As filed with the Securities and Exchange Commission on July 1, 1998
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ENZON, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	22-2372868
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

20 Kingsbridge Road, Piscataway, New Jersey 08854
(732) 980-4500

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

JOHN CARUSO, ESQ.
VICE PRESIDENT, BUSINESS DEVELOPMENT,
GENERAL COUNSEL AND SECRETARY
ENZON, INC.
20 Kingsbridge Road, Piscataway, New Jersey 08854
(732) 980-4500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:
KEVIN T. COLLINS, ESQ.
DORSEY & WHITNEY LLP

250 Park Avenue, New York, New York 10177
(212) 415-9200

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective. If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. [_]

If any securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [x]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the securities registration statement number of the earlier effective registration statement for the same offering. [_]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [_]

CALCULATION OF REGISTRATION FEE

Title of Each Class	Proposed Maximum	Proposed Maximum	Amount of

of Securities to be Registered	Amount to be Registered	Offering Price per Share	Aggregate Offering Price	Registration Fee
Common Stock $.01 par value per share	3,983,000 shares	$5.53(1)	$22,025,990	$6,498

(1) Estimated solely for the purpose of computing the amount of the registration fee in accordance with Rule 457(c) under the Securities Act of 1933, as amended (the "Securities Act"), based on the average of the high and low sale price for the common stock, $.01 par value per share (the "Common Stock") as reported by the Nasdaq Stock Market on June 26, 1998.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

SUBJECT TO COMPLETION, DATED JULY 1, 1998

PROSPECTUS

ENZON, INC.
3,983,000 Shares
Common Stock
($.01 par value)

This prospectus (the "Prospectus") relates to the offer and sale of up to 3,983,000 shares (the "Shares") of common stock, $.01 par value (the "Common Stock"), of Enzon, Inc. (the "Company" or "Enzon") by certain selling stockholders of the Company (each a "Selling Stockholders"). See "Selling Stockholders." The Company will not receive any of the proceeds from the sale of the Shares.

The Selling Stockholders may sell the Shares from time to time in one or more transactions (which may involve block transactions) in the open market, in negotiated transactions, through the writing of options on the Shares (whether such options are listed on an options exchange or otherwise) or by a combination of these methods, at fixed prices that may be changed, at market prices at the time of sale, at prices related to market prices or at negotiated prices. The Selling Stockholders may effect these transactions by selling the Shares to or through broker-dealers, who may receive compensation in the form of discounts or commissions from the Selling Stockholders or from the purchasers of the Shares for whom the broker-dealers may act as agent or to whom they may sell as principal, or both in amounts to be negotiated immediately prior to the sale. The Selling Stockholders may also pledge the Shares as collateral for margin accounts or loans and the Shares could be resold pursuant to the terms of such accounts or loans. The Selling Stockholders, such brokers or dealers and any other participating brokers or dealers may be deemed to be "underwriters" within the meaning of the Securities Act of 1933, as amended (the "Securities Act") in connection with such sales. See "Plan of Distribution."

In addition, any securities covered by this Prospectus which qualify for sale pursuant to Rule 144 under the Securities Act ("Rule 144") may be sold under Rule 144 rather than pursuant to this Prospectus. To the extent required, the specific shares of Common Stock to be sold, the name of any successor Selling Stockholders, the public offering price, the names of any such agent, dealer or underwriter, and any applicable commission or discount with respect to

any particular offer will be set forth in an accompanying Prospectus Supplement. See "Selling Stockholders" and "Plan of Distribution."

Neither the Company nor the Selling Stockholders can presently estimate the amount of commissions or discounts, if any, that will be paid by the Selling Stockholders on account of their sale of the Shares from time to time. The Company will bear all expenses in connection with the registration of the Shares herein, which expenses are estimated to be approximately $184,000. The Selling Stockholders will pay any brokerage compensation in connection with their sale of the Shares. See "Use of Proceeds."

The Company's Common Stock is traded in the over-the-counter market and is quoted on The Nasdaq National Market, under the symbol "ENZN." On June 26, 1998 the last reported sale price of the Common Stock, as reported on The Nasdaq National Market was $5.5625 per share.

AN INVESTMENT IN THE SECURITIES OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS" COMMENCING ON PAGE 7.

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

The date of this Prospectus is July __, 1998

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No dealer, salesperson or other person has been authorized to give any not contained or incorporated by reference in this Prospectus in connection with this offering. Any information or representation not contained or incorporated by reference herein must not be relied on as having been authorized by the Company, the Selling Stockholders or their respective agents. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the securities offered hereby in any state to any person to whom it is unlawful to make such offer or solicitation. Except where otherwise indicated, this Prospectus speaks as of its date and neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information filed by the Company can be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following Regional Offices of the Commission: New York Regional Office, Seven World Trade Center, Suite 1300, New York, New York 10048; and Chicago Regional Office, Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. The Commission also maintains a Web site that contains reports, proxy and information regarding the Company at (http://www.sec.gov).

The Company's Common Stock is listed on the Nasdaq National Market and reports, proxy and information statements and other information concerning the Company can be inspected at the National Association of Securities Dealers, 1735 K Street, N.W., 4th Floor, Washington, D.C. 20006-1506.

The Company has filed with the Commission a Registration Statement on Form S-3 (referred to herein together with all amendments and exhibits thereto as the "Registration Statement") under the Securities Act, with respect to the shares of Common Stock offered hereby. This Prospectus which forms a part of the Registration Statement, does not contain all of the information set forth or incorporated by reference in the Registration Statement and the exhibits and schedules thereto, certain parts of which are omitted in accordance with the rules and regulations of the Commission. For further information with respect to the Company and the shares of Common Stock offered hereby, reference is hereby made to the Registration Statement, including the exhibits thereto. Copies of the Registration Statement, including the exhibits, may be obtained from the Public Reference Section of the Commission at the aforementioned address upon payment of the fee prescribed by the Commission. Copies of each document may also be obtained through the Commission's internet address at http://www.sec.gov. The summaries contained in this Prospectus of additional information included in the Registration Statement or any exhibit thereto are qualified in their entirety by reference to such information or exhibit.

