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NEWS RELEASE

# IMMUNOMEDICS REPORTS PRECLINICAL RESULTS ON SN-38 ANTIBODY-DRUG CONJUGATES AS A POTENTIAL NOVEL PLATFORM FOR TREATING CANCER

**-- Preclinical Studies Presented at 2014 Annual Meeting of the American Association for Cancer Research (AACR) –**
**-- Novel T-cell Redirecting Immunotherapeutic Agent also Presented --**

**San Diego, CA, April 8, 2014 --- Immunomedics, Inc. (Nasdaq: IMMU),** a biopharmaceutical company primarily focused on the development of monoclonal antibody-based products for the targeted treatment of cancer, autoimmune and other serious diseases, today reported results from preclinical studies on the Company's two investigational SN-38-containing antibody drug conjugates (ADCs), IMMU-130 and IMMU-132, that demonstrated a high therapeutic index for both agents.

IMMU-130 consists of SN-38 linked to the Company's proprietary anti-CEACAM5 humanized monoclonal antibody. It is currently in a Phase II trial for the treatment of patients with metastatic colorectal cancer. IMMU-132 has SN-38 conjugated to another proprietary anti-TROP-2 humanized monoclonal antibody, which is being evaluated as a therapy for a variety of epithelial cancers, including triple-negative breast cancer and small-cell lung cancer. These two ADCs were developed to facilitate SN-38-targeted delivery to tumor cells, improve its efficacy, decrease the toxicity of SN-38, and improve its bioavailability, which is hampered by a low rate of conversion from irinotecan, the parent drug of SN-38.

At doses below the maximum tolerated dose in mice, both IMMU-130 and IMMU-132 were effective in a number of animal models of diverse human solid cancers. Smaller fractionated doses, administered over an extended period, controlled tumor growth better than higher doses administered less frequently, which is consistent with the clinical observations.

In addition, following IMMU-132 administration, nearly all of the SN-38 remained conjugated to the antibody. However, when the ADC binds to the antigen on the tumor cells and is internalized, SN-38 is released, causing tumor cell death. These ADCs deliver 120-times more SN-38 to tumors than when the maximum dose of irinotecan is administered. Therefore, the ADC maintains SN-38 in a highly potent form, releasing it in the tumor to exert its maximum therapeutic anti-cancer effects. This may explain why in the ongoing clinical studies these ADCs appear to produce manageable and less toxicity than irinotecan at its therapeutic doses. For example, these ADCs, at therapeutic doses, do not cause the severe diarrhea associated with irinotecan treatment, and this may be related to the observation that fecal SN-38 is much higher in animals treated with irinotecan, compared to IMMU-132 treatment.

Cynthia L. Sullivan, President and Chief Executive Officer, commented: "These preclinical studies comparing both SN-38-targeted ADCs to irinotecan are very informative, since they help elucidate the mechanism of action of these ADCs and correlate with the clinical observation regarding their efficacy with manageable toxicity in the clinic. Importantly, with regard to IMMU-132, which targets TROP-2 expressed on many epithelial cells, its active anticancer

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effect in patients with advanced triple-negative breast and small-cell lung cancers demonstrates broad activity in patients where irinotecan was not used."

In a separate presentation at the same AACR conference, the Company also reported the development of a novel T-cell redirecting antibody for the potential treatment of pancreatic and gastric cancers, two of the most deadly forms of cancer. This new and exciting area of cancer therapy involves making a bispecific antibody whereby one arm binds to the tumor and the other captures the patient's own T cells, retargeting them to attack and kill the tumor.

Designated as (E1)-3s, the novel investigational agent is made up of an anti-CD3 antibody fragment linked securely using the Company's patented DOCK-AND-LOCK™ protein conjugation technology to two TROP-2-targeting antibody fragments. Potential advantages of (E1)-3s include high-level expression of TROP-2 on pancreatic, gastric, and various other solid cancers, bivalent binding to tumor cells, a larger size that precludes rapid clearance from the kidney, and potent T-cell mediated cytotoxicity.

(E1)-3s effectively induced a potent and specific T-cell-mediated killing of human pancreatic and gastric cancer cell lines. Furthermore, in animal models of human pancreatic or gastric cancer, treatment with (E1)-3s significantly inhibited tumor growth, which resulted in improved survival compared with the control groups. Additional cell lines of different solid cancer types, including those with higher and lower TROP-2 antigen density, are currently being evaluated.

"We developed this new construct to improve on other bispecific antibodies being used to target a patient's own T cells to cancer as an immunotherapy, whereby we would hopefully be able to dose less frequently and have less toxicity than other agents in development," commented Ms. Sullivan. "Immunotherapy has become a very exciting new area of cancer therapy, and we are working to add our own technologies and proprietary antibodies to such new approaches," she remarked.

**About Immunomedics**

Immunomedics is a New Jersey-based biopharmaceutical company primarily focused on the development of monoclonal antibody-based products for the targeted treatment of cancer, autoimmune and other serious diseases. We have developed a number of advanced proprietary technologies that allow us to create humanized antibodies that can be used either alone in unlabeled or "naked" form, or conjugated with radioactive isotopes, chemotherapeutics, cytokines or toxins, in each case to create highly targeted agents. Using these technologies, we have built a pipeline of therapeutic product candidates that utilize several different mechanisms of action. Our lead product candidate, epratuzumab, is currently in two Phase III clinical trials in lupus. In oncology, clivatuzumab tetraxetan labeled with a radioisotope is in a Phase III pivotal trial in advanced pancreatic cancer patients. Other solid tumor therapeutics in Phase II clinical development include 2 antibody-drug conjugates, IMMU-132 (anti-TROP-2-SN-38) and IMMU-130 (anti-CEACAM5-SN-38). We also have a majority ownership in IBC Pharmaceuticals, Inc., which is developing a novel DOCK-AND-LOCK™ (DNL™) method with us for making fusion proteins and multifunctional antibodies. DNL™ is being used particularly to make bispecific antibodies targeting cancers and infectious diseases as a T-cell redirecting immunotherapy, as well as bispecific antibodies for next-generation cancer and autoimmune disease therapies. We

believe that our portfolio of intellectual property, which includes approximately 245 active patents in the United States and more than 400 foreign patents, protects our product candidates and technologies. Our strength in intellectual property has resulted in the top-4 ranking in the January 2014 Patent Board scorecard in the Biotechnology industry. For additional information on us, please visit our website at www.immunomedics.com. The information on our website does not, however, form a part of this press release.

*This release, in addition to historical information, may contain forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Such statements, including statements regarding clinical trials (including the funding therefor, outcomes, timing or associated costs), out-licensing arrangements (including the timing and amount of contingent payments), forecasts of future operating results, potential collaborations, and capital raising activities, involve significant risks and uncertainties and actual results could differ materially from those expressed or implied herein. Factors that could cause such differences include, but are not limited to, risks associated with any cash payment that the Company might receive in connection with a sublicense involving a third party and UCB, which is not within the Company's control, new product development (including clinical trials outcome and regulatory requirements/actions), our dependence on UCB for the further development of epratuzumab for non-cancer indications, competitive risks to marketed products and availability of required financing and other sources of funds on acceptable terms, if at all, as well as the risks discussed in the Company's filings with the Securities and Exchange Commission. The Company is not under any obligation, and the Company expressly disclaims any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.*

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