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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2010

OR

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

For the transition period from to

Commission file number 0-17999

ImmunoGen, Inc.

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

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

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

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

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

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

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

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

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

Shares of common stock, par value $.01 per share: 57,461,526 shares outstanding as of April 26, 2010.

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IMMUNOGEN, INC.
FORM 10-Q
FOR THE QUARTER ENDED MARCH 31, 2010
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ITEM 1. ***Financial Statements***

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

	March 31, 2010	June 30, 2009
ASSETS		
Cash and cash equivalents	$ 41,032	$ 69,639
Marketable securities	1,185	1,486
Accounts receivable	381	1,746
Unbilled revenue	1,894	561
Inventory	1,225	1,836
Restricted cash	574	366
Prepaid and other current assets	1,715	1,232
Total current assets	48,006	76,866
Property and equipment, net of accumulated depreciation	17,081	19,671
Long-term restricted cash	3,887	4,142
Other assets	226	25
Total assets	$ 69,200	$ 100,704
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 1,280	$ 1,244
Accrued compensation	3,228	4,140
Other accrued liabilities	2,429	1,566
Current portion of deferred lease incentive	979	979
Current portion of deferred revenue	3,459	3,199
Total current liabilities	11,375	11,128
Deferred lease incentive, net of current portion	8,807	9,540
Deferred revenue, net of current portion	9,245	9,543
Other long-term liabilities	3,822	3,636
Total liabilities	33,249	33,847
Commitments and contingencies (Note E)		
Shareholders' equity:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $.01 par value; authorized 100,000 shares; issued and outstanding 57,414 and 56,947 shares as of March 31, 2010 and June 30, 2009, respectively	574	569
Additional paid-in capital	394,100	387,947
Accumulated deficit	(358,958)	(321,451)
Accumulated other comprehensive income (loss)	235	(208)
Total shareholders' equity	35,951	66,857
Total liabilities and shareholders' equity	$ 69,200	$ 100,704

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

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

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2010	2009	2010	2009
Revenues:				
Research and development support	$ 1,805	$ 908	$ 3,870	$ 6,398
License and milestone fees	1,266	7,314	3,924	14,303
Clinical materials reimbursement	243	4	1,727	2,985
Total revenues	3,314	8,226	9,521	23,686
Operating Expenses:				
Research and development	12,091	9,493	36,490	34,241
General and administrative	3,447	3,243	10,925	10,442
Total operating expenses	15,538	12,736	47,415	44,683
Loss from operations	(12,224)	(4,510)	(37,894)	(20,997)
Other (expense) income, net	(3)	(100)	122	(213)
Loss before benefit for income taxes	(12,227)	(4,610)	(37,772)	(21,210)
Benefit for income taxes	(103)	—	(265)	(100)
Net loss	$ (12,124)	$ (4,610)	$ (37,507)	$ (21,110)
Basic and diluted net loss per common share	$ (0.21)	$ (0.09)	$ (0.66)	$ (0.41)
Basic and diluted weighted average common shares outstanding	57,365	51,037	57,183	50,880

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

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

	Nine months ended March 31,	
	2010	2009
Cash flows from operating activities:		
Net loss	$ (37,507)	$ (21,110)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation and amortization	3,660	3,758
Loss on sale/disposal of fixed assets	41	3
Amortization of deferred lease incentive	(734)	(731)
Loss on sale of marketable securities	—	33
Other-than-temporary impairment of marketable securities	—	516
Loss on forward contracts	98	258
Stock and deferred share unit compensation	3,441	3,062
Deferred rent	41	1,421
Changes in operating assets and liabilities:		
Accounts receivable	1,365	230
Unbilled revenue	(1,333)	2,544
Inventory	611	421
Prepaid and other current assets	(487)	(512)
Restricted cash	47	48
Other assets	(201)	11
Accounts payable	36	1,060

Accrued compensation	(912)	2,507
Other accrued liabilities	1,005	(2,926)
Deferred revenue	(38)	5,707
Proceeds from landlord for tenant improvements	—	750
Net cash used for operating activities	(30,867)	(2,950)
Cash flows from investing activities:		
Proceeds from maturities or sales of marketable securities	744	9,153
Purchases of property and equipment, net	(1,111)	(1,536)
Payments from settlement of forward contracts	(81)	(311)
Net cash (used for) provided by investing activities	(448)	7,306
Cash flows from financing activities:		
Proceeds from stock options exercised	2,708	885
Net cash provided by financing activities	2,708	885
Net change in cash and cash equivalents	(28,607)	5,241
Cash and cash equivalents, beginning balance	69,639	31,619
Cash and cash equivalents, ending balance	$ 41,032	$ 36,860

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

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IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2010

A. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements at March 31, 2010 and June 30, 2009 and for the three and nine months ended March 31, 2010 and 2009 include the accounts of ImmunoGen, Inc., or the Company, and its wholly owned subsidiaries, ImmunoGen Securities Corp. and ImmunoGen Europe Limited. The consolidated financial statements include all of the adjustments, consisting only of normal recurring adjustments, which management considers necessary for a fair presentation of the Company's financial position in accordance with accounting principles generally accepted in the U.S. for interim financial information. Certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. The preparation of interim financial statements requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenditures during the reported period. The results of the interim periods are not necessarily indicative of the results for the entire year. Accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2009.

Subsequent Events

The Company has evaluated all events or transactions that occurred after March 31, 2010 up through the date the Company issued these financial statements. During this period the Company did not have any material recognizable or unrecognizable subsequent events.

Other-than-Temporary Impairments

An other-than-temporary impairment must be recognized through earnings if an investor has the intent to sell the debt security or if it is more likely than not that the investor will be required to sell the debt security before recovery of its amortized cost basis. In the event of a credit loss, only the amount associated with the credit loss is recognized in net loss. The amount of loss relating to other factors is recorded in accumulated other comprehensive loss.

The Company adopted certain provisions of FASB's Accounting Standards Codification (ASC) Topic 820, "Investments — Debt and Equity Securities," on April 1, 2009. As a result of the adoption, $54,000 of previously recognized other-than-temporary impairment charges was reclassified to other comprehensive loss as a cumulative effect adjustment.

The Company conducts periodic reviews to identify and evaluate each investment that has an unrealized loss, which exists when the current fair value of an individual security is less than its amortized cost basis. Unrealized losses on available-for-sale securities that are determined to be temporary, and not related to credit loss, are recorded in accumulated other comprehensive loss.

For available-for-sale debt securities with unrealized losses, management performs an analysis to assess whether it intends to sell or whether it would more likely than not be required to sell the security before the expected recovery of the amortized cost basis. Where the Company intends to sell a security, or may be required to do so, the security's decline in fair value is deemed to be other-than-temporary and the full amount of the unrealized loss is recorded in the statement of operations as an other-than-temporary impairment charge. When this is not the case, the Company performs additional analysis on all securities with unrealized losses to evaluate losses associated with the creditworthiness of the security. Credit losses are identified where the Company does not expect to receive cash flows, based on using a single best estimate, sufficient to recover the amortized cost basis of a security and these are recognized in other income (expense), net.

Fair Value of Financial Instruments

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 under Topic 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. The topic 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:

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

As of March 31, 2010, the Company held certain assets that are required to be measured at fair value on a recurring basis, including our cash equivalents and marketable securities. In accordance with Topic 820, the following table represents the fair value hierarchy for our financial assets measured at fair value on a recurring basis as of March 31, 2010 (in thousands):

	Fair Value Measurements at March 31, 2010 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	$ 45,493	$ 45,493	$ —	$ —
Available-for-sale marketable securities	1,185	—	1,185	—
	$ 46,678	$ 45,493	$ 1,185	$ —

The fair value of the Company's investments is generally determined from market prices based upon either quoted prices from active markets or other significant observable market transactions at fair value.

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

Unbilled Revenue

The majority of the Company's unbilled revenue at March 31, 2010 and June 30, 2009 represents research funding earned based on actual resources utilized under the Company's agreements with various collaborators.

Inventory

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

Inventory at March 31, 2010 and June 30, 2009 is summarized below (in thousands):

	March 31, 2010	June 30, 2009
Raw materials	$ 1,225	$ 952
Work in process	—	884
Total	$ 1,225	$ 1,836

All Targeted Antibody Payload, or TAP, product candidates currently in preclinical and clinical testing through ImmunoGen or its collaborators include either DM1 or DM4 as a cell-killing agent. Raw materials inventory consists entirely of DM1 and DM4, collectively referred to as DMx.

Inventory cost is stated net of write-downs of $1.1 million and $1.8 million as of March 31, 2010 and June 30, 2009, 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. The Company recorded $530,000 of expense related to excess inventory during the nine-month period ended March 31, 2010. No similar charges were recorded during the three or nine-month period ended March 31, 2009.

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

thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2010	2009	2010	2009
Common stock equivalents under treasury stock method	1,649	823	1,833	605

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.

Comprehensive Loss

For the three and nine months ended March 31, 2010, total comprehensive loss equaled $12.0 million and $37.3 million, respectively. For the three and nine months ended March 31, 2009, total comprehensive loss equaled $4.6 million and $21.2 million, respectively. Comprehensive loss is comprised of the Company's net loss for the period and unrealized gains and losses recognized on available-for-sale marketable securities.

Stock-Based Compensation

As of March 31, 2010, the Company is authorized to grant future awards under one employee share-based compensation plan, which is the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan, or the 2006 Plan. 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 4,500,000 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 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 fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model with the assumptions noted in the following table. As the Company has not paid dividends since inception, nor does it expect to pay any dividends for the foreseeable future, the expected dividend yield assumption is zero. Expected volatility is based exclusively on historical volatility data of the Company's stock. The expected term of stock options granted is based exclusively on historical data and represents the period of time that stock options granted are expected to be outstanding. The expected term is calculated for and applied to one group of stock options as the Company does not expect substantially different exercise or post-vesting termination behavior among its 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.

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2010	2009	2010	2009
Dividend	None	None	None	None
Volatility	58.77%	62.97%	59.94%	63.10%
Risk-free interest rate	3.14%	2.00%	3.21%	2.40%
Expected life (years)	7.2	7.2	6.9	7.2

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Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during the three months ended March 31, 2010 and 2009 were $4.42 and $2.72 per share, respectively, and $5.86 and $2.71 for options granted during the nine months ended March 31, 2010 and 2009, respectively.

Stock compensation expense incurred during the three and nine months ended March 31, 2010 was $1.0 million and $3.1 million, respectively. Stock compensation expense incurred during the three and nine months ended March 31, 2009 was $731,000 and $2.9 million, respectively.

As of March 31, 2010, the estimated fair value of unvested employee awards was $6.0 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately three years.

During the nine months ended March 31, 2010, holders of options issued under the Company's equity plans exercised their rights to acquire an aggregate of approximately 468,000 shares of common stock at prices ranging from $2.03 to $8.57 per share. The total proceeds to the Company from these option exercises were approximately $2.7 million.

Financial Instruments and Concentration of Credit Risk

The Company's cash and cash equivalents consist principally of U.S. Government and agency-backed money market funds which are maintained with two financial institutions in the U.S. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of marketable securities. Marketable securities at March 31, 2010 generally consist of high-grade corporate bonds and asset-backed securities. The Company has classified its marketable securities as "available-for-sale" and, accordingly, carries such securities at aggregate fair value. The cost of securities sold is based on the specific identification method. 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.

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 estimated at fair value and classified as other current assets or liabilities. The fair value of these instruments represent 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. For the three and nine months ended March 31, 2010, net losses recognized on forward contracts were $64,000 and $98,000, respectively, and are included in the accompanying consolidated statement of operations as other income (expense), net. As of March 31, 2010, the Company had outstanding forward contracts with amounts equivalent to approximately $1.2 million (884,000 in Euros), all maturing on or before January 4, 2011. As of June 30, 2009, the Company had outstanding forward contracts with amounts equivalent to approximately $517,000 (371,000 in Euros). For the three and nine months ended March 31, 2009, net losses recognized on forward contracts were $76,000 and $258,000, respectively. The Company does not anticipate using derivative instruments for any purpose other than hedging exchange rate exposure.

Segment Information

During the three and nine months ended March 31, 2010, the Company continued to operate in one reportable business segment which is the business of discovery of monoclonal antibody-based anticancer therapeutics.

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The percentages of revenues recognized from significant customers of the Company in the three and nine months ended March 31, 2010 and 2009 are included in the following table:

	Three Months Ended March 31,		Nine Months Ended March 31,	
Collaborative Partner:	**2010**	**2009**	**2010**	**2009**
Amgen	51%	2%	29%	2%
Bayer HealthCare	11%	3%	19%	2%
Biotest	8%	3%	11%	11%
Genentech	1%	80%	5%	28%
sanofi-aventis	25%	9%	26%	47%

There were no other customers of the Company with significant revenues in the three and nine months ended March 31, 2010 and 2009.

Recent Accounting Pronouncements

The provisions of ASC Topic 810, “Consolidations”, related to the changes to how a reporting entity determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated will be effective for fiscal years beginning after November 15, 2009 (the Company’s fiscal year 2011). Early application is not permitted. The Company does not expect the adoption of these provisions to have a significant impact on its financial position or results of operations.

B. Significant Collaborative Agreements

sanofi-aventis

In August 2006, sanofi-aventis exercised its final remaining option to extend the term of an existing research collaboration with the Company until August 31, 2008, and committed to pay the Company a minimum of $10.4 million in research support over the twelve months beginning September 1, 2007. The two companies subsequently agreed to extend the date of payment through October 31, 2008 to enable completion of previously agreed-upon research. The Company recorded the research funding as it was earned based upon its actual resources utilized in the collaboration. The Company earned $81.5 million of committed funding over the duration of the research program and is now compensated for research performed for sanofi-aventis on a mutually agreed-upon basis.