The following trademarks and service marks appear in or are incorporated by reference into, this Prospectus: ADAGEN(R) and ONCASPAR(R) are registered trademarks of the Company; PEGNOLOGY(R) is a registered service mark of the Company; SCA(R) is a registered trademark of Enzon Labs Inc., a wholly-owned subsidiary of the Company; Intron A(R) is a registered trademark of Schering Corporation.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company hereby incorporates by reference into this Prospectus (i) its Annual Report on Form 10-K for the Fiscal Year Ended June 30, 1997, which contains audited financial statements for the Company's latest fiscal year for which a Form 10-K was required to have been filed and incorporates by reference certain portions of the Company's definitive Proxy Statement for the Annual Meeting of Stockholders held December 2, 1997 (ii) all other reports filed by the Company pursuant to Section 13(a) or 15(d) of the Exchange Act since June 30, 1997, including but not limited to, the Quarterly Reports on Form 10-Q for the Quarters Ended September 30, 1997, December 31, 1997 and March 31, 1998 and the Current Report on Form 8-K filed on June 30, 1998 and (iii) the description of the Company's Common Stock, $.01 par value, as contained in its registration statement on Form 8-A, filed with the Commission on October 29, 1984, as amended by a Form 8 filed with the Commission on October 15, 1990.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, subsequent to the date hereof and prior to the filing of a post-effective amendment to the Registration Statement which indicates that all shares of Common Stock offered hereby have been sold or which deregisters all shares of Common Stock then remaining unsold, shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that such statement is modified or superseded by a statement contained herein or in a subsequently filed document which also is or is deemed to be incorporated by reference herein. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company will provide, without charge, to each person (including any beneficial owner) to whom this Prospectus is delivered, upon written or oral request of such person, a copy of any and all of the information that has been incorporated by reference in this Prospectus (not including exhibits to such information unless such exhibits are specifically incorporated by reference into such information). Such requests should be directed to John Caruso, Vice President, Administration, General Counsel and Secretary, at the Company's principal executive offices at 20 Kingsbridge Road, Piscataway, New Jersey 08854, telephone (732) 980-4500.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information and the Consolidated Financial Statements and the Notes thereto appearing elsewhere herein or incorporated by reference in this Prospectus. This Prospectus and such documents contain various "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), which represent the Company's intentions, expectations or beliefs concerning future events, including, but not limited to, statements regarding management's expectations or beliefs concerning future events. These forward-looking statements are qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements, including, without limitation, those discussed in "Risk Factors." See "Risk Factors."

The Company

Overview

Enzon is a biopharmaceutical company that develops, manufactures and markets enhanced therapeutics for life-threatening diseases through the application of its two proprietary technologies: (i) polyethylene glycol ("PEG") modification and (ii) single-chain antigen-binding ("SCA") proteins. Enzon is focusing its research activities primarily in the area of oncology and is applying its proprietary technologies to compounds of known therapeutic efficacy in order to enhance the performance of these compounds. The Company is commercializing its proprietary technologies by developing products internally and in cooperation with strategic partners. To date, the Company and its partners have successfully commercialized two products, ONCASPAR and ADAGEN (described below). The Company currently has two products under development internally and has established more than 15 strategic alliances and license relationships for the development of products using the Company's proprietary technologies. The Company believes that its partners are dedicating substantial resources to the development of products which incorporate Enzon's proprietary technologies. These efforts include the development of PEG-Intron A, a PEG modified version of Schering-Plough Corporation's ("Schering-Plough") product, INTRON A (interferon alfa 2b), a genetically-engineered anticancer-antiviral drug, for which Schering-Plough is currently conducting Phase III clinical trials.

PEG Technology

The PEG process involves chemically attaching PEG, a relatively non-reactive and non-toxic polymer, to proteins, chemicals and certain other pharmaceuticals for the purpose of enhancing their therapeutic value (the "PEG Process"). The attachment of PEG helps to disguise the compound and reduce the recognition of the compound by the immune system, generally lowering potential

immunogenicity and extending the life of such compounds in the circulatory system. The PEG Process also increases the solubility of the modified compound which enhances the delivery of the native compound. To date, Enzon's commercialized products are PEG modified proteins. Through enhancements, Enzon is seeking to apply its PEG technology to more traditional organic compounds.

The Company has made significant improvements to the original PEG Process, collectively referred to as Second Generation PEG Technology, and has applied for and received certain patents covering some improvements. One of the components of the Second Generation PEG Technology is new linker chemistries; the chemical binding of PEG to unmodified proteins. These new linkers provide an enhanced binding of the PEG to the protein resulting in a more stable compound with increased circulation life and may result in more activity of the modified protein.

The Company also has developed a Third Generation PEG Technology that is designed to enable the technology to be expanded to certain organic compounds and would give such PEG-modified compounds "Pro

Drug" attributes. This is accomplished by attaching PEG to a compound by means of a covalent bond that is designed to break down over time, thereby releasing the active ingredient in the proximity of various tissues.

The Company believes that the "Pro Drug/Transport Technology" has much broader usefulness in that it can be applied to a wide range of small molecules, such as cancer chemotherapy agents, antibiotics, anti-fungals and immunosuppressants, as well as to proteins and peptides, including enzymes and growth factors, although there can be no assurance that such application will result in safe, effective, or commercially viable pharmaceutical products.

Marketed PEG Products

The Company has received marketing approval from the United States Food and Drug Administration ("FDA") for two first generation PEG technology products: (i) ONCASPAR, the PEG formulation of asparaginase, for the indication of acute lymphoblastic leukemia ("ALL") in patients who are hypersensitive to native forms of L-asparaginase and (ii) ADAGEN, the PEG formulation of adenosine deaminase, the first successful application of enzyme replacement therapy for an inherited disease to treat a rare form of Severe Combined Immunodeficiency Disease ("SCID"), commonly known as the "Bubble Boy Disease."

ADAGEN is marketed by Enzon on a worldwide basis. ONCASPAR is marketed in the U.S. and Canada by Rhone-Poulenc Rorer Pharmaceuticals, Inc. and certain of its affiliated entities ("RPR") and in Europe by Medac GmbH ("Medac"). The Company has also granted exclusive licenses to RPR to sell ONCASPAR in the Pacific Rim and Mexico. The Company is entitled to royalties on the sales of ONCASPAR in North America by RPR, as well as manufacturing revenue from the production of ONCASPAR. The Company's agreements with RPR for the Pacific Rim and with Medac require the partners to purchase ONCASPAR from the Company at a set price which increases over the term of the agreements. In addition, the agreements provide for minimum purchase quantities. The Company manufactures both ADAGEN and ONCASPAR in its South Plainfield, New Jersey facility.

PEG Products under Development

The Company currently has three products created using its Second and Third Generation PEG Technology in clinical and preclinical trials. The first is PEG-Intron A, a PEG modified version of Schering-Plough's product, INTRON A (interferon alfa 2b), a genetically-engineered anticancer-antiviral drug, for which Schering-Plough is currently conducting Phase III clinical trials for use in the treatment of hepatitis C. The second product under development is PEG-hemoglobin, a proprietary bovine hemoglobin-based oxygen-carrier being developed for the radiosensitization of solid hypoxic tumors, for which the Company is currently conducting a Phase Ib clinical trial. The third product under development is PROTHECAN, a PEG-modified version of camptothecin, a potent topoisomerase-1 inhibitor, for use in certain cancers, which is currently in preclinical studies.

