

# IMMUNOGEN INC

## FORM 10-Q (Quarterly Report)

Filed 02/05/14 for the Period Ending 12/31/13

Address	830 WINTER ST WALTHAM, MA 02451
Telephone	(781)895-0600
CIK	0000855654
Symbol	IMGN
SIC Code	2834 - Pharmaceutical Preparations
Industry	Biotechnology & Drugs
Sector	Healthcare
Fiscal Year	06/30

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

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

For the quarterly period ended December 31, 2013

OR

- 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**

(State or other jurisdiction of incorporation or organization)

**04-2726691**

(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.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  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

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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

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

Shares of common stock, par value \$.01 per share: 85,672,716 shares outstanding as of January 27, 2014.

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**IMMUNOGEN, INC.**  
**FORM 10-Q**  
**FOR THE QUARTER ENDED DECEMBER 31, 2013**  
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## ITEM 1. Financial Statements

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

	December 31, 2013	June 30, 2013
<b>ASSETS</b>		
Cash and cash equivalents	\$ 178,088	\$ 194,960
Accounts receivable	3,818	—
Unbilled revenue	1,904	2,121
Inventory	3,008	703
Restricted cash	319	319
Prepaid and other current assets	2,321	2,581
Total current assets	<u>189,458</u>	<u>200,684</u>
Property and equipment, net of accumulated depreciation	10,753	10,783
Long-term restricted cash	1,912	1,912
Other assets	400	217
Total assets	<u>\$ 202,523</u>	<u>\$ 213,596</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Accounts payable	\$ 3,812	\$ 4,498
Accrued compensation	4,162	6,153
Other accrued liabilities	6,158	6,049
Current portion of deferred lease incentive	979	979
Current portion of deferred revenue	2,522	1,494
Total current liabilities	<u>17,633</u>	<u>19,173</u>
Deferred lease incentive, net of current portion	5,137	5,626
Deferred revenue, net of current portion	46,487	63,384
Other long-term liabilities	3,230	3,566
Total liabilities	<u>72,487</u>	<u>91,749</u>
Commitments and contingencies (Note E)		
Shareholders' equity:		
Preferred stock, \$0.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, \$0.01 par value; authorized 150,000 shares; issued and outstanding 85,629 and 84,725 shares as of December 31, 2013 and June 30, 2013, respectively	856	847
Additional paid-in capital	713,361	697,767
Accumulated deficit	(584,181)	(576,767)
Total shareholders' equity	<u>130,036</u>	<u>121,847</u>
Total liabilities and shareholders' equity	<u>\$ 202,523</u>	<u>\$ 213,596</u>

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

**IMMUNOGEN, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**  
**(UNAUDITED)**

In thousands, except per share amounts

	Three Months Ended December 31,		Six Months Ended December 31,	
	2013	2012	2013	2012
<b>Revenues:</b>				
License and milestone fees	\$ 25,678	\$ 429	\$ 38,845	\$ 1,362
Royalty revenue	2,335	—	4,388	—
Research and development support	1,922	2,036	3,912	3,413
Clinical materials revenue	125	147	133	1,928
<b>Total revenues</b>	<b>30,060</b>	<b>2,612</b>	<b>47,278</b>	<b>6,703</b>
<b>Operating Expenses:</b>				
Research and development	20,862	21,656	42,891	45,356
General and administrative	5,447	5,464	11,973	11,103
<b>Total operating expenses</b>	<b>26,309</b>	<b>27,120</b>	<b>54,864</b>	<b>56,459</b>
<b>Income (loss) from operations</b>	<b>3,751</b>	<b>(24,508)</b>	<b>(7,586)</b>	<b>(49,756)</b>
<b>Other income, net</b>	<b>62</b>	<b>115</b>	<b>172</b>	<b>171</b>
<b>Net income (loss)</b>	<b>\$ 3,813</b>	<b>\$ (24,393)</b>	<b>\$ (7,414)</b>	<b>\$ (49,585)</b>
<b>Basic and diluted net income (loss) per common share</b>	<b>\$ 0.04</b>	<b>\$ (0.29)</b>	<b>\$ (0.09)</b>	<b>\$ (0.59)</b>
Basic weighted average common shares outstanding	85,431	84,147	85,221	83,748
Dilutive impact of potential common shares	1,845	—	—	—
<b>Diluted weighted average common shares outstanding</b>	<b>87,276</b>	<b>84,147</b>	<b>85,221</b>	<b>83,748</b>
<b>Total comprehensive income (loss)</b>	<b>\$ 3,813</b>	<b>\$ (24,393)</b>	<b>\$ (7,414)</b>	<b>\$ (49,585)</b>

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

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