In October 2006, sanofi-aventis licensed non-exclusive rights to use the Company’s proprietary resurfacing technology to humanize antibodies to targets not included in the collaboration, including antibodies for non-cancer applications. Under the terms of the license, the Company received a $1 million license fee, half of which was paid upon contract signing and the second half was paid in August 2008. The Company has deferred the $1 million upfront payment and is recognizing this amount as revenue over the five-year term of the agreement.

In August 2008, sanofi-aventis exercised its option under a 2006 agreement for expanded access to the Company’s TAP technology. The Company received $3.5 million with the exercise of this option in August 2008, in addition to the $500,000 the Company received in December 2006 with the signing of the option agreement. The agreement has a three-year term from the date of the exercise of the option and can be renewed by sanofi-aventis for one additional three-year term by payment of a $2 million fee. The Company has deferred the $3.5 million exercise fee and is recognizing this amount as revenue over the initial three-year option term.

In February 2010, sanofi-aventis notified the Company that one of the product candidates under its discovery, development and commercialization agreement had achieved a preclinical milestone, triggering a $500,000 payment to the Company. This milestone is included in license and milestone fee revenue for the three and nine-month periods ended March 31, 2010.

Genentech (a wholly owned member of the Roche Group)

In May 2000, the Company entered into a license agreement with Genentech that granted Genentech exclusive rights to use our maytansinoid TAP technology with antibodies, such as trastuzumab, that target HER2. We received a $2 million upfront payment from Genentech upon execution of the agreement. We also are entitled to up to $44 million in milestone payments from Genentech under this agreement, as amended in May 2006, in addition to royalties on the net sales of any resulting product. Through March 31, 2010, the Company has received $13.5 million in milestone payments. The most recent was $6.5 million earned in February 2009 with the start of T-DM1 Phase III testing.

In May 2000, the Company also entered into a “right-to-test” agreement with Genentech that granted Genentech the right to test the Company’s maytansinoid TAP technology with Genentech antibodies to a defined number of targets on an exclusive basis for specified option periods and to take exclusive licenses for individual targets on agreed-upon terms to use the Company’s maytansinoid

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TAP technology to develop products. Under this agreement, Genentech licensed exclusive rights to use the Company's maytansinoid TAP technology with antibodies to four undisclosed targets. The most recent license was taken in December 2008. For each license taken, we received a $1 million license fee and may receive up to $38 million in milestone payments.

Bayer HealthCare AG

In October 2008, the Company entered into a development and license agreement with Bayer HealthCare AG. The Company received a $4 million upfront payment upon execution of the agreement, which the Company has deferred and is recognizing as revenue ratably over the estimated period of substantial involvement. In September 2009, Bayer reached a preclinical milestone which triggered a $1 million payment to the Company. This milestone is included in license and milestone fees for the nine months ended March 31, 2010.

Amgen, Inc.

In September 2009 and November 2009, the Company entered into two development and license agreements with Amgen Inc. granting Amgen the exclusive right to use the Company's maytansinoid TAP technology to develop anticancer therapeutics to specific targets. These licenses were taken under an agreement established in 2000 between ImmunoGen and Abgenix, Inc., which later was acquired by Amgen. Under the terms of the licenses, the Company received a $1 million upfront payment with each license taken. The Company has deferred the $1 million upfront payments and is recognizing these amounts as revenue ratably over the estimated period of substantial involvement.

Other

The Company also has development and license agreements with Biogen Idec and Biotest for which it previously received upfront payments of $1 million each. These upfront payments were deferred and are being recognized over the estimated period of substantial involvement. Due to changes in facts and circumstances, during the current quarter, the Company adjusted the periods of substantial involvement over which it amortizes these upfront fees. As a result, the Company recognized approximately $45,000 less license and milestone fee revenue during the current quarter. As of March 31, 2010, there is collectively $709,000 in unamortized upfront payments that will be recognized over the remaining periods of performance through December 2013.

Additional information on the agreements the Company has with these and other companies is described elsewhere in this Quarterly Report and in its 2009 Annual Report on Form 10-K.

C. Capital Stock

2001 Non-Employee Director Stock Plan

During the three and nine months ended March 31, 2010, the Company recorded approximately $3,000 and $(8,000) in compensation expense and expense reduction, respectively, related to stock units outstanding under the Company's 2001 Non-Employee Director Stock Plan. The value of the stock units is adjusted to market value at each reporting period as the redemption amount of stock units for this plan will be paid in cash. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004. During the three and nine months ended March 31, 2009, the Company recorded approximately $42,000 and $61,000 in compensation expense, respectively.

2004 Non-Employee Director Compensation and Deferred Share Unit Plan

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. In addition, the vesting for annual retainers was 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.

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.

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- 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.

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.

During the three and nine months ended March 31, 2010, the Company recorded approximately $87,000 and $379,000 in compensation expense, respectively, related to deferred share units issued and outstanding under the amended 2004 Director Plan. During the three and nine months ended March 31, 2009, the Company recorded approximately $51,000 and $122,000 in similar compensation expense, respectively.

D. Marketable Securities

As of March 31, 2010, $41.0 million in cash and money market funds were classified as cash and cash equivalents. The Company's cash, cash equivalents and marketable securities as of March 31, 2010 are as follows (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Cash and money market funds	$ 41,032	$ —	$ —	$ 41,032
Asset-backed securities				
Current	79	16	(1)	94
Non-current	846	263	(43)	1,066
Corporate notes				
Non-current	25	—	—	25
Total	$ 41,982	$ 279	$ (44)	$ 42,217
Less amounts classified as cash and cash equivalents	(41,032)	—	—	(41,032)
Total marketable securities	$ 950	$ 279	$ (44)	$ 1,185

As of June 30, 2009, $69.6 million in cash and money market funds were classified as cash and cash equivalents. The Company's cash, cash equivalents and marketable securities as of June 30, 2009 are as follows (in thousands):

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	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Cash and money market funds	$ 69,639	$ —	$ —	$ 69,639
Asset-backed securities				
Current	395	25	(25)	395
Non-current	1,024	201	(410)	815
Corporate notes				
Current	250	—	—	250
Non-current	25	1	—	26
Total	$ 71,333	$ 227	$ (435)	$ 71,125
Less amounts classified as cash and cash equivalents	(69,639)	—	—	(69,639)
Total marketable securities	$ 1,694	$ 227	$ (435)	$ 1,486

During the nine month period ended March 31, 2010, the Company had no realized gains or losses on the sale of investments, compared to realized losses of $33,000 during the same period last year.

As of March 31, 2010, the Company had 14 individual securities in its investment portfolio, of which five were in an unrealized loss position. The aggregate fair value of investments with unrealized losses was approximately $514,000, of which $329,000 had been in an unrealized loss position for more than one year, as of March 31, 2010. All such other investments as of March 31, 2010 were either not in a loss position or have been or were in an unrealized loss position for less than a year. As of June 30, 2009, the Company had 19 individual securities in its investment portfolio, of which seven were in an unrealized loss position. The aggregate fair value of investments with unrealized losses was approximately $705,000 as of June 30, 2009, of which $332,000 had been in an unrealized loss position for more than a year, as of June 30, 2009. See Note A. *Other-than-Temporary Impairments.* The Company reviewed its investments with unrealized losses and as a result recorded $114,000 and $516,000 as other-than-temporary impairment charges during the three and nine months ended March 31, 2009, respectively. No similar charges were recorded during the three or nine months ended March 31, 2010.

E. Commitments and Contingencies

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. The Company uses this space for its corporate headquarters, research and other operations. The initial term of the lease is for twelve years with an option for the Company to extend the lease for two additional terms 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. 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 an option to extend the term for an additional two years.

As part of the lease agreement, the Company received a construction allowance of up to approximately $13.3 million to build out laboratory and office space to the Company's specifications. After completion, the Company had recorded $12 million of leasehold improvements under the construction allowance. The Company received $10.8 million from the landlord and paid out the same amount towards these leasehold improvements. The remaining balance of the improvements was paid directly by the landlord. The lease term began on October 1, 2007, when the Company obtained physical control of the space in order to begin construction.

Under the terms of the agreement, any remaining construction allowance was to be applied evenly as a credit to rent for the first year. The final balance of the construction allowance was determined in August 2008, resulting in a credit of $1.3 million to the Company from the landlord during the prior year nine-month period relating to the first year of occupancy.

At March 31, 2010, the Company also leases facilities in Norwood and Cambridge, MA under agreements through 2011. 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 sub-sublease in May 2008 for the entire space in Cambridge, MA through October 2010, the remainder of the sublease.

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):

2010 (three months remaining)	$	1,567
2011		5,887
2012		4,859
2013		4,859
2014		4,925
Thereafter		30,249
Total minimum lease payments	$	52,346
Total minimum rental payments from subleases		(3,459)
Total minimum lease payments, net	$	48,887

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F. Income Taxes

During the nine months ended March 31, 2010 and 2009, the Company recognized $265,000 and $100,000, respectively, of tax benefit associated with U.S. research and development tax credits against which the Company had previously provided a full valuation allowance, but which became refundable as a result of federal legislation passed in 2009. Due to the degree of uncertainty related to the ultimate use of loss carryforwards and tax credits, the Company has established a valuation allowance to fully reserve its remaining tax benefits.

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

OVERVIEW

Since our inception, we have been principally engaged in the development of novel, targeted therapeutics for the treatment of cancer using our expertise in cancer biology, monoclonal antibodies, and small-molecule cytotoxic, or cell-killing, agents. Our Targeted Antibody Payload, or TAP, technology uses antibodies to deliver a potent cytotoxic agent specifically to cancer cells, and consists of a tumor-targeting monoclonal antibody with one of our proprietary cell-killing agents attached using one of our engineered linkers. The antibody component enables a TAP compound to bind specifically to cancer cells that express a particular target antigen, the highly potent cytotoxic agent serves to kill the cancer cell, and the engineered linker controls the release of the cytotoxic agent inside the cancer cell. Our TAP technology is designed to enable the creation of highly effective, well-tolerated anticancer products. All of our and our collaborative partners' TAP compounds currently in preclinical and clinical testing contain either DM1 or DM4 as the cytotoxic agent. Both DM1 and DM4 are our proprietary derivatives of a substance called maytansine. We also use our expertise in antibodies and cancer biology to develop "naked," or non-conjugated, antibody anticancer product candidates.

We have entered into collaborative agreements that enable companies to use our TAP technology to develop commercial product candidates to specified targets. We have also used our proprietary TAP technology in conjunction with our in-house antibody expertise to develop our own anticancer product candidates. Under the terms of our collaborative agreements, we are generally entitled to upfront fees, milestone payments and royalties on any commercial product sales. In addition, under certain agreements we are entitled to research and development funding based on activities performed at our collaborative partner's request. We are reimbursed for our direct and a portion of overhead costs to manufacture preclinical and clinical materials and, under certain collaborative agreements, the reimbursement includes a profit margin. Currently, our collaborative partners include Amgen, Bayer HealthCare, Biogen Idec, Biotest, Genentech (a wholly owned member of the Roche Group) and sanofi-aventis. 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 follow.

sanofi-aventis—In July 2003, we entered into a discovery, development and commercialization collaboration with sanofi-aventis. Inclusive of its extensions, the agreement entitled us to receive committed research funding totaling $79.3 million over the five years of the research collaboration. The two companies subsequently agreed to extend the date of payment through October 31, 2008 to enable completion of previously agreed-upon research. We earned $81.5 million of committed research funding for activities performed under the completed research term of this agreement, and are now compensated for research performed for sanofi-aventis on a mutually agreed-upon basis.

The collaboration agreement also provides for certain other payments based on the achievement of product candidate milestones and royalties on sales of any resulting products, if and when such sales commence. For the targets included in the collaboration at this time, we are entitled to milestone payments potentially totaling $21.5 million for each product candidate developed under this agreement. Through March 31, 2010, we have earned and received an aggregate of $11 million in milestone payments under this agreement for compounds covered under this agreement now or in the past.

Additionally, in October 2006, sanofi-aventis licensed non-exclusive rights to use our proprietary humanization technology, which enables antibodies of murine origin to avoid detection by the human immune system. Under the terms of the license, we received a $1 million license fee, half of which was paid upon contract signing and the second half was paid in August 2008. We have deferred the $1 million upfront payment and are recognizing this amount as revenue over the five-year term of the agreement.

In August 2008, sanofi-aventis exercised its option under a 2006 agreement for expanded access to our TAP technology. We received $3.5 million with the exercise of this option in August 2008, in addition to the $500,000 we received in December 2006 with the signing of the option agreement. The agreement has a three-year term from the date of the exercise of the option and can be

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renewed by sanofi-aventis for one additional three-year term by payment of a $2 million fee. We have deferred the $3.5 million exercise fee and are recognizing this amount as revenue over the initial three-year option term.

In February 2010, sanofi-aventis notified us that one of the product candidates under its discovery, development and commercialization agreement had achieved a preclinical milestone, triggering a $500,000 payment to us. This milestone is included in license and milestone fee revenue for the current three and nine-month period.

Genentech—In May 2000, we entered into a license agreement with Genentech that granted Genentech exclusive rights to use our maytansinoid TAP technology with antibodies, such as trastuzumab, that target HER2. We received a $2 million upfront payment from Genentech upon execution of the agreement. We also are entitled to up to $44 million in milestone payments from Genentech under this agreement, as amended in May 2006, in addition to royalties on the net sales of any resulting product. Through March 31, 2010, we have received $13.5 million in milestone payments. The most recent was $6.5 million earned in February 2009 with the start of T-DM1 Phase III testing.