PEG-Intron A. PEG-Intron A was developed by the Company in conjunction with

Schering-Plough to have longer lasting activity and an enhanced safety profile compared to the currently marketed form of INTRON A. PEG-Intron A is currently in a large scale Phase III clinical trial in hepatitis C patients in the United States and Europe. Other indications being pursued include chronic myelogenous leukemia and solid tumors. It is expected that PEG-Intron A will be administered once a week, compared to the current regimen for unmodified INTRON A of three times a week. Moreover, it is anticipated that PEG-Intron A will provide a more convenient dosing schedule with an improved side effect profile and an improved therapeutic index for hepatitis C patients. Currently, some patients on INTRON A experience debilitating flu-like symptoms.

Pursuant to an agreement with Schering-Plough, the Company will receive royalties on worldwide sales of PEG-Intron A, receive milestone payments, and has the option to be the exclusive manufacturer of PEG-Intron A for the U.S. market. Schering-Plough's sales of INTRON A were approximately $598 million in 1997

for all approved indications. The worldwide market for alpha interferon products is estimated to be in excess of $1 billion for all approved indications. The patents covering Schering-Plough's INTRON A will begin to expire in 2001. The Company's Second Generation PEG Technology patents that cover the modified product should afford Schering-Plough extended patent life for PEG Intron-A.

SCA Technology

The Company also has an extensive licensing program for its second proprietary technology, SCA protein technology. SCA proteins are genetically engineered proteins designed to overcome the problems hampering the diagnostic and therapeutic use of conventional monoclonal antibodies. Preclinical studies have shown that certain SCA proteins target and penetrate tumors more readily than conventional monoclonal antibodies. In addition to these advantages, because SCA proteins are developed at the gene level, they are better suited for targeted delivery of gene therapy vectors and fully-human SCA proteins can be isolated directly, with no need for costly "humanization" procedures. Also, many gene therapy methods require that proteins be produced in an active form inside cells. SCA proteins can be produced through intracellular expression (inside cells) more readily than monoclonal antibodies.

Currently, there are nine SCA proteins in Phase I or II clinical trials by various corporations and institutions. Two of these corporations and institutions have existing licenses with the Company with respect to SCA proteins and others are expected to require similar licenses. Some of the areas being explored are cancer therapy, cardiovascular indications and AIDS. The Company has granted non-exclusive SCA licenses to more than a dozen companies, including Bristol-Myers Squibb Company, Baxter Healthcare Corporation, Eli Lilly & Co., Alexion Pharmaceuticals Inc., and the Gencell division of RPR. These licenses generally provide for upfront payments, milestone payments and royalties on sales of FDA approved products.

The Company's principal executive office and mailing address is 20 Kingsbridge Road, Piscataway, New Jersey 08054, and its telephone number is (732) 980-4500.

The Offering

Securities Offered.....	This Prospectus relates to an offering by the Selling Stockholders of up to 3,983,000 shares of Common Stock of the Company.
Securities Outstanding(1)	As of May 29, 1998 the Company had 31,331,081 shares of Common Stock outstanding. After giving effect to the completion of the private offering described in "Selling Stockholders," the Company would have 35,314,081 shares of Common Stock outstanding.
Use of Proceeds	The Company will not receive any proceeds from the sale of the Shares offered herein by the Selling Stockholders. See "Use of

	Proceeds."
Risk Factors	See "Risk Factors" for a discussion of certain risk factors that should be considered by prospective investors in connection with an investment in the shares of Common Stock offered hereby.

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(1) Excludes 5,417,422 shares reserved for issuance upon exercise of options and warrants outstanding at May 29, 1998, at weighted average exercise prices of $4.03 and $4.17, respectively.

RISK FACTORS

Information contained and incorporated by reference in this Prospectus contains "forward-looking statements" which can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy. No assurance can be given that the future results covered by the forward-looking statements will be achieved. The risk factors set forth below constitute cautionary statements identifying important factors with respect to such forward-looking statements, including certain risks and uncertainties, that could cause actual results to vary materially from the future results indicated in such forward-looking statements. Other factors could also cause actual results to vary materially from the future results indicated in such forward-looking statements.

An investment in the Shares offered hereby involves a high degree of risk. Prospective investors should carefully consider the following risk factors in addition to the other information set forth and incorporated by reference in this Prospectus before making any decision to invest in the Shares.

Accumulated Deficit and Uncertainty of Future Profitability. The Company was originally incorporated in 1981. To date, the Company's sources of cash have been the proceeds from the sale of its stock through public offerings and private placements, sales of its FDA approved products, ADAGEN(R) and ONCASPAR(R); sales of its products for research purposes; contract research and development fees; technology transfer and license fees; and royalty advances. At March 31, 1998, the Company had an accumulated deficit of approximately $114.5 million. The Company expects to incur operating losses for the foreseeable future. To date, ADAGEN and ONCASPAR are the only products of the Company which have been approved for marketing in the United States by the FDA, having been approved in March 1990 and February 1994, respectively. In addition, ONCASPAR has been approved for marketing in Canada, Germany and Russia. In order to achieve profitable operations on a continuing basis, the Company, either alone or through its partners, must successfully manufacture, market and sell its ADAGEN and ONCASPAR products and develop, manufacture and market the Company's products which are under development. These products are in various stages of development, and the period necessary to achieve regulatory approval and market acceptance of any individual product is uncertain and typically lengthy, if achievable at all. Potential investors should be aware of the difficulties a biopharmaceutical enterprise such as the Company encounters, especially in view of the intense competition in the pharmaceutical industry in which the Company competes. There can be no assurance that the Company's plans will either materialize or prove successful, that its products under development will be successfully developed or that its products will generate revenues sufficient to enable the Company to achieve profitability.

