explanatory paragraph concerning uncertainties surrounding the Company's ability to continue as a going concern) of Coopers & Lybrand L.L.P., independent accountants, given on the authority of said firm as experts in auditing and accounting.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The following documents filed with the Commission are incorporated herein by reference:

(a) The Company's Annual Report on Form 10-K for the fiscal year ended June 30, 1995 (File No. 0-17999).

(b) The Company's Quarterly Reports on Form 10-Q for the fiscal quarters ended September 30, 1995, December 31, 1995 and March 31, 1996.

(c) The Company's Current Report on Form 8-K for the August 17, 1995 event.

(d) The Company's Current Report on Form 8-K for the March 21, 1996 event.

(e) The Company's Current Report on Form 8-K for the June 6, 1996 event.

(f) The description of the Company's capital stock contained in the Company's registration statement on Form 8-A under the 1934 Act (File No. 0-17999), including amendments or reports filed for the purpose of updating such description.

All reports and other documents subsequently filed by the Company with the Commission pursuant to Sections 13(a), 13(c), 14 and 15(d) of the 1934 Act, prior to the filing of a post-effective amendment which indicates that all securities covered by this Prospectus have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference herein and to be a part hereof from the date of the filing of such reports and documents.