In May 2000, we also entered into a “right-to-test” agreement with Genentech that granted Genentech the right to test our maytansinoid TAP technology with Genentech antibodies to a defined number of targets on an exclusive basis for specified option periods and to take exclusive licenses for individual targets on agreed-upon terms to use our maytansinoid TAP technology to develop products. Under this agreement, Genentech licensed exclusive rights to use our maytansinoid TAP technology with antibodies to four undisclosed targets. The most recent license was taken in December 2008. For each license taken, we received a $1 million license fee and may receive up to $38 million in milestone payments.

Bayer HealthCare—In October 2008, we entered into a development and license agreement with Bayer HealthCare AG. The agreement grants Bayer HealthCare exclusive rights to use our maytansinoid TAP technology to develop and commercialize therapeutic compounds to a specific target. We received a $4 million upfront payment upon execution of the agreement, and—for each compound developed and marketed by Bayer HealthCare under this collaboration—we could potentially receive up to $170.5 million in milestone payments; additionally, we are entitled to receive royalties on the sales of any resulting products. We will be compensated by Bayer HealthCare at a stipulated rate for work performed on behalf of Bayer HealthCare under a mutually agreed-upon research plan and budget which may be amended from time to time during the term of the agreement. We also are entitled to receive payments for manufacturing any preclinical and clinical materials made at the request of Bayer HealthCare as well as for any related process development activities. We have deferred the $4 million upfront payment and are recognizing this amount as revenue over the estimated period of substantial involvement. In September 2009, Bayer reached a preclinical milestone which triggered a $1.0 million payment to us. This milestone is included in license and milestone fees for the nine-month period ended March 31, 2010.

Amgen, Inc.—In September 2009 and November 2009, we entered into two development and license agreements with Amgen Inc. granting Amgen the exclusive right to use our maytansinoid TAP technology to develop anticancer therapeutics to specific targets. These licenses were taken under an agreement established in 2000 between ImmunoGen and Abgenix, Inc., which later was acquired by Amgen. The agreement grants Amgen certain rights to test our maytansinoid TAP technology with antibodies and to license — on agreed-upon terms — the right to use the technology with antibodies to individual targets to develop products. Under the terms of the licenses, we received a $1 million upfront payment with each license taken. We have deferred the $1 million upfront payments and are recognizing these amounts as revenue ratably over the estimated period of substantial involvement. We also are entitled to receive milestone payments potentially totaling $34 million plus royalties on the sales of any resulting products. When milestone fees are specifically tied to a separate earnings process and are deemed to be substantive and at risk, revenue will be recognized when such milestones are achieved. Amgen is responsible for the development, manufacturing, and marketing of any products resulting from this license.

To date, we have not generated revenues from commercial product sales and we expect to incur significant operating losses for the foreseeable future. As of March 31, 2010, we had approximately $42.2 million in cash and marketable securities compared to $71.1 million in cash and marketable securities as of June 30, 2009.

We anticipate that future cash expenditures will be partially offset by collaboration-derived proceeds, including milestone payments, clinical material reimbursements 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 pursue additional strategic partners, secure alternative financing arrangements, 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 strategic 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

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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 and inventory. 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.

Certain provisions of ASC Topic 820, "Investments — Debt and Equity Securities," related to other non-financial assets and liabilities were adopted by the Company on July 1, 2009 and did not have a material impact on our financial position or results of operations upon adoption; however, this standard may impact us in subsequent periods and require additional disclosures. Refer to *Note A — Fair Value of Financial Instruments* to our unaudited consolidated financial statements included in Item 1 of this Quarterly Report for a discussion of our adoption of this standard.

There were no other significant changes to our critical accounting policies from those disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2009.

RESULTS OF OPERATIONS

Comparison of Three Months ended March 31, 2010 and 2009

Revenues

Our total revenues for the three months ended March 31, 2010 and 2009 were $3.3 million and $8.2 million, respectively. The $4.9 million decrease in revenues in the three months ended March 31, 2010 from the same period in the prior year is attributable to a decrease in license and milestone fees, partially offset by an increase in research and development support revenue and clinical materials reimbursement revenue, all of which are discussed below.

Research and development support was $1.8 million for the three months ended March 31, 2010 compared with $908,000 for the three months ended March 31, 2009. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators shown in the table below. The increased research and development support fees in the current period compared to the prior year period is primarily due to revenues earned under our development and collaboration agreements with Amgen. Also included in research and development support revenue are development fees charged for reimbursement of our direct and overhead costs incurred in producing and delivering research-grade materials to our collaborators and 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 development fees 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 three-month periods ended March 31, 2010 and 2009 is included in the following table (in thousands):

	Three months ended March 31,	
Research and Development Support	**2010**	**2009**
Collaborative Partner:		
Amgen	$ 1,402	$ 6
Bayer HealthCare	83	99
Biogen Idec	102	83
Biotest	221	201
Genentech	44	55
sanofi-aventis	(47)	364
Other	—	100
Total	$ 1,805	$ 908

Revenues from license and milestone fees for the three months ended March 31, 2010 decreased $6.0 million to $1.3 million from $7.3 million in the same period ended March 31, 2009. Included in license and milestone fees for the three months ended March 31, 2010 was $500,000 related to a preclinical milestone achieved under the collaboration agreement with sanofi-aventis. Included in license and milestone fees for the three months ended March 31, 2009 was a $6.5 million milestone related to the initiation of Phase III clinical testing of trastuzumab-DM1, or T-DM1, by Genentech. Total revenue from license and milestone fees recognized from each of our collaborative partners in the three-month periods ended March 31, 2010 and 2009 is included in the following table (in thousands):

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	Three months ended March 31,	
License and Milestone Fees	**2010**	**2009**
Collaborative Partner:		
Amgen	$ 177	$ 129
Bayer HealthCare	154	154
Biogen Idec	21	57
Biotest	32	42
Centocor	23	35
Genentech	—	6,538
sanofi-aventis	859	359
Total	$ 1,266	$ 7,314

Deferred revenue of $12.7 million as of March 31, 2010 primarily represents payments received from our collaborators pursuant to our license agreements, which we have yet to earn pursuant to our revenue recognition policy.

Clinical materials reimbursement increased by approximately $239,000 in the three months ended March 31, 2010, to $243,000 from $4,000 in the three months ended March 31, 2009. We are reimbursed for certain of our direct and overhead costs to produce clinical materials plus, for certain programs, a profit margin. The amount of clinical materials reimbursement 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 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 supply of clinical grade material to our collaborators for process development and analytical purposes. As such, the amount of clinical materials reimbursement 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 material and process improvement efforts.

Research and development expense for the three months ended March 31, 2010 increased $2.6 million to $12.1 million from $9.5 million for the three months ended March 31, 2009. The increase was primarily due to lower manufacturing overhead utilization, increased salaries and related expenses, and increased contract service expense and consulting fees.

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):

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Research and Development Expense	Three Months Ended March 31, 2010	2009
Research	$ 3,541	$ 3,491
Preclinical and Clinical Testing	3,360	2,492
Process and Product Development	1,544	1,456
Manufacturing Operations	3,646	2,054
Total Research and Development Expense	$ 12,091	$ 9,493

Research: Research includes expenses associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, fees to in-license certain technology, facilities and lab supplies. Research expenses for the three months ended March 31, 2010 increased $50,000 compared to the three months ended March 31, 2009.

Preclinical and Clinical Testing: Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the three months ended March 31, 2010 increased $868,000 to $3.4 million compared to $2.5 million for the three months ended March 31, 2009. This increase is primarily the result of an increase in clinical trial costs resulting from increased patient enrollment and increased data managements costs, increased regulatory assistance, and an increase in salaries and related expenses due to the addition of an executive officer and higher salary levels.

Process and Product Development: Process and product development expenses include costs for development of clinical and commercial manufacturing processes for our own and collaborator compounds. Such expenses include the costs of personnel, contract services and facility expenses. For the three months ended March 31, 2010, total development expenses increased $88,000 compared to the three months ended March 31, 2009.

Manufacturing Operations: Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the three months ended March 31, 2010, manufacturing

operations expense increased $1.5 million to $3.6 million compared to $2.1 million in the same period last year. The increase in the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 is primarily the result of a decrease in overhead utilization from the manufacture of clinical materials on behalf of our collaborators during the current period.

General and Administrative Expenses

General and administrative expenses for the three months ended March 31, 2010 increased $204,000 to $3.4 million compared to $3.2 million for the three months ended March 31, 2009. This increase is primarily due to an increase in patent expenses, partially offset by a decrease in salaries and related expenses.

Other (Expense) Income, net

Other (expense) income, net for the three months ended March 31, 2010 and 2009 is included in the following table (in thousands):

	Three Months Ended March 31,	
Other (Expense) Income, net	**2010**	**2009**
Interest Income	$ 31	$ 80
Other than Temporary Impairment	—	(114)
Other Expense, net	(34)	(66)
Total Other (Expense) Income, net	$ (3)	$ (100)

Interest Income

Interest income for the three months ended March 31, 2010 decreased $49,000 to $31,000 from $80,000 for the three months ended March 31, 2009. The decrease in interest income is primarily the result of lower yields on investments reflecting lower market rates.

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Other than Temporary Impairment

During the three months ended March 31, 2009, we recognized $114,000 in charges for the impairment of available-for-sale securities that were determined to be other-than-temporary following a decline in value. There were no such charges for the three months ended March 31, 2010.

Other (Expense) Income

Other expense for the three months ended March 31, 2010 and 2009 was $34,000 and $66,000, respectively. During the three months ended March 31, 2010 we recorded net losses on forward contracts of $64,000 compared to net losses on forward contracts of $76,000 for the three months ended March 31, 2009. We incurred $30,000 and $10,000 in foreign currency translation gains related to obligations with non-U.S. dollar-based suppliers during the three months ended March 31, 2010 and 2009, respectively.

Comparison of Nine Months ended March 31, 2010 and 2009

Revenues

Our total revenues for the nine months ended March 31, 2010 and 2009 were $9.5 million and $23.7 million, respectively. The $14.2 million decrease in revenues in the nine months ended March 31, 2010 from the same period in the prior year is attributable to a decrease in research and development support revenue, license and milestone fees and clinical materials reimbursement revenue, all of which are discussed below.

Research and development support was $3.9 million for the nine months ended March 31, 2010 compared with $6.4 million for the nine months ended March 31, 2009. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators as shown in the table below. The decreased research and development support fees in the current period compared to the prior year period is primarily due to a reduction in the amount earned from sanofi-aventis with the conclusion of its committed funding obligations in the first half of fiscal 2009. Also included in research and development support revenue are development fees charged for reimbursement of our direct and overhead costs incurred in producing and delivering research-grade materials to our collaborators and 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 development fees 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 nine-month periods ended March 31, 2010 and 2009 is included in the following table (in thousands):

	Nine months ended March 31,	
Research and Development Support	**2010**	**2009**
Collaborative Partner:		
Amgen	$ 2,152	$ 7
Bayer HealthCare	83	221
Biogen Idec	184	491
Biotest	949	1,156
Genentech	396	63
sanofi-aventis	106	4,310
Other	—	150
Total	$ 3,870	$ 6,398

Revenues from license and milestone fees for the nine months ended March 31, 2010 decreased $10.4 million to $3.9 million from $14.3 million in the same period ended March 31, 2009. Included in license and milestone fees for the nine months ended March 31, 2010 were $1 million and $500,000 preclinical milestones earned pursuant to our agreements with Bayer and sanofi-aventis, respectively. Included in license and milestone fees for the nine months ended March 31, 2009 was a $6.5 million milestone related to the initiation of Phase III clinical testing of T-DM1 by Genentech, a $4 million milestone related to the initiation of Phase II clinical testing of AVE1642 by sanofi-aventis and a $500,000 milestone related to the initiation of Phase I clinical testing of BT-062 by Biotest. Also in the prior period, Millennium Pharmaceuticals and Boehringer Ingelheim agreed to terminate their licenses with us that were no longer being used to develop products and as a result, we recognized as license and milestone fees $361,000 and $486,000, respectively, of upfront fees previously deferred. Total revenue from license and milestone fees recognized from each of our collaborative partners in the nine-month periods ended March 31, 2010 and 2009 is included in the following table (in thousands):

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License and Milestone Fees	Nine months ended March 31, 2010	2009
Collaborative Partner:		
Amgen	$ 504	$ 382
Bayer HealthCare	1,462	256
Biogen Idec	135	171
Biotest	117	626
Boehringer Ingelheim	—	486
Centocor	92	104
Genentech	38	6,613
Millennium Pharmaceuticals	—	361
sanofi-aventis	1,576	5,304
Total	$ 3,924	$ 14,303

Clinical materials reimbursement decreased by approximately $1.3 million in the nine months ended March 31, 2010, to $1.7 million from $3.0 million in the nine months ended March 31, 2009. We are reimbursed for certain of our direct and overhead costs to produce clinical materials plus, for certain programs, a profit margin. The amount of clinical materials reimbursement 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 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 supply of clinical grade material to our collaborators for process development and analytical purposes. As such, the amount of clinical materials reimbursement 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

Research and development expense for the nine months ended March 31, 2010 increased $2.2 million to $36.4 million from $34.2 million for the nine months ended March 31, 2009.

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Our categories of research and development expenses are listed in the following table and described in more detail below (in thousands):

Research and Development Expense	Nine Months Ended March 31, 2010	2009
Research	$ 10,649	$ 10,561
Preclinical and Clinical Testing	9,572	7,405
Process and Product Development	4,473	4,512
Manufacturing Operations	11,796	11,763
Total Research and Development Expense	$ 36,490	$ 34,241

Research: Research includes expenses associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, fees to in-license certain technology, facilities and lab supplies. Research expenses for the nine months ended March 31, 2010 increased $88,000 compared to the nine months ended March 31, 2009.