Raw Materials and Dependence Upon Suppliers. Except for PEG-hemoglobin, the Company purchases the unmodified compounds utilized in its approved products and products under development from outside suppliers. There can be no assurance that the purified bovine hemoglobin used in the manufacture of PEG-hemoglobin can be produced by the Company in the amounts necessary to expand the current clinical trials. The Company may be required to enter into supply contracts with outside suppliers for certain unmodified compounds. The Company does not produce the unmodified adenosine deaminase used in the manufacture of ADAGEN, the unmodified forms of L-asparaginase used in the manufacture of ONCASPAR and the unmodified camptothecin used in the Company's PROTHECAN product which is under development and has a supply contract with an outside supplier for the supply of each of these unmodified compounds. Delays in obtaining or an inability to

obtain any unmodified compound, including unmodified adenosine deaminase, unmodified L-asparaginase, unmodified bovine blood, or unmodified camptothecin on reasonable terms, or at all, could have a material adverse effect on the Company's business, financial condition and results of operations. In the event the Company is required to obtain an alternate source for an unmodified compound utilized in a product which is being sold commercially or which is in clinical development, the FDA and relevant foreign regulatory agencies

will likely require the Company to perform additional testing, which would cause delays and additional expenses, to demonstrate that the alternate material is biologically and chemically equivalent to the unmodified compound previously used. Such evaluations could include chemical, pre-clinical and clinical studies and could delay development of a product which is in clinical trials, limit commercial sales of an approved product and cause the Company to incur significant additional expenses. If such alternate material is not demonstrated to be chemically and biologically equivalent to the previously used unmodified compound, the Company will likely be required to repeat some or all of the pre-clinical and clinical trials conducted for such compound. The marketing of an FDA approved drug could be disrupted while such tests are conducted. Even if the alternate material is shown to be chemically and biologically equivalent to the previously used compound, the FDA or relevant foreign regulatory agency may require the Company to conduct additional clinical trials with such alternate material.

Patents and Proprietary Technology. The Company has licensed, and been issued, a number of patents in the United States and other countries and has other patent applications pending to protect its proprietary technology. Although the Company believes that its patents provide certain protection from competition, there can be no assurance that such patents will be of substantial protection or commercial benefit to the Company, will afford the Company adequate protection from competing products, will not be challenged or declared invalid, or that additional United States patents or foreign patent equivalents will be issued to the Company. The scope of patent claims for biotechnological inventions is uncertain and the Company's patents and patent applications are subject to this uncertainty. The Company is aware of certain issued patents and patent applications belonging to third parties, and there may be other patents and patent applications, containing subject matter which the Company or its licensees or collaborators may require in order to research, develop or commercialize at least some of the Company's products. There can be no assurance that licenses under such patents and patent applications will be available on acceptable terms or at all. If the Company does not obtain such licenses, it or its partners could encounter delays in product market introductions while it attempts to design around such patents or could find that the development, manufacture or sale of products requiring such licenses could be foreclosed. If the Company does obtain such licenses it will in all likelihood be required to make royalty and other payments to the licensors, thus reducing the profits realized by the Company from the products covered by such licenses. The Company is aware that certain organizations are engaging in activities that infringe certain of the Company's PEG technology and SCA patents. There can be no assurance that the Company will be able to enforce its patent and other rights against such organizations. The Company expects that there may be significant litigation in the industry regarding patents and other proprietary rights and, if Enzon were to become involved in such litigation, it could consume a substantial amount of the Company's resources. In addition, the Company relies heavily on its proprietary technologies for which pending patent applications have been filed and on unpatented know-how developed by the Company. Insofar as the Company relies on trade secrets and unpatented know-how to maintain its competitive technological position, there can be no assurance that others may not independently develop the same or similar technologies. Although the Company has taken steps to protect its trade secrets and unpatented know-how, third-parties nonetheless may gain access to such information. The Company has two research and license agreements with The Green Cross Corporation ("Green Cross") regarding rHSA. The Company and Yoshitomi Pharmaceutical Industries, Ltd. ("Yoshitomi"), the successor to Green Cross' business, are currently in arbitration to resolve the amount of royalties that will be due the Company, if any. In April 1998, Yoshitomi filed documents in such arbitration seeking a declaratory judgment that under its agreement with the Company no royalties are payable. Any adverse decision from such an arbitration proceeding could result in a material adverse effect to the Company's future business, financial condition and results of operations. Research Corporation Technologies, Inc.

("Research Corporation") held the original patent upon which the PEG Process is based and had granted the Company a license under such patent. Research Corporation's patent for the PEG Process in the United States and its corresponding foreign patents have expired. Although the Company has obtained several improvement patents in connection with the PEG Process, there can be no assurance that any of these patents will enable the Company to prevent infringement or that competitors will not develop competitive products outside the protection that may be afforded by these patents. The Company is aware

that others have also filed patent applications and have been granted patents in the United States and other countries with respect to the application of PEG to proteins and other compounds. Based upon the expiration of the Research Corporation patent, other parties will be permitted to make, use, or sell products covered by the claims of the Research Corporation patent, subject to other patents, including those held by the Company. There can be no assurance that the expiration of the Research Corporation patent will not have a material adverse effect on the business, financial condition and results of operations of the Company.

Limited Sales and Marketing Experience; Dependence on Marketing Partners. Other than ADAGEN, which the Company markets on a worldwide basis to a small patient population, the Company does not engage in the direct commercial marketing of any of its products and therefore does not have significant sales and marketing experience. For certain of its products, the Company has provided exclusive marketing rights to its corporate partners in return for royalties to be received on sales. With respect to ONCASPAR, the Company has granted exclusive marketing rights in North America and the Pacific Rim to RPR. The Company has also granted exclusive marketing rights in Europe and Russia to Medac Gmbh and in Israel to Tzamal Pharma Ltd.. The Company expects to retain marketing partners to market ONCASPAR in other foreign markets, principally South America, and is currently pursuing arrangements in this regard. There can be no assurance that such efforts will result in the Company concluding such arrangements. Regarding the marketing of certain of the Company's other future products, the Company expects to evaluate whether to create a sales force to market certain products in the United States or to continue to enter into license and marketing agreements with others for United States and foreign markets. These agreements generally provide that all or a significant portion of the marketing of these products will be conducted by the Company's licensees or marketing partners. In addition, under certain of these agreements, the Company's licensees or marketing partners may have all or a significant portion of the development and regulatory approval responsibilities. There can be no assurance that the Company will be able to control the amount and timing of resources that any licensee or marketing partner may devote to the Company's products or prevent any licensee or marketing partner from pursuing alternative technologies or products that could result in the development of products that compete with the Company's products and the withdrawal of support for the Company's products. Should the licensee or marketing partner fail to develop a marketable product (to the extent it is responsible for product development) or fail to market a product successfully, if it is developed, the Company's business, financial condition and results of operations may be adversely affected. There can be no assurance that the Company's marketing strategy will be successful. Under the Company's marketing and license agreements, the Company's marketing partners and licensees may have the right to terminate the agreements and abandon the applicable products at any time for any reason without significant payments. The Company is aware that certain of its marketing partners are pursuing parallel development of products on their own and with other collaborative partners which may compete with the licensed products and there can be no assurance that the Company's other current or future marketing partners will not also pursue such parallel courses.

