



ImmunoGen Announces Sale of Residual Kadcyła Royalties

January 8, 2019

Company to Receive \$65 Million Payment

WALTHAM, Mass.--(BUSINESS WIRE)--Jan. 8, 2019-- [ImmunoGen, Inc.](#) (Nasdaq: IMGN), a leader in the expanding field of antibody-drug conjugates (ADCs) for the treatment of cancer, today announced the sale of its residual rights to receive royalty payments on commercial sales of Kadcyła® (ado-trastuzumab emtansine) to OMERS, the defined benefit pension plan for municipal employees in the Province of Ontario, Canada, for \$65 million.

"ImmunoGen played a key role in the generation and early development of Kadcyła, the first ADC approved for the treatment of HER2-positive breast cancer, and we are pleased to see the continued progress of this important therapy in the market," said Mark Enyedy, President and Chief Executive Officer. "As ImmunoGen evolves into a fully-integrated company with our proprietary portfolio, this transaction further strengthens our balance sheet as we execute on our strategic priorities and work to deliver more good days to people living with cancer."

This transaction entails the sale of the residual interest held by ImmunoGen from a prior transaction with Immunity Royalty Holdings, L.P. (IRH). In 2015, ImmunoGen announced a \$200 million non-dilutive royalty transaction through which ImmunoGen sold the right to receive 100% of the royalty revenue on Kadcyła commercial sales to an undisclosed threshold amount, subject to certain conditions. Once the applicable threshold was met, ImmunoGen would receive 85% of the Kadcyła royalty revenue and the original purchaser would receive 15% for the remaining term of the royalty. With this transaction, OMERS now owns 100% of ImmunoGen's rights to receive Kadcyła royalties.

MTS Health Partners, L.P. acted as exclusive financial advisor to ImmunoGen and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. acted as special transactional counsel to ImmunoGen.

ABOUT KADCYLA ROYALTIES

Genentech, a member of the Roche Group, developed Kadcyła (ado-trastuzumab emtansine) using ADC technology licensed from ImmunoGen under a 2000 agreement established between the companies. This agreement entitles ImmunoGen to receive royalties ranging from 3-5% on Kadcyła sales in countries where ImmunoGen holds valid patents covering Kadcyła, and 2% in countries without relevant ImmunoGen patents. ImmunoGen is entitled to receive royalties on commercial Kadcyła sales in each country for ten years after the launch of Kadcyła in that country. This period extends to twelve years for each country in which ImmunoGen has valid claims in relevant patents on the tenth anniversary of the commercial launch of Kadcyła in that country.

ABOUT OMERS

Founded in 1962, OMERS is one of Canada's largest defined benefit pension plans, with more than \$95 billion in net assets, as at December 31, 2017. It invests and administers pensions for almost half a million members from municipalities, school boards, emergency services, and local agencies across Ontario. OMERS has employees in Toronto and other major cities across North America, the U.K., Europe, Asia, and Australia – originating and managing a diversified portfolio of investments in public markets, private equity, infrastructure, and real estate. For more information, please visit www.omers.com.

ABOUT IMMUNOGEN

ImmunoGen is developing the next generation of antibody-drug conjugates (ADCs) to improve outcomes for cancer patients. By generating targeted therapies with enhanced anti-tumor activity and favorable tolerability profiles, we aim to disrupt the progression of cancer and offer our patients more good days. We call this our commitment to "target a better now." Our lead product candidate, mirvetuximab soravtansine, is in Phase 3 study for folate receptor alpha (FR α)-positive platinum-resistant ovarian cancer, and in Phase 1b/2 testing in combination regimens. Our novel IGN candidates for hematologic malignancies, IMGN779 and IMGN632, are in Phase 1 studies.

Learn more about who we are, what we do, and how we do it at www.immunogen.com.

This press release includes forward-looking statements. For these statements, ImmunoGen claims the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. It should be noted that there are risks and uncertainties related to the development of novel anticancer products, including risks related to preclinical and clinical studies, their timings and results. A review of these risks can be found in ImmunoGen's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and other reports filed with the Securities and Exchange Commission.

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For Investors

THRUST Strategic Communications
Chelcie Lister, 910-777-3049
chelcie@thrustsc.com

or

For Media

ImmunoGen
Courtney O'Konek, 781-895-0600
courtney.okonek@immunogen.com
or
FTI Consulting Inc.
Robert Stanislaro, 212-850-5657
robert.stanislaro@fticonsulting.com