Preclinical and Clinical Testing: Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the nine months ended March 31, 2010 increased $2.2 million to $9.6 million compared to $7.4 million for the nine months ended March 31, 2009. This increase is primarily the result of an increase in clinical trial costs resulting from additional sites opened, increased patient enrollment and increased data management costs, an increase in consulting fees for regulatory assistance and preclinical studies conducted, and an increase in salaries and related expenses due to the addition of two executive officers and higher salary levels.

Process and Product Development: Process and product development expenses include costs for development of clinical and commercial manufacturing processes for our own and collaborator compounds. Such expenses include the costs of personnel, contract services and facility expenses. For the nine months ended March 31, 2010, total development expenses decreased $39,000 compared to the nine months ended March 31, 2009.

Manufacturing Operations: Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the nine months ended March 31, 2010, manufacturing operations expense increased $33,000 compared to the same period last year. Overhead utilization from the manufacture of clinical materials on behalf of our collaborators decreased significantly during the current period compared to the same period last year. However, substantially offsetting this net increase to expenses, contract service expense, cost of clinical materials reimbursed and antibody development and supply costs decreased during the current period.

General and Administrative Expenses

General and administrative expenses for the nine months ended March 31, 2010 increased $483,000 to $10.9 million compared to $10.4 million for the nine months ended March 31, 2009. This increase is primarily due to an increase in patent expenses, an increase in consulting fees, an increase in directors' fees and an increase in other general corporate expenses, partially offset by a decrease in salaries and related expenses.

Other (Expense) Income, net

Other (expense) income, net for the nine months ended March 31, 2010 and 2009 is included in the following table (in thousands):

	Nine Months Ended March 31,	
Other (Expense) Income, net	**2010**	**2009**
Interest Income	$ 134	$ 525
Net Realized Losses on Investments	—	(33)
Other than Temporary Impairment	—	(516)
Other Expense, net	(12)	(189)
Total Other (Expense) Income, net	$ 122	$ (213)

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Interest Income

Interest income for the nine months ended March 31, 2010 decreased $391,000 to $134,000 from $525,000 for the nine months ended March 31, 2009. The decrease in interest income is primarily the result of lower yields on investments reflecting lower market rates.

Net Realized Losses on Investments

Net realized losses on investments were $33,000 for the nine months ended March 31, 2009. There were no losses recognized in the nine months ended March 31, 2010. The difference is attributable to market conditions and to the timing of investment sales.

Other than Temporary Impairment

During the nine months ended March 31, 2009, we recognized $516,000 in charges for the impairment of available-for-sale securities that were determined to be other-than-temporary following a decline in value. There were no such charges for the nine months ended March 31, 2010.

Other Expense

Other expense for the nine months ended March 31, 2010 and 2009 was $12,000 and $189,000, respectively. During the nine months ended March 31, 2010 we recorded net losses on forward contracts of $98,000 compared to net losses on forward contracts of $258,000 for the nine months ended March 31, 2009. We realized $91,000 and $61,000 in foreign currency translation gains related to obligations with non-U.S. dollar-based suppliers during the nine months ended March 31, 2010 and 2009, respectively.

LIQUIDITY AND CAPITAL RESOURCES

	March 31, 2010	June 30, 2009
	(In thousands)	
Cash, cash equivalents and short-term investments	$ 42,217	$ 71,125
Working capital	36,631	65,738
Shareholders' equity	35,951	66,857

	Nine Months Ended March 31,	
	2010	**2009**
	(In thousands)	
Cash used for operating activities	$ (30,867)	$ (2,950)
Cash (used for) provided by investing activities	(448)	7,306
Cash provided by financing activities	2,708	885

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 equity investments, license fees and research funding. As of March 31, 2010, we had approximately $42.2 million in cash and marketable securities. Net cash used in operations was $30.9 million and $3.0 million for the nine months ended March 31, 2010 and 2009, respectively. The principal use of cash in operating activities for all periods presented was to fund our net loss.

Net cash (used for) provided by investing activities was $(448,000) and $7.3 million for the nine months ended March 31, 2010 and 2009, respectively, and substantially represents cash inflows from the sales and maturities of marketable securities partially offset by capital expenditures. Capital expenditures, primarily for the purchase of new equipment, were $1.1 million and $1.5 million for the nine-month periods ended March 31, 2010 and 2009, respectively.

Net cash provided by financing activities was $2.7 million and $885,000 for the nine months ended March 31, 2010 and 2009, respectively, which represents proceeds from the exercise of approximately 468,000 and 313,000 stock options, respectively.

We anticipate that our current capital resources and future collaborator payments will enable us to meet our operational expenses and capital expenditures for the balance of fiscal 2010 and fiscal year 2011. 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

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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

Effective July 2007, we 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 which we use for our corporate headquarters, research and other operations. 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. There have been no other material changes to our contractual obligations outside the ordinary course of business from those disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2009.

Recent Accounting Pronouncements

The provisions of ASC Topic 810, “Consolidations”, related to the changes to how a reporting entity determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated will be effective for fiscal years beginning after November 15, 2009 (our fiscal year 2011). Early application is not permitted. We do not expect the adoption of these provisions to have a significant impact on our financial position or results of operations.

Forward-Looking Statements

This quarterly report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to analyses and other information which are based on forecasts of future results and estimates of amounts that are not yet determinable. There are a number of factors that could cause actual events or results to be significantly different from those described in the forward-looking statements. Forward-looking statements might include, but are not limited to, one or more of the following subjects:

- future products revenues, expenses, liquidity and cash needs;
- anticipated redemptions from an investment fund;
- anticipated agreements with collaboration partners;
- anticipated clinical trial timelines or results;
- anticipated research and product development results;
- projected regulatory timelines;
- descriptions of plans or objectives of management for future operations, products or services;
- forecasts of future economic performance; and
- descriptions or assumptions underlying or relating to any of the above items.

Forward-looking statements can be identified by the fact that they do not relate to historical or current facts. They use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “opportunity,” “plan,” “potential,” “believe” or words of similar meaning. They may also use words such as “will,” “would,” “should,” “could” or “may”. Given these uncertainties, you should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. You should review carefully the risks and uncertainties identified in this Quarterly Report on Form 10-Q, including the cautionary information set forth under Part II, Item 1A., Risk Factors, and our Annual Report on Form 10-K for the year ended June 30, 2009. We may not revise these forward-looking statements to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

OFF-BALANCE SHEET ARRANGEMENTS

None.

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

Our market risks, and the ways we manage them, are summarized in Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” of our Annual Report on Form 10-K for the fiscal year ended June 30, 2009. Since then there have been no material changes to our market risks or to our management of such risks.

ITEM 4. *Controls and Procedures*

(a) *Disclosure Controls and Procedures*

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

(b) *Changes in Internal Controls*

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2009 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1A. ***Risk Factors***

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Item 1A. (Risk Factors) in our Annual Report on Form 10-K for the fiscal year ended June 30, 2009. There have been no material changes from the factors disclosed in our 2009 Annual Report on Form 10-K, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission.

ITEM 6. ***Exhibits***

3.1	Restated Articles of Organization, as amended.
31.1	Certification of Principal Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certifications of Principal Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes- Oxley Act of 2002.

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SIGNATURES

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

ImmunoGen, Inc.

Date: April 30, 2010

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

Date: April 30, 2010

By: /s/ Gregory D. Perry
Gregory D. Perry
Senior Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)

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INDEX TO EXHIBITS

Exhibit No.	Description
3.1	Restated Articles of Organization, as amended.
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THE COMMONWEALTH OF MASSACHUSETTS
WILLIAM FRANCIS GALVIN
Secretary of State

Examiner

FEDERAL IDENTIFICATION
NO. 04 2726691

RESTATED ARTICLES OF ORGANIZATION

GENERAL LAWS, CHAPTER 156B, SECTION 74

This certificate must be submitted to the Secretary of the Commonwealth within sixty days after the date of the vote of stockholders adopting the restated articles of organization. The fee fo r filing this certificate is prescribed by General Laws, Chapter 156B, Section 114. Make check payable to the Commonwealth of Massachusetts.

We, Frank J. Pocher, Jonathan L. Kravetz, Vice President and Clerk of

IMMUNOGEN, INC.
(Name of Corporation)

located at 148 Sidney Street, Cambridge, MA 02139

do hereby certify that the following restatement of the articles of organization of the corporation was duly adopted at a meeting held on September 12, 1996, by a vote of

11,163,051	shares of	Common (Class of Stock)	out of	16,599,855	shares outstanding,
	shares of	(Class of Stock)	out of		shares outstanding
	shares of	(Class of Stock)	out of		shares outstanding

being at least two-thirds of each class of stock outstanding and entitled to vote and of each class or series of stock adversely affected thereby:

1. The name by which the corporation shall be know is:

ImmunoGen, Inc.
< p style="margin:0in 0in .0001pt;">

2. The purposes for which the corporation is formed are as follows:

To develop, produce and market pharmaceutical and other products through the application of advance biological techniques and technologies.

To purchase or otherwise acqui re, invest in, own, mortgage, pledge, sell, assign and transfer or otherwise dispose of, trade in and deal in and with real estate and personal property of every kind, class and description (including, without limitation, goods, wares and merchandise of every kind, class and description), to manufacture of every kind, class and description; both on its own account and for others.

Continued on Exhibit A

Note: if the space provided under any article or item on this form is insufficient, additions shall be set forth on separate 8 1/2 x 11 sheets of paper leaving a left hand margin of at least 1 inch for binding. Additions to more than one article may be continued on a single sheet so long as each article requiring each such addition is clearly indicated.

EXHIBIT A

CONTINUATION OF ARTICLE 2 OF
ARTICLES OF ORGANIZATION OF
IMMUNOGEN, INC.

To borrow or lend money, and to make and issue notes, bonds, debentures, obligations, and evidence of indebtedness of all kinds, whether secured by mortgage, pledge, or otherwise, without limit as to amount, and to secure the same by mortgage, pledge, or otherwise and generally to make and perform

agreements and contracts of every kind and description.

To purchase, receive, take by grant, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real property, or any interest therein, wherever situated.

To subscribe for, take, acquire, hold, sell, exchange and deal in shares, stocks, bonds, obligations and securities of any corporation, government, authority or company; to form, promote, subsidize and assist companies, syndicates or partnerships of all kinds and to finance and refinance the same; and to guaranty the obligations of other persons, firms or corporations.

To carry on any business, operation or activity referred to in the foregoing paragraphs either alone or in conjunction with, or as a partnership, joint venture or other arrangement with, any corporation, association, trust, firm or individual.

To do any act necessary or incidental to the conduct of said businesses and to carry on any other business, and to do any other thing permitted by all present and future laws of the Commonwealth of Massachusetts applicable to business corporations.

EXHIBIT B

CONTINUATION OF ARTICLE 4 OF
ARTICLES OF ORGANIZATION OF
IMMUNOGEN, INC.

There shall be authorized a total of thirty million (30,000,000) shares of Common Stock, $.01 par value (the "Common Stock"), and five million (5,000,000) shares of Preferred Stock, $.0l par value (the "Preferred Stock"). The following is a statement of the designations, powers, preferences and rights, and qualifications, limitations or restrictions of the Common Stock and the Preferred Stock.

SECTION 1 - Common Stock

All shares of Common Stock will be identical and will entitle the holders thereof to the same rights and privileges.

1.1. VOTING RIGHTS. Each holder of Common Stock shall at every meeting of stockholders be entitled to one vote in person or by proxy for each share of Common Stock held by him. There shall be no cumulative voting.

1.2. NO PREEMPTIVE RIGHTS. No share of Common Stock shal l entitle its holder to have any preemptive right in or preemptive right to subscribe to any additional shares of Common Stock or any shares of any other class of stock which may at any time be authorized or issued, or any bonds, debentures or other securities convertible into shares of stock of any class of the Company, or options or warrants carrying rights to purchase such shares or securities.

1.3. DIVIDENDS. The holders of the Common Stock shall be entitled to such dividends as may from time to time be declared by the Board of Directors out of any funds legally available for the declaration of dividends, subject to any provisions of these Restated Articles of Organization, as amended from time to time, and subject to the relative rights and preferen ces of any shares of Preferred Stock authorized and issued hereunder.

1.4 LIQUIDATION RIGHTS. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of Common Stock shall be entitled, subject to the rights and preferences, if any, of any shares of Preferred Stock authorized and issued hereunder, to share, ratably according to the number of shares of Common Stock held by them, in the remaining assets of the Corporation available for distribution to its stockholders.

SECTION 2 - Preferred Stock

A: DESCRIPTION OF UNDESIGNATED PREFERRED STOCK. The Board of Directors is authorized, subject to limitations prescribed by law and the provisions of this Article 4, to approve the issuance of the shares of Preferred Stock, with or without series, and, by filing a certificate or Articles of Amendment pursuant to the applicable law of the Commonwealth of Massachusetts ("Articles of Amendment"), to establish from time to time the number of shares to be included in each such series and to fix the designation, preferences, voting powers, qualifications and special or relative rights or privileges of the shares of each such ser ies. In the event that at any time the Board of Directors shall have established and designated one or more series of Preferred Stock consisting of a number of shares less than all of the authorized number of shares of Preferred Stock, the remaining authorized shares of Preferred Stock shall be deemed to be shares of an undesignated series of Preferred Stock until designated by the Board of Directors as being part of a series previously established or a new series then being established by the Board of Directors. Notwithstanding the fixing of the number of shares constituting a particular series, the Board of Directors may at any time thereafter authorize the issuance of additional shares of the same series except as set forth in the Articles of Amendment.