Reimbursement from Third-Party Payors. Sales of the Company's products will be dependent in part on the availability of reimbursement from third-party payors, such as governmental health administration authorities, private health insurers and other organizations. Government and other third-party payors are increasingly sensitive to the containment of health care costs and are limiting both coverage and levels of reimbursement for new therapeutic products approved for marketing, and are refusing, in some cases, to provide any coverage for indications for which the FDA and other national health regulatory authorities have not granted marketing approval. There can be no assurance that such

third-party payor reimbursement will be available or will permit the Company to sell its products at price levels sufficient for it to realize an appropriate return on its investment in product development. Since patients who receive ADAGEN will be required to do so for their entire lives (unless a cure or another treatment is developed), lifetime limits on benefits which are included in most private health insurance policies could permit insurers to cease reimbursement for ADAGEN. Lack of or inadequate reimbursement by government and other third party payors for the Company's products would have a material adverse effect on the Company's business, financial condition and results of operations.

Government Regulation. The manufacturing and marketing of pharmaceutical products in the United States and abroad is subject to stringent governmental regulation and the sale of any of the Company's products for use in humans in the United States will require the prior approval of the FDA. Similar approvals by comparable agencies are required in most foreign countries. The FDA has established mandatory procedures and safety standards which apply to the clinical testing, manufacture and marketing of pharmaceutical products. Pharmaceutical manufacturing facilities are also regulated by state, local and other authorities. Obtaining FDA approval for a new therapeutic may take several years and involve substantial expenditures. ADAGEN was approved by the FDA in March 1990. ONCASPAR was approved by the FDA in February 1994, in Germany in November 1994 and in Canada in 1997 in each case for patients with acute lymphoblastic leukemia who are hypersensitive to native forms of L-asparaginase. ONCASPAR was approved in Russia for therapeutic use in a broad range of cancers. Except for these approvals, none of the Company's other products have been approved for sale and use in humans in the United States or elsewhere. There can be no assurance that the Company will be able to obtain FDA approval for any of its other products. In addition, any approved products are subject to continuing regulation, and noncompliance by the Company with applicable requirements can result in criminal penalties, civil penalties, fines, recall or seizure, injunctions requiring suspension of production, orders requiring ongoing supervision by the FDA or refusal by the government to approve marketing or export applications or to allow the Company to enter into supply contracts. Failure to obtain or maintain requisite governmental approvals or failure to obtain or maintain approvals of the scope requested, will delay or preclude the Company or its licensees or marketing partners from marketing their products, or limit the commercial use of the products, and thereby may have a material adverse affect on the Company's business, financial condition and results of operations.

Intense Competition and Risk of Technological Obsolescence. Many established biotechnology and pharmaceutical companies with resources greater than those of the Company are engaged in activities that are competitive with the Company's and may develop products or technologies which compete with those of the Company. The Company is aware that other companies are engaged in utilizing PEG technology in developing drug products. There can be no assurance that the Company's competitors will not successfully develop, manufacture and market competing products utilizing PEG technology or otherwise. Other drugs or treatment modalities which are currently available or that may be developed in the future, and which treat the same diseases as those which the Company's products are designed to treat, may be competitive with the Company's products. There can be no assurance that the Company will be able to compete successfully against current or future competitors or that such competition will not have a material adverse effect on the Company's business, financial condition and results of operations. Rapid technological development by others may result in the Company's products becoming obsolete before the Company recovers a significant portion of the research, development and commercialization expenses incurred with respect to those products. The Company's success, in large part, depends upon developing and maintaining a competitive position in the development of products and technologies in its area of focus. There can be no assurance that the Company's competitors will not succeed in developing technologies or products that are more effective than any which are being sold or developed by the Company or which would render the Company's technologies or products obsolete or noncompetitive. The Company's failure to develop and maintain a competitive position with respect to its products and/or technologies would have a material adverse effect on its business, financial condition and results of operations.

Uncertainty of Market Acceptance. The Company's products, ONCASPAR and ADAGEN,

have been approved by the FDA to treat patients with acute lymphoblastic leukemia and a rare form of severe combined immunodeficiency disease, respectively. Neither product has become widely used due to the small patient population and limited indications approved by the FDA. The Company's current research and development efforts are directed towards developing new technologies to aid in drug delivery. Assuming that the Company is able to develop such technologies and secure the requisite FDA approvals, the market acceptance of any such products will depend upon the acceptance by the medical community of the use of such technologies. There can be no assurance that any additional products will be approved by the FDA or that, if approved, the medical

community will use them. In addition, the use of any such new products will depend upon the extent of third party medical reimbursement, increased awareness of the effectiveness of such technologies and sales efforts by the Company or any marketing partner. The Company's proprietary PEG technology has received only limited market acceptance to date. Failure of the Company to develop new FDA approved products and to achieve market acceptance for such products would have a material adverse effect on the Company's business, financial condition and results of operation.

Potential Product Liability. The use of the Company's products during testing or after regulatory approval entails an inherent risk of adverse effects which could expose the Company to product liability claims. The Company maintains product liability insurance coverage in the total amount of $10 million for claims arising from the use of its products in clinical trials prior to FDA approval and for claims arising from the use of its products after FDA approval. There can be no assurance that the Company will be able to maintain its existing insurance coverage or obtain coverage for the use of its other products in the future. There can be no assurance that such insurance coverage and the resources of the Company would be sufficient to satisfy any liability resulting from product liability claims or that a product liability claim would not have a material adverse effect on the Company's business, financial condition or results of operations.

Future Capital Needs; Uncertainty of Additional Financing. The Company's current sources of liquidity are its cash reserves, and interest earned on such cash reserves, sales of ADAGEN and ONCASPAR, sales of its products for research purposes, and license fees. There can be no assurance as to the level of sales of the Company's FDA approved products, ADAGEN and ONCASPAR, or the amount of royalties realized from the commercial sale of ONCASPAR pursuant to the Company's licensing agreements. Total cash reserves, including short term investments, as of March 31, 1998, were approximately $6.6 million, and after giving effect to the approximately $17,600,000 of net proceeds received by the Company from the private placement of the Shares offered herein, will be approximately 24,228,000. Based upon its currently planned research and development activities and related costs and its current sources of liquidity, the Company anticipates its current cash reserves will be sufficient to meet its capital and operational requirements for the foreseeable future. The Company's future needs and the adequacy of available funds will depend on numerous factors, including without limitation, the successful commercialization of its products, progress in its product development efforts, the magnitude and scope of such efforts, progress with preclinical studies and clinical trials, progress with regulatory affairs activities, the cost of filing, prosecuting, defending and enforcing patent claims and other intellectual property rights, competing technological and market developments, and the development of strategic alliances for the marketing of its products. There can be no assurance that the Company will not require additional financing for its currently planned capital and operational requirements. In addition, the Company may seek to acquire additional technology, enter into strategic alliances and engage in additional research and development programs, which may require additional financing. The Company does not have any committed sources of additional financing, and there can be no assurance that additional funding, if necessary, will be available on acceptable terms, if at all. To the extent the Company is unable to obtain financing, it may be required to curtail its activities or sell additional securities. There can be no assurance that any of the foregoing fund raising activities will successfully meet the Company's anticipated cash needs. If adequate funds are not available, the Company's business, financial condition and results of operations will be materially and adversely affected.