The authority of the Board of Directors with respect to each series of Preferred Stock shall include, but not be limited to, determination of the following:

(i) The number of shares constituting that series and the distinctive designation of that series, and whether additional shares of that series may be issued;

(ii) whether any dividends shall be paid on shares of that series, and, if so, the dividend rate on the shares of that series; whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(iii) whether shares of that series shall have voting rights in addition to the voting rights provided by law and, if so, the terms of such voting rights;

(iv) whether shares of that series shall be convertible into shares of Common Stock or another security and, if so, the terms and conditions of such conversion. including provisions for adjustment of the conversion role in such events as the Board of Directors shall determine;

(v) whether or not the shares of that series shall be redeemable and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates; and whether that series shall have sinking fund for the redemption or purchase of shares of that series and, if so, the terms and amount of such sinking fund;

(vi) whether, in the event of purchase, redemption, conversion or ot her acquisition by the Corporation of the shares of that series, any shares of that series shall be restored to the status of authorized but unissued shares or shall have such other status as shall be set forth in the Articles of Amendment;

(vii) the rights of the shares of that series in the event of the sale, conveyance, exchange or transfer of all or substantially all of the property and assets of the Company, or the merger or consolidation of the Company into or with any other company, or the merger of any other company into it, or the voluntary or involuntary liquidation, dissolution or winding up of the Company, and the relative rights or priority, if any, of shares of that series to payment in any such event;

(viii) whether the shares of that series shall carry any preemptive right in or preemptive right to subscribe for any additional shares of Preferred Stock or any shares of any other class of stock which may at any time be authorized or issued, or any bonds, debentures or other securities convertible into shares of stock of any class of the Company, or options or warrants carrying rights to purchase such shares or securities; and

(ix) any other designation, preferences, voting powers, qualifications, and special or relative rights or privileges of the shares of that series.

B: Description and Designation of Series A Preferred Stock

I. Designation and Amount

The designation of this series, which consists of Two Thousand Five Hundred (2,500) shares of Preferred Stock, is Series A Convertible Preferred Stock (the “Series A Preferred Stock”) and the stated value shall be One Thousand Dollars ($1,000) per share (the “Stated Value”).

II. Rank

The Series A Preferred Stock shall rank (i) prior to the Corporation’s common stock, par value $.01 per share (the & #147;Common Stock”); (ii) prior to any class or series of capital stock of the Corporation hereafter created (unless, with the consent of the holders of Series A Preferred Stock obtained in accordance with Section IX hereof, such class or series of capital stock specifically, by its terms, ranks senior to or PARI PASSU with the Series A Preferred Stock) (collectively, with the Common Stock, “Junior Securities”); (iii) PARI PASSU with any class or series of capital stock of the Corporation hereafter created (other than with respect to 12,000 shares of Preferred Stock to be issued to Southbrook International Investments Ltd., with the consent of the holders of Series A Preferred Stock obtained in accordance with Section IX hereof) specifically ranking, by its terms, on parity with the Series A Preferred Stock (“PARI PASSU Securities”); and (iv) junior to any class or series of capital stock of the Corporation hereafter created (with the cons ent of the holders of Series A Preferred Stock obtained in accordance with Section IX hereof) specifically ranking, by its terms, senior to the Series A Preferred Stock (“Senior Securities”), in each case as to payment of dividends or distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

III. Dividends

A. The holders of shares of Series A Pref erred Stock shall be entitled to receive cash dividends at the rate (the “Dividend Rate”) of Nine Percent (9%) per annum, through and including the date on which such Series A Preferred Stock is no longer issued

and outstanding, which dividends shall be payable in equal quarterly installments on March 31, June 30, September 30 and December 31 each year (each such date, regardless of whether any dividends have been paid or declared and set aside for payment on such date, being a “Dividend Payment Date”) to holders of record as they appear on the stock books on such record dates as are fixed by the Board of Directors, but only when, as and if declared by the Board of Directors out of funds at the time legally available for the payment of dividends. For purposes of calculation of such cash dividends, the Series A Preferred Stock shall be valued at the Stated Value. Such dividends shall begin to accrue on outstanding shares of Series A preferred St ock from June 13, 1996 and shall be deemed to accrue from day to day whether or not earned or declared until paid (or until the date of payment if paid in accordance with Section V.A below); PROVIDED, HOWEVER, that dividends accrued or deemed to have accrued for any period shorter than the full three-month period between Dividend Payment Dates shall be computed based on the actual number of days elapsed in the three-month period for which such dividends are payable. Dividends on the Series A Preferred Stock shall be cumulative.

B. Notwithstanding Clause A above, the Corporation may, in its sole discretion, but is not obligated to, pay any or all dividends in Common Stock and Warrants (as defined below) rather than cash. The Corporation sha ll pay such dividend by issuing to such holder (i) such number of shares of common Stock as is determined by dividing the amount of the cash dividends otherwise payable to such holder on the applicable Dividend Payment Date by the Conversion Price (as defined below) in effect on such Dividend Payment Date and (ii) Warrants to acquire a number of shares of Common Stock equal to 50% of the number of shares of Common Stock issuable as payment of such dividend.

C. Notwithstanding Clauses A and B above, the Corporation shall pay any or all dividends in Common Stock and Warrants rather than cash if, on the Dividend Payment Date, there are no funds legally available for the payment of dividends. The Corporation shall pay such dividend by issuing to su ch holder (i) such number of shares of Common Stock as is determined by dividing the amount of the cash dividends otherwise payable to such holder on the applicable

Dividend Payment Date by the Conversion Price in effect on such Dividend Payment Date and (ii) Warrants to acquire a number of shares of Common Stock equal to 50% of the number of shares of Common Stock issuable as payment of such dividend.

D. No dividends or other distributions, other than dividends or other distribution payable solely in shares of capital stock of the Corporation and liquidating distributions which are subject to the provision of Section IV, shall be paid or set aside for payment on, and no purchase, redemption or other acquisition shall be made of, any share s of capital stock of the Corporation (other than any class or series of Preferred Stock that, in accordance with Section II hereof, (i) ranks senior to the Series A Preferred Stock or (ii) ranks PARI PASSU with the Series A Preferred Stock so long as any dividend payments per share on Pari Passu Securities as a percentage of accrued and unpaid dividends per share on Pari Passu Securities do not exceed contemporaneous dividend payments per share on the Series A Preferred Stock as a percentage of accrued and unpaid dividends per share on the Series A Preferred Stock), unless and until all accrued and unpaid dividends on the Series A Preferred Stock, including the full dividend for the then current quarterly dividend period, shall have been declared and paid or a sum sufficient for the payment thereof set aside for such purposes.

E. Any reference to "distribution" contained in this Section III shall not be deemed to include any stock dividend or distributions made in connection with any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

IV. Liquidation Preference

A. If the Corporation shall com mence a voluntary case under the Federal bankruptcy laws or any other applicable Federal or State bankruptcy, insolvency or similar law, or consent to the entry of an order for relief in an involuntary case under any law or to the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or make an assignment for the benefit of its creditors, or admit in writing its inability to pay its debts generally as they become due, or if a decree or order for relief in respect of the Corporation shall be entered by a court having jurisdiction in the premises in an involuntary case under the Federal bankruptcy laws or any other applicable Federal or State bankruptcy, insolvency or similar law resulting in the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Corporation or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and any such decree or order shall be unstayed and in effect for a period of sixty (60) consecutive days and, on account of any such event (a "Liquidation Event"), the Corporation shall liquidate, dissolve or wind up, or if the Corporation shall otherwise liquidate, dissolve or wind up, no distribution shall be made to holders of any shares of capital stock of the Corporation (other than Senior Securities) upon liquidation, dissolution or winding up unless prior thereto, the holders of shares of Series A Preferred Stock, subject to Section VI, shall have received the Liquidation Preference (as defined in Section IV.C) with respect to each share. If upon the occurrence of a Liquidation Event, the assets and funds available for distribution among the holders of the Series A Preferred Stock and holders of PARI PASSU Securities shall be insufficient to permit the payment to such holders of the preferential amounts payable thereon, then the entire asset s and funds of the Corporation legally available for distribution to the Series A Preferred Stock and the

PARI PASSU Securities shall be distributed ratably among such shares in proportion to the ratios that the Liqudiation Preference payable on each such share bears to the aggregate Liquidation Preference payable on all such shares.

B. Intentionally omitted.

C. For purpo ses hereof, the "Liquidation Preference" with respect to a share of the Series A Preferred Stock shall mean an amount equal to the sum of (A) the Stated Value thereof plus (B) accrued and unpaid dividends thereon. The Liquidation Preference with respect to any PARI PASSU Securities shall be set forth in the Articles of Amendment in respect thereof.

V. CASH PAYMENT OF DIVIDENDS BY CORPORATION, REDEMPTION OF SERIES A PREFERRED STOCK

A. The Corporation shall have the right, in its sole discretion, upon receipt of a Notice of Conversion pursuant to Section VI.E or in the event of an Automatic Conversion (as defined in Section VII) effected in accordance with Section VII hereof, to pay all or any portion of the accrued and unpaid dividends subject to such conversion for a sum of cash equal to the amount of such accrued and unpaid dividends; PROVIDED, HOWEVER, that upon receipt of a Notice of Conversion, the Corporation shall notify such holder, on or before the next business day following the Corporation's receipt of such Notice of Conversion, as to whether it will elect to pay such accrued and unpaid dividends in cash. All cash payments hereunder shall be paid in lawful money of the United States of America at such address for the holder as appears on the record books of the Corporation (or at such other address as such holder shall hereafter give to the Corporation by written notice). In the eve nt the Corporation elects, pursuant to this Section V.A., to pay all or any portion of the accrued and unpaid dividends in cash and fails to pay such holder the applicable cash amount to which such holder is entitled by delivering a check in the U.S. Mail to such holder within five (5) business days of receipt by the Corporation of a Conversion Notice (in the case of a cash payment in connection with an Optional Conversion) or June 13, 2000 (in the case of a cash payment in connection with an Automatic Conversion), 110% of such accrued and unpaid dividends shall thereafter be converted into shares of Common Stock and warrants, exercisable for a period of five (5) years from the date of issuance, to acquire a number of shares of Common Stock equal to fifty percent (50%) of the number of shares of Common Stock issuable upon such conversion, at an initial exercise price of Four Dollars ($4.00) per share ("Warrants"), in accordance with Section VI hereof.

B. (a) If the Corporation fails to issue shares of Common Stock or Warrants to any holder of Series A Preferred Stock upon exercise by a holder of its conversion rights in accordance with the terms of these Restated Articles of Organization (or upon exercise of the Warrants), and such failure is solely the result of a Conversion Default (as defined in Section VI.F below) and continues for a period of at least one hundred twenty (120) days, and the Corporation is using all commercially reasonable efforts to authorize a sufficient number of shares of Common Stock as soon as practicable (a "Mandatory Redemption Event"); then, upon the occurrence and during the continuation of such a Mandatory Redemption Event, at the option of the holders of at least 50% of the then outstanding shares of Series A Preferred Stock by written notice (the "Mandatory Redemption Notice") to the Corporation of such Mandatory Redemption Event, the Corporation shall purchase all of the shares of Series A Preferred Stock then outstanding for an amount per share in cash (the "Mandatory Redemption Amount") equal to 125% multiplied by the Redemption Price (as defined herein) in effect at the time of the redemption hereunder.

The "Redemption Price" with respect to each share of Series A Preferred Stock shall mean the amount of cash equal to the sum of (i) the Stated Value thereof plus (ii) the amount equal to nine percent (9%) per annum of such Stated Value for the period beginni ng June 13, 1996 and ending on the effective date of redemption hereunder.

If the Corporation fails to pay the Mandatory Redemption Amount for each share within five (5) business days of written notice that such amount is due and payable, then each holder of Series A Preferred Stock shall have the right at any time, so long as the Mandatory Redemption Event continues, to require the Corporation, upon written notice, to immediately issue (in accordance with the terms of Section VI below), in lieu of the Mandatory Redemption Amount with respect to each outstanding share of Series A Preferred Stock held by such holder, the number of shares of Common Stock of the Corporation equal to the Mandatory Redemption Amount divided by the Con version Price then in effect.

(b) If the Corporation (i) fails to issue shares of Common Stock or Warrants to any holder of Series A Preferred Stock upon exercise by a holder of its conversion rights in accordance with the terms of these Restated Articles of Organization (or upon exercise of the Warrants), and such failure is the result of anything other than a Conversion Default (ii) fails to transfer any certificate for shares of Common Stock or Warrants issued to the holders upon conversion of the Series A Preferred Stock (or upon exercise of the Warrants) as and when required by these Restated Articles of Organization, the Warrants or otherwise, or (iii) fails to remove any restrictive legend on any certificate or any sh ares of Common Stock or Warrants issued to the holders of the Series A Preferred Stock upon conversion of the Series A Preferred Stock as and when required by these Restated Articles of Organization or otherwise, and

such failure shall continue uncured for at least three (3) business days after the Corporation is notified thereof in writing by the holder; then, upon the occurrence and during the continuation of an event specified in clauses (i) - (iii) above, at the option of the holders of at least 50% of the then outstanding shares of Series A Preferred Stock by written notice (the "Notice") to the Corporation of such an event, the Corporation shall be required to immediately issue (in accordance with the terms of Section VI below), with respect to each outstanding share of Series A Preferred Stock held by such holder, the number of shares of Common Stock of the Corporation equal to 125% multiplied by the sum of (A) the Stated Value thereof p lus (B) the amount equal to nine percent (9%) per annum of such Stated Value for the period beginning June 13, 1996 and ending on the effective date of redemption hereunder, divided by the Conversion Price on the date of the Notice.