Dividend Policy and Restrictions. The Company has paid no dividends on its Common Stock, since its inception and does not plan to pay dividends on its Common Stock in the foreseeable future. Except as may be utilized to pay the dividends payable on the Company's Series A Cumulative Convertible Preferred Stock (the "Series A Preferred Stock"), any earnings which the Company may realize will be retained to finance the growth of the Company. In addition, the terms of the Series A Preferred Stock restrict the payment of dividends on other classes and series of stock.

Possible Volatility of Stock Price. Historically, the market price of the Company's Common Stock has fluctuated over a wide range and it is likely that the price of the Common Stock will fluctuate in the future. Announcements regarding technical innovations, the development of new products, the status of corporate collaborations and supply arrangements, regulatory approvals, patent or proprietary rights or other developments by the Company or its competitors could have a significant impact on the market price of the Common Stock. In addition, due to one or more of the foregoing factors, in one or more future quarters, the Company's results of operations may fall below the expectations of securities analysts and investors. In that event, the market price of the Company's Common Stock could be materially and adversely affected.

Shares Eligible for Future Sale. As of May 29, 1998, the Company had approximately 31,331,000 shares of Common Stock outstanding and after giving effect to the consummation of the private offering of 3,983,000 shares of Common Stock described in "Selling Stockholders" which are offered hereby, but assuming no additional shares are issued pursuant to outstanding options, warrants or convertible securities, would have had approximately 35,314,081 shares of Common Stock outstanding. The 3,983,000 shares of Common Stock offered hereby are "restricted securities," as that term is defined in Rule 144 under the Securities Act, which when sold pursuant to the Registration Statement will be freely transferrable without restrictions under the Securities Act, assuming such Shares are held by non-affiliates of the Company. Of the other shares of Common Stock outstanding, approximately 31,274,000 shares will be immediately available for sale without restriction in the public market and approximately 26,000 shares will be eligible for sale under Rule 144 of the Securities Act. In addition, the approximately 245,000 shares of Common Stock issuable upon conversion of the Series A Preferred Stock will be immediately available for sale without restriction in the public market when issued. Certain holders of the Company's securities are entitled to registration rights with respect to an aggregate of approximately 1,886,000 shares of Common Stock, including approximately 1,039,000 shares underlying outstanding warrants. Of such shares, approximately 989,000 shares are registered currently on Form S-3 registration statements. The approximately 4,378,000 shares of Common Stock underlying outstanding options which are held by employees, directors and consultants are registered on Form S-8 registration statements. Sales of substantial amounts of such shares in the public market or the prospect of such sales could adversely affect the market price of the Common Stock.

Anti-takeover Considerations. The Company has the authority to issue up to 3,000,000 shares of Preferred Stock of the Company in one or more series and to fix the powers, designations, preferences and relative rights thereof without any further vote of shareholders. The issuance of such Preferred Stock could dilute the voting powers of holders of Common Stock and could have the effect of delaying, deferring or preventing a change in control of the Company. Certain provisions of the Company's Articles of Incorporation and By-laws, including those providing for a staggered Board of Directors, as well as Delaware law, may operate in a manner that could discourage or render more difficult a takeover of the Company or the removal of management or may limit the price certain investors may be willing to pay for shares of Common Stock.

USE OF PROCEEDS

The Company will not receive any proceeds from the sale of the Shares offered herein by the Selling Stockholders. Expenses expected to be incurred by the Company in connection with this offering are estimated to be $184,000.

SELLING STOCKHOLDERS

The Shares covered by this Prospectus were acquired from the Company in a private offering pursuant to Common Stock Purchase Agreements (the "Purchase

Agreements") for an aggregate purchase price of $18,919,250 ($4.75 per share). The offer and sale by the Company of the Common Stock to the Selling Stockholders pursuant to the Purchase Agreements was made pursuant to an exemption from the registration

requirements of the Securities Act provided by Section 4(2) thereof. The Purchase Agreements contain representations and warranties as to each Selling Stockholder's status as an "accredited investor" as such term is defined in Rule 501 promulgated under the Securities Act. SBC Warburg Dillon Read & Co. Inc. ("Dillon Read"), the placement agent, was paid a fee of $900,000 or approximately 4.75% of the aggregate purchase price in connection with the sale of the Shares by the Company to the Selling Stockholders pursuant to the Purchase Agreements. In addition, the Company agreed to reimburse Dillon Read for its travel, legal and other out-of-pocket expenses incurred in connection with the sale of the Shares by the Company to the Selling Stockholders pursuant to the Purchase Agreements up to a maximum of $50,000. The Company paid Evolution Capital, a broker/dealer, a fee of $235,155 or approximately 1.25% of the aggregate purchase price in connection with the sale of the Shares by the Company to the Selling Stockholders pursuant to the Purchase Agreements.

Pursuant to the Purchase Agreements, each Selling Stockholder has represented that he, she or it acquired the Shares for its own account as principal, for investment purposes only, and not with a present view to, or for, the resale distribution thereof, in whole or in part, within the meaning of the Securities Act or any state securities law. The Company agreed, in such Purchase Agreements, to use its best efforts to prepare and file a registration no later than 10 days after the effective date of the Purchase Agreements and to bear all expenses in connection with the offering, other than selling commissions, underwriting fees and stock transfer taxes applicable to the Shares and all fees and disbursements of counsel for any Selling Stockholder. Accordingly, in order to permit the Selling Stockholders to sell the Shares when each deems appropriate, the Company has filed with the Commission a Registration Statement on Form S-3, of which this Prospectus forms a part, with respect to the resale of the Shares from time to time as described herein and has agreed to prepare and file such amendments and supplements to the Registration Statement as may be necessary to keep the Registration Statement effective until all Shares offered hereby have been sold pursuant thereto or until such shares are no longer, by reason of Rule 144 or any other rule of similar effect, required to be registered for the sale thereof by the Selling Stockholders.

Except as otherwise described in "Stock Ownership," prior to their acquisition of the Shares, none of the Selling Stockholders had a material relationship with the Company.

In connection with the registration of the shares of Common Stock offered hereby, the Company will supply prospectuses to the Selling Stockholders.