C. (a) Commencing March 25, 1998, at any time that the closing bid price for the Common Stock on NASDAQ-NM (as defined below), or on the principal securities exchange or other securities market on which the Common Stock is being traded, is, both on the date of receipt of the Optional Redemption Notice (as defined herein) and on the Effective Date of Redemption (as defined herein), and has been for at least five (5) consecutive Trading Days prior thereto, equal to or greater than $5.00 per share (the & #147;Optional Redemption Threshold Price"), the Corporation shall have the right, in its sole discretion, to redeem ("Redemption at Corporation's Election") any or all of the Series A Preferred Stock for the Optional Redemption Amount (as defined herein) in accordance with the redemption procedures set forth below. "Trading Day" shall mean any day on which the Common Stock is traded for any period on NASDAQ-NM, or on the principal securities exchange or other securities market on which the Common Stock is then being traded. If the Corporation elects to redeem some, but not all, of the Series A Preferred Stock, the Corporation shall redeem a pro-rata amount from each holder of Series A Preferred Stock. Holders of Series A Preferred Stock may convert all or any part of their shares of Series A Preferred Stock into Common Stock by delivering a Notice of Conversion (as defined herein) to the Corporation at any time prior to the Effective Date of Redemp tion.

The "Optional Redemption Amount" with respect to each share of Series A Preferred Stock shall mean the number of shares of Common Stock of the Corporation determined by dividing (X) the sum of (i) the Stated Value thereof plus (ii) the amount equal to nine percent (9%) per annum of such Stated Value for the period beginning June 13, 1996 and ending on the Effective Date of Redemption by (Y) the Conversion Price on the date of the Optional Redemption Notice (as defined herein).

(b) The Corporation shall effect each redemption under this Section V.C. by giving at least one hundred twenty (120) days (subject to extension as set forth below) prior written notice (the "Optional Redemption Notice") to (i) the holders of Series A Preferred Stock selected for redemption at the address and facsimile number of such holder appearing in the Corporation's register for the Series A Preferred Stock and (ii) the Transfer Agent, which Optional Redemption Notice shall be deemed to have been delivered three (3) business days after the Corporation's mailing (by overnight courier, with a copy by facsimile) of such notice. Such Redemption Notice shall indicate the number of shares of the holder's Series A Preferred Stock that have been selected for redemption, the date which such redemption is to become effective (the "Effective Date of Redemption") and the Optional Redemption Amount. Notwithstanding the f oregoing, the one hundred twenty (120) day notice period referred to herein shall be extended with respect to any holder of Series A Preferred Stock by such number of days after the date of the Optional Redemption Notice as such holder is not permitted to sell all of its Series A Preferred Stock pursuant to an effective registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (or a successor statute) (the "1933 Act") or pursuant to Rule 144(k) under the 1933 Act.

The Optional Redemption Amount shall be paid to the holder of the Series A Preferred Stock being redeemed within five (5) business days of the Effective Date of Redemption; provided however, that the Corporation shall not be obligated to deliver any portion of the Optional Redemption amount until either the certificates evidencing the Series A Preferred Stock being redeemed are delivered to the office of the Corporation or the Transfer Agent, or the holder notifies the Corporation or the Transfer Agent that such certificates have been lost, stolen or destroyed and delivers the documentation in accordance with Section VI.D. hereof. Notwithstanding anything herein to the contrary, in the event that the certificates evidencing the Series A Preferred Stock redeemed are not delivered to the Corporation or the Transfer Agent prior to the 5th business day following the Effective Date of Redemption, the redemption of the Series A Preferred Stock pursuant to this Section V.C. shall still be deemed effective as of the Effective Date of Redemption and the Optional Redemption Price shall be paid to the holder of Series A Preferred Stock redeemed within 5 business days of the date t he certificates evidencing the Series A Preferred Stock redeemed are actually delivered to the Corporation or the Transfer Agent.

VI. Conversion at the Option of the Holder

A. Each holder of shares of Series A Preferred Stock may, at its option at any time and from time to time, upon surrender of the certificates therefor, convert, in increments of at least one hundred (100) shares of Series A Preferred Stock (unless the to tal

number of shares owned by such holder is less than one hundred (100), in which case such holder may convert all of such holder's shares), into Common Stock and Warrants as follows (an "Optional Conversion"). Each share of Series A Preferred Stock shall be convertible into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (x) the sum of (I) the Stated Value thereof, plus (II) unless the Corporation has timely paid such amount in cash in accordance with Section V.A, the accrued and unpaid dividends thereon, multiplied by 1.10 if required by Section V.A(i), by

(y) the then effective Conversion Price (as defined below) and (ii) Warrants to acquire a number of shares of Common Stoc k equal to 50% of the number of Shares of Common Stock issuable upon such conversion; PROVIDED, HOWEVER, that in no event shall a holder of shares of Series A Preferred Stock be entitled to convert any such shares in excess of that number of shares upon conversion of which the sum of (x) the number of shares of Common Stock beneficially owned by the holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the shares of Series A Preferred Stock or the unexercised or unconverted portion of any other securities of the Corporation (including, without limitation, the Warrants) (including shares of Common Stock issuable upon exercise of Warrants), subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (y) the number of shares of Common Stock issuable upon the conversion of the shares of Series A Preferred Stock with respect to which the determination of this proviso is being made would result in beneficial ownership by a holder and such holder's affiliates of more than 9.9% of the outstanding shares of Common Stock. For purposes of the proviso to the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended, and Regulation 13 D-G thereunder, except as otherwise provided in clause (x) of such proviso. The restriction contained in the proviso of this Section VI.A shall not be altered, amended, deleted or changed in any manner whatsoever unless the holders of a majority of the Common Stock shall approve such alteration, amendment, deletion or change.

B. (a) Subject to subparag raph (b) below, the "Conversion Price" shall be the lesser of (i) 85% of the average of the closing bid prices for the Common Stock as reported by the NASDAQ National Market ("NASDAQ-NM"), or on the principal securities exchange or other securities market on which the Common Stock is then being traded, for the five (5) consecutive Trading Days ending one Trading Day prior to the date (the "Conversion Date") the Conversion Notice is sent by a holder to the Corporation via facsimile (the "Variable Conversion Price"), and (ii) $2.50 (the "Fixed Conversion Price") (subject to equitable adjustments from time to time pursuant to the antidilution provisions of Section VI.C below).

(b)&nb sp;Notwithstanding anything contained in subparagraph (a) of this Paragraph B to the contrary, in the event the Corporation (i) makes a public announcement that it intends to consolidate or merge with any other corporation (other than a merger in which the Corporation is the surviving or continuing corporation and its capital stock is unchanged) or sell or transfer all or substantially all of the assets of the Corporation or (ii) any person, group or entity (including the Corporation) publicly announces a tender offer to purchase 50% or more of the Corporation's Common Stock (the date of the announcement referred to in clause (i) or (ii) is hereinafter referred to as the "Announcement Date"), then the Conversion Price shall, effective upon the Announcement Date and continuing through the Adjusted Conversion Price Termination Date (as defined below), be equal to the lower of (i) the Conversion Price which would have been applicable for an Optional Conversion occurr ing on the Announcement Date and (ii)the Conversion Price on the Conversion Date. From and after the Adjusted Conversion Price Termination Date, the Conversion Price shall be determined as set forth in subparagraph (a) of this Section VI.B. For purposes hereof, "Adjusted Conversion Price Termination Date" shall mean, with respect to any proposed transaction or tender offer for which a public announcement as contemplated by this subparagraph (b) has been made, the date upon which the Corporation (in the case of clause (i) above) or the person, group or entity (in the case of clause (ii) above) publicly announces the termination or abandonment of the proposed transaction or tender offer which caused this subparagraph (b) to become operative.

C. The Conversion Price shall be subject to adjustment from time to time as follows:

(a) ADJUSTMENT TO FIXED CONVERSION PRICE DUE TO STOCK SPLIT, STOCK DIVIDEND, ETC. If at any time when any Series A Preferred Stock is issued and outstanding, the number of outstanding shares of Common Stock is increased by a stock split, stock dividend, combination, reclassification, below-Market Price (as defined in Section VI.D) rights offering to all holders of Common Stock or other similar event, the Fixed Conversion Price shall be proportionately reduced, or if the number of outstanding shares of Common Stock is decreased by a reverse stock split, combination or reclassification of shares, or other similar event, the Fixed Co nversion Price shall be proportionately increased. In such event, the Corporation shall notify its transfer agent ("Transfer Agent") of such change on or before the effective date thereof.

(b) ADJUSTMENT TO VARIABLE CONVERSION PRICE. If at any time when Series A Preferred Stock is issued and outstanding, the number of outstanding shares of Common Stock is increased or decreased by a stock split, stock dividend, combination, reclassification, below-Market Price rights offering to all holders of Common Stock or other similar event, which event shall have taken place during the reference period for determination of the Conversion Price for any Optional Conversion or

Automatic Conversion of the Series A Preferred Stock, then the Variable Conversion Price shall be calculated giving appropriate effect to the stock split, stock dividend, combination, reclassification, below-Market Price rights offering or other similar event for all five (5) Trading Days immediately preceding the Conversion Date. In such event, the Corporation shall notify the Transfer Agent of such change on or before the effective date thereof.

(c) ADJUSTMENT DUE TO MERGER, CONSOLIDATION, ETC. If, at any time when any Series A Preferred Stock is issued and outstanding and prior to the conversion of all Series A Preferred Stock, there shall be any merger, consolidation, exchange of shares, recapitalization, reorganization, or other similar event, as a result of which shares of Common Stock of the Corporation shall be changed into the same or a different number of shares of another class or classes of stock or securities of the Corporation or another entity, or in case of any sale or conveyance of all or substantially all of the assets of the Corporation other than in connection with a plan of complete liquidation of the Corporation, then the holders of Series A Preferred Stock shall thereafter have the right to receive upon conversion of the Series A Preferred Stock, upon the bases and upon the terms and conditions specified herein and in lieu of the shares of Common Stock and Warrants immediately theretofore issuable upon conversion, such stock, securities or assets which the holders of Series A Preferred Stock would have been entitled to receive in such transaction had the Series A Preferred Stock been converted in full immediately prior to such transaction, and in any such case appropriate provisions shall be made with respect to the rights and interests of the holders of Series A Preferred Stock to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price and of the number of shares of Common Stock and Warrants issuable upon conversion of the Series A Preferred Stock) shall thereafter be applicable, as nearly as may be practicable in relation to any securities or assets thereafter deliverable upon the conversion hereof. The Corporation shall not effect any transaction described in this subsection (c) unless (a) it first gives, to the extent practical, forty-five (45) days' prior written notice (but in any event at least fifteen (15) business days prior written notice) of such merger, consolidati on, exchange of shares, recapitalization, reorganization or other similar event or sale of assets (during which time the holders of Series A Preferred Stock shall be entitled to convert the Series A Preferred Stock) and (b) the resulting successor or acquiring entity (if not the Corporation) assumes by written instrument the obligations of this subsection (c).

D. "Market Price," as of any date, (i) means the average of the closing bid prices for the shares of Common Stock as reported by NASDAQ-NM for the five (5) trading days immediately preceding such date, or (ii) if NASDAQ-NM is not the principal trading market for the shares of Common Stock, the average of the last reported sale prices on the principal trading market for the Common Stock during the same period, or (ii) if market value cannot be calculated as of such date on any of the foregoing bases, the Market Price shall be the average fair market value as reasonably determined in good faith by the

Board of Directors of the Corporation. The manner of determining the Market Price of the Common Stock set forth in the foregoing definition shall apply with respect to any other security in respect of which a determination as to market value must be made hereunder.

E. In order to convert Series A Preferred Stock into full shares of Common Stock and Warrants, a holder of Series A Preferred Stock shall: (i) submit a copy of the fully executed notice of conversion in the form attached hereto as E xhibit A ("Notice of Conversion") to the Corporation by facsimile dispatched on the Conversion Date (or by other means resulting in notice to the Corporation on the Conversion Date) at the office of the Corporation or its designated Transfer Agent for the Series A Preferred Stock that the holder elects to convert the same, which notice shall specify the number of shares of Series A Preferred Stock to be converted (assuming conversion of the accrued and unpaid dividends), the applicable Conversion Price and a calculation of the number of shares of Common Stock and Warrants issuable upon such conversion (together with a copy of the first page of each certificate to be converted) prior to Midnight, New York City time (the "Conversion Notice Deadline") on the date of conversion specified on the Notice of Conversion; and (ii) surrender the original certificates representing the Series A Preferred Stock being converted (the "Preferred Stock Certificates") , duly endorsed, along with a copy of the Notice of Conversion to the office of the Corporation or the Transfer Agent for the Series A Preferred Stock as soon as practicable thereafter. The Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock and Warrants issuable upon such conversion unless either the Preferred Stock Certificates are delivered to the Company or its Transfer Agent as provided above, or the holder notifies the Corporation or its Transfer Agent that such certificates have been lost, stolen or destroyed (subject to the requirements of subparagraph (a) below). In the case of a dispute as to the calculation of the Conversion Price, the Corporation shall promptly issue such number of shares of Common Stock and Warrants that are not disputed in accordance with subparagraph (b) below. The Corporation shall submit the disputed calculations to its outside accountant via facsimile within two (2) business days of receipt of the Notice of Conv ersion. The accountant shall audit the calculations and notify the Corporation and the holder of the results no later than 48 hours from the time it receives the disputed calculations. The accountant's calculation shall be deemed conclusive absent manifest error.

(a) LOST OR STOLEN CERTIFICATES. Upon receipt by the Corporation of evidence of the loss, theft, destruction or mutilation of any Preferred Stock Certificates representing shares of Series A Preferred Stock, and (in the case of loss, theft or destruction) of indemnity or security reasonably satisfactory to the Corporation, and upon surrender and cancellation of the Preferred

Stock Certificate(s), if mutilated, the Corporation shall execute and deliver new Preferred Stock Certificate(s) of like tenor and date. However, the Corporation shall not be obligated to reissue such lost or stolen Preferred Stock Certificate(s) if the holder contemporaneously requests the Corporation to convert such Series A Preferred Stock.