Stock Ownership

The table below sets forth (i) the number of shares of Common Stock owned beneficially by the Selling Stockholders prior to the Offering; (ii) the number of shares of Common Stock being offered by the Selling Stockholders pursuant to this Prospectus; (iii) the number of shares of Common Stock to be owned beneficially by the Selling Stockholders after completion of the offering, assuming that all of the Shares offered hereby are sold; and (iv) the percentage of the outstanding shares of Common Stock to be owned beneficially by the Selling Stockholders after completion of the offering, assuming that all of the Shares offered hereby are sold.

Number of Shares	Number of Shares to be Owned Beneficially	Percentage of Outstanding Shares of Common Stock to be Owned

Selling Stockholders	Beneficially Owned Prior to Offering	Number of Shares Offered	After Completion of Offering(1)	Beneficially After Completion of Offering(1)
DCF Life Sciences Fund Ltd.	100,000	100,000	0	0
DCF Partners, L.P.	953,000	953,000	0	0
Oracle Partners, L.P.	315,789	315,789	0	0
Oracle Institutional Partners, L.P.	78,496	78,496	0	0
GSAM Oracle Fund, Inc.	168,721	168,721	0	0
Hausmann Holdings, N.V.	50,526	50,526	0	0
Oracle Offshore Ltd.	18,046	18,046	0	0
SBC Warburg Dillon Read, Inc. (2)	500,000	500,000	0	0
Caluceus Capital, L.P.	105,000	105,000	0	0
Caluceus Capital Ltd.	220,000	220,000	0	0
Marlin BioMed L.P.	21,053	21,053	0	0
Deutsche Vermogen Sbildungsgesell Shaft mbH	294,737	294,737	0	0
The Aries Trust	747,368	747,368	0	0
Aries Domestic Fund, L.P.	305,264	305,264	0	0
Wayne P. Rothbaum(3)	30,000	30,000	0	0
Mitchell D. Silber(3)	15,000	15,000	0	0
New Technologies Fund	60,000	60,000	0	0

(1) Based upon shares of Common Stock outstanding as of May 29, 1998. Assumes all Shares registered hereby are sold. Since the Selling Stockholders may sell all, some or none of their Shares, no actual determination can be made of the aggregate number of shares that each Selling Stockholder will own upon completion of the offering to which this Prospectus relates.

(2) SBC Warburg Dillon Read Inc. acted as the placement agent in the private offering of the Shares to the Selling Stockholders and received a fee of $900,000 or approximately 4.75% of the aggregate purchase price and is entitled to reimbursement by the Company of travel, legal and other out-of-pocket expenses up to a maximum of $50,000.

(3) Messrs. Rothbaum and Silber are principals with Evolution Capital, a registered broker-dealer which received a fee of $235,155 or approximately 1.25% of the aggregate purchase price in connection with the sale of the Shares to the Selling Stockholders. In February 1998, Evolution Capital was granted options to purchase 50,000 shares of the Company's Common Stock at an exercise price of $5.9375 per share pursuant to a one year advisory and consulting agreement which require Evolution Capital to provide institutional targeting, dossier reports, institutional surveillance and overall capital markets intelligence to the Company. In June 1996, The Carson Group Inc., an affiliate of Mr. Rothbaum, Mr. Silber and Evolution Capital, received $325,000 in cash and 50,000 five-year warrants to purchase Common Stock at an exercise price of $4.11 per share as a finder's fee in connection with the Company's private placement of Common Stock, preferred stock and warrants in January and March 1996. In addition, The Carson Group Inc. has received approximately $175,000 in consulting fees during the past two years for providing institutional targeting, dossier reports, institutional surveillance and overall capital markets intelligence to the Company.

The Company has agreed to bear the expenses (other than broker discounts and commissions, if any, and expenses of counsel and other advisors to certain of the Selling Stockholders) incurred in connection with the registration of the Shares.

PLAN OF DISTRIBUTION

The Shares may be sold pursuant to this Prospectus by the Selling Stockholders. These sales may occur from time to time in one or more transactions (which may involve block transactions) in the open markets, in negotiated transactions, through the writing of options on the Shares (whether such options are listed on an options exchange or otherwise) or by a combination of such methods of sale, at fixed prices which may be changed, at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. The Selling Stockholders may effect these transactions by selling the Shares to or through broker-dealers, who may receive compensation in the form of discounts or commissions from the Selling Stockholders or from the purchasers of the Shares for whom the broker-dealers may act as agent or to whom they may sell as principal, or both in amounts to be negotiated immediately prior to the sale. The Selling Stockholders may also pledge the Shares as collateral for margin accounts or loans and the Shares could be resold pursuant to the terms of such accounts or loans. There are currently no agreements, arrangements or understandings with respect to the sale of any of the Shares by the Selling Stockholders. The Shares are being registered to permit public secondary trading of the Shares, and the Selling Stockholders may offer the Shares for resale from time to time. In effecting sales, broker-dealers engaged by the Selling Stockholders may arrange for other broker-dealers to participate. Broker-dealers will receive commissions or discounts from the Selling Stockholders in amounts to be negotiated immediately prior to the sale. Neither the Company nor the Selling Stockholders can presently estimate the amount of commissions or discounts, if any, that will be paid by the Selling Stockholders on account of their sale of the Shares from time to time. In order to comply with the securities laws of certain states, if applicable, the Shares will be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states the Shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with by the Company and the Selling Stockholders.

The Selling Stockholders and any broker-dealers who execute sales for the Selling Stockholders may be deemed to be "underwriters" within the meaning of the Securities Act by virtue of the number of shares of Common Stock to be sold or resold by such persons or entities or the manner of sale thereof, or both. If the Selling Stockholders, broker-dealers or other holders were determined to be underwriters, any discounts or commissions received by them or by brokers or dealers acting on their behalf and any profits received by them on the resale of their shares of Common Stock might be deemed underwriting compensation under the Securities Act.

The Selling Stockholders have represented to the Company that any purchase or sale of the Common Stock by them will be in compliance with applicable rules and regulations of the Commission.

In addition, any securities covered by this Prospectus which qualify for sale pursuant to Rule 144 under the Securities Act may be sold under Rule 144 rather than pursuant to this Prospectus. To the extent required, the specific shares of Common Stock to be sold, the name of any successor Selling Stockholders, the public offering price, the names of any such agent, dealer or underwriter, and any applicable commission or discount with respect to any particular offer will be set forth in an accompanying Prospectus Supplement. See "Selling Stockholders."

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the Shares may not simultaneously engage in market making activities with respect to the Common Stock of the Company for a restricted period prior to the commencement of such distribution. In addition and without limiting the foregoing, the Selling Stockholders and any other person participating in a distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M, which provisions may limit the timing of purchases and sales of shares of the Company's Common Stock by the Selling Stockholders.