(b) DELIVERY OF COMMON STOCK AND WARRANTS UPON CONVERSION. Upon the surrender of certificates as described above from a holder of Series A Preferred Stock a ccompanied by a Notice of Conversion, the Corporation shall issue and, within two (2) business days (the "Deadline") after such surrender (or, in the case of lost, stolen or destroyed certificates, after provision of agreement and indemnification pursuant to subparagraph (a) above) (the "Delivery Period"), deliver to or upon the order of the holder (i) that number of shares of Common Stock and Warrants for the portion of the shares of Series A Preferred Stock converted as shall be determined in accordance herewith and (ii) a certificate representing the balance of the shares of Series A Preferred Stock not converted, if any. If delivery of the Common Stock and Warrants issuable upon conversion of the Series A Preferred Stock is more than one (1) business day after the Deadline (other than a failure due to the circumstances described in Section VI.F below, which failure shall be governed by such Article), in addition to any other remedies availa ble to the holder, including actual damages and/or equitable relief, the Corporation shall pay to such holder $150 per day in cash for the first day beyond the Deadline and $500 per day for each day thereafter that the Corporation fails to deliver such Common Stock and Warrants. Such cash amount shall be paid to such holder by the fifth (5th) day of the month following the month in which it has accrued or, at the option of the holder (by written notice to the Corporation by the first day of the month following the month in which it has accrued), shall be convertible into Common Stock and Warrants in accordance with the terms of this Section VI.

(c) NO FRACTIONAL SHARES. If any conversion of Series A Preferred Stock would result in a fracti onal share of Common Stock, such fractional share shall be disregarded and the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock shall be the next higher number of shares.

(d) CONVERSION DATE. The "Conversion Date" shall be the date specified in the Notice of Conversion, provided (i) that the advance copy of the Notice of Conversion is submitted by facsimile (or by other means resulting in notice) to the Corporation before Midnight, New York City time, on the Conversion Date, and (ii) that the original Preferred Stock Certificate(s), duly endorsed, are surrendered along with a copy of the Notice of Conversion as soon as practicable thereafter to the office of the Corporation or the Tra nsfer Agent for the Series A Preferred Stock. Notwithstanding the surrender of the original Preferred Stock Certificates to the Company or its Transfer Agent, the surrenderor of such certificates shall maintain all of its rights as a holder of Series A Preferred Stock, except as otherwise provided in Section V.B hereof, until such holder receives the shares of Common Stock and Warrants issuable upon conversion.

F. A number of shares of the authorized but unissued Common Stock sufficient to provide for (i) the conversion of the Series A Preferred Stock outstanding at the then current Conversion Price and (ii) the exercise of Warrants shall at all times be reserved by the Corporation, free from preemptive rights, for such conv ersion or exercise. If the Corporation shall issue any securities or make any change in its capital structure which would change the number of shares of Common Stock and Warrants into which each share of the Series A Preferred Stock shall be convertible at the then current Conversion Price, the Corporation shall at the same time also make proper provision so that thereafter there shall be a sufficient number of shares of Common Stock authorized and reserved, free from preemptive rights, for conversion of the outstanding Series A Preferred Stock and exercise of the Warrants on the new basis, if applicable.

If, at any time a holder of shares of Series A Preferred Stock submits a Notice of Conversion, and the Corporation does not have suffici ent authorized but unissued shares of Common Stock available to effect such conversion in accordance with the provisions of this Section VI (a "Conversion Default"), the Corporation shall issue to the holder all of the shares of Common Stock which are available to effect such conversion (including, with the holder's written consent, any shares underlying Warrants issued or then issuable ("Borrowed Shares")). The number of shares of Series A Preferred Stock included in the Notice of Conversion which exceeds the amount which is then convertible into available shares of Common Stock (after utilizing Borrowed Shares, if any) (the "Excess Amount") shall, notwithstanding anything to the contrary contained herein, not be convertible into Common Stock in accordance with the terms hereof until (and at the holder's option on or at any time after) the date additional shares of Common Stock are authorized by the Corporation to permit such conversion, at which time the Co nversion Price in respect thereof shall be the lesser of (i) the Conversion Price on the Conversion Default Date (as defined below) and (ii) the Conversion Price on the Conversion Date subsequently elected by the holder in respect thereof. The Corporation shall pay to the holder payments ("Conversion Default Payments") for a Conversion Default in the amount of (a) (N/365), multiplied by (b) the sum of the Stated Value per share of Series A Preferred Stock plus accrued and unpaid dividends thereon calculated through the Authorization Date (as defined below), multiplied by

(c) the Default Amount (as defined below) on the date the Notice of Conversion giving rise to the Conversion Default is transmitted in accordance with Section VI.A above (the "Conversion Default Date"), multiplied by (d) the Default Rate (as defined

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below) where (i) N = the number of days from the Conversion Default Date to the date (the "Authorization Date") that the Corporation authorizes a sufficient number of shares of Common Stock to effect conversion of the full number of shares of Series A Preferred Stock and the Warrants, (ii) "Default Amount" means the Excess Amount plus the number of shares of Series A Preferred Stock that would not be convertible as a result of this Section VI.E but for the Borrowed Shares and (iii) "Default Rate" means .10 for the first forty-five (45) days following the Conversion Default Date and .24 for the period thereafter until the Authorization Date. The Corporation shall send notice to the holder of the authorization of addit ional shares of Common Stock, the Authorization Date and the amount of holder's accrued Conversion Default Payments. The accrued Conversion Default Payment for each calendar month shall be paid in cash or shall be convertible into Common Stock at the Conversion Price, at the holder's

option, as follows:

(a) In the event holder elects to take such payment in cash, cash payment shall be made to holder by the fifth (5th) day of the month following the month in which it has accrued; and

(b) In the event holder elects to take such payment in Common Stock, the holder may convert such payment amount into Common Stock at the Conversion Price (as in effect at the time of Conversion) at any time after the fifth day of the month following the month in which it has accrued in accordance with the terms of this Section VI.

Nothing herein shall limit the holder's right to pursue actual damages for the Corporation's failure to maintain a sufficient number of authorized shares of Common Stock as required pursua nt to the terms of this Section VI.F, and each holder shall have the right to pursue all remedies available at law or in equity (including a decree of specific performance and/or injunctive relief).

G. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section VI, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series A Preferred St ock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustment or readjustment, (ii) the Conversion Price at the time in effect and (iii) the number of shares of Common Stock and Warrants and the amount, if any, of other securities or property which at the time would be received upon conversion of a share of Series A Preferred Stock.

VII. Automatic Conversion

Each share of Series&nb sp;A Preferred Stock issued and outstanding on June 13, 2000 (the "Automatic Conversion Date"), automatically shall be converted into shares of Common Stock and Warrants on such date at the then effective Conversion Price in accordance with the provisions of Section VI hereof (the "Automatic Conversion"). The Automatic Conversion Date shall be the Conversion Date for purposes of determining the Conversion Price and the time within which certificates representing the Common Stock and Warrants must be delivered to the holder.

VIII. Voting Rights

The holders of the Series A Preferred Stock have no voting power whatsoever, except as otherwise provided by the Massachusetts Business Corporation Law ("MBCL") and in this Section VIII, and in Section IX below.

Notwithstanding the above, the Corporation shall provide each holder of Series A Preferred Stock with prior notification of any meeting of the shareholders (and copies of proxy materials and other information sent to shareholders). In the event of any taking by the Corporation of a record of its shareholders for the purpose of determining shareholders who are entitled to receive payment of any divid end or other distribution, any right to subscribe for, purchase or otherwise acquire (including by way of merger, consolidation or recapitalization) any share of any class or any other securities or property, or to receive any other right, or for the purpose of determining shareholders who are entitled to vote in connection with any proposed sale, lease or conveyance of all or substantially all of the assets of the Corporation, or any proposed liquidation, dissolution or winding up of the Corporation, the Corporation shall mail a notice to each holder, at least thirty (30) days prior to the record date specified therein (or 30 days prior to the consummation of the transaction or event, whichever is earlier), of the date on which any such record is to be taken for the purpose of such dividend, distribution, right or other event, and a brief statement regarding the amount and character of such dividend, distribution, right or other event to the extent known at such time.

To the extent that under the MBCL the vote of the holders of the Series A Preferred Stock, voting separately as a class or series as applicable, is required to authorize a given action of the Corporation, the affirmative vote or consent of the holders of at least a majority of the shares of the Series A Preferred Stock represented at a duly held meeting at which a quorum is present or by written consent of a majority of the shares of Series A Preferred Stock (except as otherwise may be required under the MBCL) shall constitute the approval of such action by the class. To the extent that under the MBCL holders of the Series A Preferred Stock are entitled to vote on a matter with holders of Common Stock, voting together as one class, each sh are of Series A Preferred Stock shall be entitled to a number of votes equal to the number of shares of Common Stock into which it is then convertible using the record date for the taking of such vote of shareholders as the date as of which the Conversion Price is calculated. Holders of the Series A Preferred Stock shall be entitled to notice of (and copies of proxy materials and other information sent to shareholders) all shareholder meetings or written consents with respect to which they would be entitled to vote, which notice would be provided pursuant to the Corporation's bylaws and the MBCL.

IX. Protective Provisions

So long as shares of Series A Preferred Stock are outstanding, the Corporation shall not, without first obtaining the approval (by vote or written consent, as provided by the MBCL) of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock:

(a) alter or change the rights, preferences or privileges of the Series A Preferred Stock or any other capital stock of the Corporation so as to affect adversely the Series A Preferred Stock;

(b) create any new class or series of capital stock having a preference over the Series A Preferred Stock as to payment of dividends or distribution of assets upon liquidation, dissolution or winding up of the Corporation (as previously defined in Section II hereof, "Senior Securities");

(c) other than the 12,000 shares of Preferred Stock to be issued to Southbrook International Investments Ltd., create any new class or series of capital stock ranking PARI PASSU with the Series A Preferred Stock as to payment of dividends or dist ribution of assets upon liquidation, dissolution or winding up of the Corporation (as previously defined in Section II hereof, "PARI PASSU Securities");

(d) increase the authorized number of shares of Series A Preferred Stock;

(e) issue any shares of Series A Preferred Stock other than pursuant to these Restated Articles of Organization; or
& nbsp;
(f) do any act or thing not authorized or contemplated by these Restated Articles of Organization which would result in taxation of the holders of shares of the Series A Preferred Stock under Section 305 of the Internal Revenue Code of 1986, as amended (or any comparable provision of the Internal Revenue Code as hereafter from time to time amended).

In the event holders of at least a majority of the then outstanding shares of Series A Preferred Stock agree to allow the Corporation to alter or change the rights, preferences or privileges of any class of capital stock of the Corporation, pursuant to subsect ion (a) above, so as to affect the Series A Preferred Stock, then the Corporation will deliver notice of such approved change to the holders of the Series A Preferred Stock that did not agree to such alteration or change (the "Dissenting Holders") and Dissenting Holders shall have the right for a period of thirty (30) days to convert pursuant to the terms of these Restated Articles of Organization as they exist prior to such alteration or change or continue to hold their shares of Series A Preferred Stock.

X. Limitations on Transfer

No "Subject Holder" (as defined below) may sell or otherwise transfer shares of Series A Preferred Stock, except (i) to the Corporation or to a shareholder or a group of shareholders who immediately prior to the sale control a majority of the Corporation's voting shares (a "Controlling Shareholder" or "Controlling Group", as applicable); (ii) to an affiliate of such holder; (iii) in connection with any merger, consolidation, reorganization, tender offer or sale of more than 50% of the outstanding Common Stock of the Corporation (a Reorganization"); (iv) in a registered public offering or a public sale pursuant to Rule 144 or other applicable exemption from the registration requirements of the Securities Act (or any successor rule or regulation); or (v) in a private sale (otherwise than to the Corporation, to a Controlling Shareholder or a Controlling Group, to an affiliate of such holder, or in a Reorganization), provided that the holder shall not sell or otherwise transfer during any ninety (90) day period a number of shares of Series A Preferred Stock, a portion(s) of the Warrants or any other securities of the Corporation subject to a limitation on sale or

transfer analogous to the limitation contained herein, which, if exercised for or converted into Common Stock at the time of the transfer, would represent, in the aggregate (together with any other shares of Common Stock transferred), beneficial ownership by the transferee(s) of more than 9.9% of the Common Stock then outstanding. Subject Holder means any holder who, but for Section VI.A hereof and this Section X, would beneficially own 10% or more of the outstanding Common Stock of the Corporation. The restriction contained in the proviso of this Section X shall not be altered, amended, deleted or changed in any manner whatsoever unless the holders of a majority of the Common Stock shall approve such alteration, amendment, deletion or change.

NOTICE OF CONVERSION

(To be Executed by the Registered Holder
in order to Convert the Series A Preferred Stock)

The undersigned hereby irre vocably elects to convert shares of Series A Preferred Stock, represented by stock certificate No(s). (the "Preferred Stock Certificates") into (i) shares of common stock ("Common Stock") of ImmunoGen, Inc. (the "Corporation") and (ii) warrants ("Warrants") to acquire shares of Common Stock at a price of $4.00 per share, according to the conditions of the Restated Articles of Organization concerning the Series A Preferred Stock, as of the date written below. If securities are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates. No fee will be charged to the Holder fo r any conversion, except for transfer taxes, if any. A copy of each Preferred Stock Certificate is attached hereto (or evidence of loss, theft or destruction thereof).

The undersigned represents and warrants that all offers and sales by the undersigned of the securities issuable to the undersigned upon conversion of the Series A Preferred Stock shall be made pursuant to registration of the securities under the Securities Act of 1933, as amended (the "Act"), or pursuant to an exemption from registration under the Act.

Date of Conversion: _____

Applicable Conversion Price: _____

Number of Shares of
Common Stock to be Issued: _____

Number of Warrants to be Issued
(50% of number of shares of
Common Stock to be issued): _____

Signature:

Name: _____

Address: _____

*The Corporation is not required to issue shares of Common Stock and Warrants until the original Series A Preferred Stock Certificate(s) (or evidence of loss, theft or destruction thereof) to be converted are received by the Corporation or its Transfer Agent. The Corporation shall issue and deliver shares of Common Stock and Warrants to an overnight courier not later than two (2) business days following receipt of the original Preferred Stock Certificate(s) to be converted, and shall make payments pursuant to the Restated Articles of Organization for the number of business days such issuance and delivery is late.

EXHIBIT C

CONTINUATION OF ARTICLE 6 OF
ARTICLES OF ORGANIZATION OF
IMMUNOGEN, INC.

a. Meetings of the stockholders of the Corporation may be held anywhere in the United States.

b. &# 160; The directors of the Corporation may make, amend or repeal the By-Laws of the Corporation.

c. The Corporation may be a partner in any business enterprise which said Corporation would have the power to conduct itself.

d. The liability of the Directors of the Corporations shall be limited to the fullest extent permitted by Section 13(b)(1 1/2) of the Massachusetts Business Corporation Law.

e. Any two Directors of the Corporation may call a meeting of the stockholders entitled to vote. The call for the meeting shall state the day, time, place and purposes of the meeting, and only business to which reference shall have been contained in the notice of such meeting may be transacted at such meeting.

* We further certify that the foregoing restated articles of organization effect no amendments to the articles of organization of the corporation as heretofore amended, except amendments to the following articles 3 and 4

(*If there are no such amendments, state “None”.)

Briefly describe a mendments in space below:

Article 3 Delete references to Series A, B, C and D Preferred Stock and increase the number of authorized shares of Preferred Stock, $.01 par value, from 277,080 to 5,000,000 shares, consisting of 2,500 shares of Series A Convertible Preferred Stock and 4,997,500 shares of undesignated Preferred Stock.

Article 4 Delete all descriptions of Common Stock and Preferred Stock and insert in lieu thereof the description of Common Stock, undesignated Preferred Stock and Series A Convertible Preferred Stock attached hereto as EXHIBIT B.

IN WITNESS WHEREOF AND UNDER THE PENALTIES OF PERJURY, we have hereto signed our names this third day of October in the year 1996

/s/ Frank J. Pocher Vice President

/s/ Jonathan L. Kravetz Clerk

FEDERAL IDENTIFICATION
NO. 04 2726691

Examiner

THE COMMONWEALTH OF MASSACHUSETTS
William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

ARTICLES OF AMENDMENT

(General Laws, Chapter 156B, Section 72)

Name
Approved

We, Mitchel Sayare ,*President

and Kathleen A. Carroll ,*Assistant Clerk

of ImmunoGen, Inc.,
(Exact name of corporation)

located at, 333 Providence Highway, Norwood, MA 02062
(Street address of corporation in Massachusetts)

certify that these Articles of Amendment affecting articles numbered:

3
(Numbered those articles 1, 2, 3, 4, 5 and/or 6 being amended)

of the Articles of Organization were duly adopted at a meeting held on August 11, 1997, by vote of :

17,076,885 shares of Common Stock of 21,429,145 shares outstanding,
(type, class & series, if any)

shares of of shares outstanding, and
(type, class & series, if any)

shares of of shares outstanding,
(type, class & series, if any)

C [ ]

P [ ] (1)**being at least a majority of each type, class or series outstanding and entitled to vote thereon: / or (2)

M [ ]

R.A . [ ]

P.C.

*Delete the inapplicable words. **Delete the inapplicable clause.*
(1) *For amendments adopted pursuant to Chapter 156B, Section 70.*
(2) *For amendments adopted pursuant to Chapter 156B, Section 71.*

Note: If the space provided under any article or item on this form is insufficient, additions shall be set forth on one side only of separate 8 ½ x 11 sheets of paper with a left margin of at least 1 inch. Additions to more than one article may be made on a single sheet so long as each article requiring each addition is clearly indicated.

To *change* the number of shares and the part value (if any) of any type, class or series of sock which the corporation is authorized to issue, fill in the following:

The total *presently* authorized is:

WITHOUT PAR VALUE STOCKS		WITH PAR VALUE STOCKS		
TYPE:	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common:		Common:	30,000,000	$ .01
Preferred		Preferred:	5,000,000*	$ .01

Change the total authorized to:

WITHOUT PAR VALUE STOCKS		WITH PAR VALUE STOCKS		
TYPE:	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common:		Common:	50,000,000	$ .01
Preferred		Preferred:	5,000,000**	$ .01

*Preferred: Series A Convertible Preferred 2,500 Shares
Shares $.01 par value
Series B Convertible Preferred 3,000 Shares
Shares $.01 par value
Series C Convertible Preferred 3,000 Shares
Shares $.01 par value
Series D Convertible Preferred 1,000 Shares
Shares $.01 par value

** Series A Convertible Preferred 2,500 Shares
Shares $.01 par value
Series B Convertible Preferred 3,000 Shares
Shares $.01 par value
Series C Convertible Preferred 3,000 Shares
Shares $.01 par value
Series D Convertible Preferred 1,000 Shares
Shares $.01 par value

The foregoing amendment(s) will become effective when these Articles of Amendment are filed in accordance with General Laws, Chapter 156B, Section 6 unless these articles specify, in accordance with the vote adopting the amendment, a *later* effective date not more than *thirty days* after such filing, in which event the amendment will become effective on such later date.

Late effective date: .

SIGNED UNDER THE PENALTIES OF PERJURY, this 13th day of August, ,1997 ,

/s/ Mitchel Sayare , *President

/s/ Kathleen A. Carroll *Assistant Clerk

**Delete the inapplicable words.*

THE COMMONWEALTH OF MASSACHUSETTS

ARTICLES OF AMENDMENT
(General Laws, Chapter 156B, Section 72)

I hereby approve the within Articles of Amendment and, the filing fee in the amount of $20,000 having been paid, said articles are deemed to have been filed with me this 22nd day of August, 1997.

Effective date:

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

TO BE FILLED IN BY CORPORATION
Photocopy of document to be sent to:

Anne T. Leland, Legal Assistant
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center, Boston, MA 02111
Telephone: 617 542-6000

FEDERAL IDENTIFICATION
NO.

Examiner

THE COMMONWEALTH OF MASSACHUSETTS
William Francis Galvin
Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

ARTICLES OF AMENDMENT
(General Laws, Chapter 156B, Section 72)

Name
Approved

We, Mitchel Sayare ,*President

and Jonathan Kravetz ,*Clerk

of ImmunoGen, Inc.,
(Exact name of corporation)

located at, 128 Sidney Street, Cambridge, MA 02139
(Street address of corporation in Massachusetts)

certify that these Articles of Amendment affecting articles numbered:

3
(Numbered those articles 1, 2, 3, 4, 5 and/or 6 being amended)

of the Articles of Organization were duly adopted at a meeting held on November 13, 2001, by vote of :

33,250,272 shares of Common Stock of 39,680,326 shares outstanding,
(type, class & series, if any)

No Preferred Stock Issued & Outstanding

shares of of shares outstanding, and
(type, class & series, if any)

shares of of shares outstanding,
(type, class & series, if any)

C [ ]

P [ ] (1)**being at least a majority of each type, class or series outstanding and entitled to vote thereon: / or (2)** being at

M [ ] least two-thirds of each type, class or series outstanding and entitled to vote thereon and of each type, class or

R.A . [ ] series of stock whose rights are adversely affected thereby:

P.C.

*Delete the inapplicable words. **Delete the inapplicable clause.*
(1) *For amendments adopted pursuant to Chapter 156B, Section 70.*

(2) *For amendments adopted pursuant to Chapter 156B, Section 71.*
Note: If the space provided under any article or item on this form is insufficient, additions shall be set forth on one side only of separate 8 ½ x 11 sheets of paper with a left margin of at least 1 inch. Additions to more than one article may be made on a single sheet so long as each article requiring each addition is clearly indicated.

To *change* the number of shares and the part value (if any) of any type, class or series of sock which the corporation is authorized to issue, fill in the following:

The total *presently* authorized is:

WITHOUT PAR VALUE STOCKS		WITH PAR VALUE STOCKS		
TYPE:	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common:		Common:	50,000,000	$ .01
Preferred		Preferred:	5,000,000*	$ .01

Change the total authorized to:

WITHOUT PAR VALUE STOCKS		WITH PAR VALUE STOCKS		
TYPE:	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE

Common:	Common:	75,000,000	$	.01
Preferred	Preferred:	5,000,000*	$	.01

*Preferred: Series A Convertible Preferred 2,500
Shares $.01 par value
Series B Convertible Preferred 3,000
Shares $.01 par value
Series C Convertible Preferred 3,000
Shares $.01 par value
Series D Convertible Preferred 1,000
Shares $.01 par value
Series E Convertible Preferred 2,400
Shares $.01 par value

The foregoing amendment(s) will become effective when these Articles of Amendment are filed in accordance with General Laws, Chapter 156B, Section 6 unless these articles specify, in accordance with the vote adopting the amendment, a *later* effective date not more than *thirty days* after such filing, in which event the amendment will become effective on such later date.

Late effective date: .

SIGNED UNDER THE PENALTIES OF PERJURY, this 13th day of November, ,2001 ,

/s/ Mitchel Sayare , *President

/s/ Jonathan L. Kravetz *Clerk

**Delete the inapplicable words.*

THE COMMONWEALTH OF MASSACHUSETTS

ARTICLES OF AMENDMENT
(General Laws, Chapter 156B, Section 72)

I hereby approve the within Articles of Amendment and, the filing fee in the amount of $ having been paid, said articles are deemed to have been filed with me this day of , 20 .

Effective date:

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

TO BE FILLED IN BY CORPORATION
Photocopy of document to be sent to:

Jonathan Kravetz, Esquire
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center, Boston, MA 02111
Telephone: 617 542-6000

D
PC

The Commonwealth of Massachusetts
William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

FORM MUST BE TYPED **Articles of Amendment** FORM MUST BE TYPED
(General Laws Chapter 156D, Section 10.06; 950 CMR 113.34)

(1) Exact name of corporation: ImmunoGen, Inc.

(2) Registered office address: 830 Winter Street, Waltham, MA 02451
(number, street, city or town, state, zip code)

(3) These articles of amendment affect article(s): 3
(specify the number(s) of article(s) being amended (I-VI))

(4) Date adopted: November 11, 2009
(month, day, year)

(5) Approved by:

(check appropriate box)

o the incorporators.

o the board of directors without shareholder approval and shareholder approval was not required.

x the board of directors and the shareholders in the manner required by law and the articles of organization.

(6) State the article number and the text of the amendment. Unless contained in the text of the amendment, state the provisions for implementing the exchange, reclassification or cancellation of issued shares.

P.C.

To change the number of shares and the par value, * if any, of any type, or to designate a class or series, of stock, or change a designation of class or series of stock, which the corporation is authorized to issue, complete the following:

Total authorized prior to amendment:

WITHOUT PAR VALUE		WITH PAR VALUE			
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES		PAR VALUE
		Common	75,000,000	$	.01
		Preferred	5,000,000	$	.01

Total authorized after amendment:

WITHOUT PAR VALUE		WITH PAR VALUE			
TYPE	NUMBER OF SHARES	TYPE	NUMBER OP SHARES		PAR VALUE
		Common	100,000,000	$	.01
		Preferred	5,000,000	$	.01

(7) The amendment shall be effective at the time and on the date approved by the Division, unless a later effective date not more than 90 days from the date and time of filing is specified:

**G.L. Chapter 156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. Chapter 156D, Section 6.21, and the comments relative thereto.*

Signed by: /s/ Daniel M. Junius ,
(signature of authorized individual)

o Chairman of the board of directors,
x President,
o Other officer,
o Court-appointed fiduciary,

on this 16th day of November, 2009.

SECRETARY OF THE
COMMONWEALTH
2009 DEC - 1 AM 9:05
MASSACHUSETTS DIVISION

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02 108-1512

Articles of Amendment
(General Laws Chapter 156D, Section 10.06; 950 CMR 113.34)

I hereby certify that upon examination of these articles of amendment, it appears that the provisions of the General Laws relative thereto have been complied with, and the filing fee in the amount of $25,000 having been paid, said articles are deemed to have been filed with me this 1st day of December, 2009. at *time* 9:05 **a.m.**/p.m.

Effective date: _____
(must be within 90 days of date submitted)

1100574

/s/ William Francis Galvin
WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

Filing fee: Minimum filing fee $100 per article amended, stock increases $100 per 100,000 shares, plus $100 for each additional 100,000 shares or any fraction thereof.

TO BE FILLED IN BY CORPORATION
Contact Information:

Craig Barrows
ImmunoGen, Inc.
830 Winter Street, Waltham, MA 02451
Telephone: (781) 895-0600
Email: craig.barrows@immunogen.com

Upon filing, a copy of this filing will be available at www.sec.state.ma.us/cor. If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

/s/ [ILLEGIBLE]
Examiner

/s/ [ILLEGIBLE]
Name approval

C

M

EXHIBIT 31.1

CERTIFICATIONS

I, Daniel Junius, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: April 30, 2010

/s/ Daniel M. Junius

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

EXHIBIT 31.2

CERTIFICATIONS

I, Gregory D. Perry, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: April 30, 2010

/s/ Gregory D. Perry
Gregory D. Perry
Senior Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)

EXHIBIT 32

Certification

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

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

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

The Quarterly Report for the period ended December 31, 2009 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 30, 2010

/s/ DANIEL M. JUNIUS

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

Dated: April 30, 2010

/s/ GREGORY D. PERRY

Gregory D. Perry
Senior Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)