The Company has agreed to indemnify the Selling Stockholders against certain liabilities, including liabilities under the Securities Act. The Selling Stockholders have agreed to indemnify the Company against certain liabilities, including liabilities under the Securities Act.

There can be no assurance that the Selling Stockholders will sell all or any of the Shares offered hereby.

LEGAL MATTERS

The legality of the shares of Common Stock offered hereby has been passed on for the Company by Dorsey & Whitney LLP, New York, New York.

EXPERTS

The consolidated financial statements of Enzon, Inc. and subsidiaries as of June 30, 1997 and 1996 and for each of the years in the three-year period ended June 30, 1997, have been incorporated by reference herein and in the Registration Statement in reliance upon the report of KPMG Peat Marwick LLP, independent certified public accountants, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

The following table sets forth an itemized estimate of fees and expenses (other than the Securities and Exchange Commission registration fee and Nasdaq filing fee) payable by the Registrant in connection with the issuance and distribution of the securities described in this registration statement, other than underwriting discounts and commissions.

SEC registration fee	$ 6,500
Nasdaq filing fee	$ 17,500
Legal fees and expenses	$ 90,000
Accounting fees and expenses	$ 10,000
Placement agent expense reimbursement	$ 50,000
Miscellaneous	$ 10,000
Total	$184,000

Item 15. Indemnification of Directors and Officers

The General Corporation Law of the State of Delaware (the "DGCL") provides for indemnification as set forth in Section 145 thereof. The Registrant's By-laws, as amended provide for indemnification of the directors and officers of the Registrant against all costs, expenses and amounts of liability incurred by them in connection with any action, suit or proceeding in which they are involved by reason of their affiliation with the Registrant, to the fullest extent permitted by law. The Registrant's directors and officers also have indemnification agreements with the Registrant, which expand the indemnification protection provided to them under the Registrant's By-laws.

The Company's Certificate of Incorporation provides that a director of the Company will not be personally liable for monetary damages to the Company or its stockholders for breach of fiduciary duty as a director, except for liability, (i) for any breach of the director's duty of loyalty to such corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchase or redemption as provided in Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper personal benefit.

Item 16. Exhibits

Exhibit Number	Description	Page Number or Incorporation By Reference
1.1	Form of Common Stock Purchase Agreement with Selling	

* Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1996 and incorporated herein by reference thereto.

** Previously filed as an exhibit to the Company's Registration Statement on Form S-2 (File No. 33-34874) and incorporated herein by reference thereto.

Item 17. Undertakings

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in the volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement:

Provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in the periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona

fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the

Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Piscataway, State of New Jersey, on June 30, 1998.

ENZON, INC.

By: /s/ Peter G. Tombros

Peter G. Tombros,
President and Chief
Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Peter G. Tombros and Kenneth J. Zuerblis, and each of them, severally, the true and lawful attorney-in-fact or attorneys-in fact, and agent or agents of the undersigned, with or without the other and with full power of substitution and resubstitution, for and in the name, place and stead of the undersigned, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorney-in-fact or attorneys-in-fact and agent or agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in furtherance of the foregoing, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all

that said attorney-in-fact or attorneys-in-fact and agent or agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
/s/Peter G. Tombros - ---------- Peter G. Tombros	President, Chief Executive Officer and Director (Principal Executive Officer)	June 30, 1998
/s/ Randy H. Thurman - ---------- Randy H. Thurman	Chairman of the Board	June 30, 1998

/s/ Kenneth J. Zuerblis - ---------- Kenneth J. Zuerblis	Vice President - Finance and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 30, 1998
/s/ Rosina B. Dixon - ---------- Rosina B. Dixon	Director	June 26, 1998
/s/ Robert LeBuhn - ---------- Robert LeBuhn	Director	June 30, 1998
/s/ A.M. "Don" MacKinnon - ---------- A.M. "Don" MacKinnon	Director	June 30, 1998
/s/ Rolf A. Classon - ---------- Rolf A. Classon	Director	June 30, 1998
/s/ David Golde - ---------- David Golde	Director	June 29, 1998

ENZON, INC.

EXHIBIT INDEX

Exhibit No.	Description
1.1	Form of Common Stock Purchase Agreement with Selling Stockholders
4.2	Certificate of Amendment of Certificate of Incorporation
5.1	Opinion of Dorsey & Whitney LLP regarding legality
23.1	Consent of Dorsey & Whitney LLP (contained in opinion filed as Exhibit 5.1)
23.2	Consent of KPMG Peat Marwick LLP

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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

EXHIBITS

TO

FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

ENZON, INC.
(Exact name of Registrant as specified in its charter)

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ENZON, INC.

COMMON STOCK PURCHASE AGREEMENT

June 25, 1998

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ENZON, INC.

COMMON STOCK PURCHASE AGREEMENT

This Common Stock Purchase Agreement (the "Agreement") is made as of June 25, 1998, by and among Enzon, Inc., a Delaware corporation (the "Company"), with its principal office at 20 Kingsbridge Road, Piscataway, New Jersey, and the persons listed on the Schedule of Investors attached hereto as Exhibit A (the "Purchasers").

Section 1

Authorization and Sale of Common Stock

1.1 Authorization. The Company has authorized the sale and issuance of 3,985,000 shares of its Common Stock, $0.01 par value per share (the "Common Stock") pursuant to this Agreement (the "Shares").

1.2 Sale of Common. Subject to the terms and conditions of this Agreement, the Company agrees to issue and sell to each Purchaser and each Purchaser severally agrees to purchase from the Company the number of Shares set forth opposite such Purchaser's name on Exhibit A for $4.75 per share.

Section 2

Closing Date: Delivery

2.1 Closing Date. The closing of the purchase and sale of the Shares hereunder (the "Closing") shall be held at the offices of Dorsey & Whitney LLP, 250 Park Avenue, New York, NY 10177, at or before 10:00 a.m. New York Time, on that date that is two business days after the date on which the Registration Statement (as defined herein) is declared effective or at such time and place upon which the Company and SBC Warburg Dillon Read Inc. (the "Placement Agent") shall agree. The date of the Closing is hereinafter referred to as the "Closing Date."

2.2 Delivery. At the Closing, the Company will deliver to each Purchaser a certificate, registered in the Purchaser's name as shown on Exhibit A, representing the number of Shares to be purchased by the Purchaser. Such delivery shall be against payment of the purchase price therefor by wire transfer to the Company's bank account in the amount set forth on Exhibit A.

Section 3

Representations and Warranties of the Company

The Company represents and warrants to the Purchasers as of the Closing Date as follows:

3.1 Organization and Standing. The Company is a corporation duly organized and validly existing under, and by virtue of, the laws of the State of Delaware and is in good standing as a domestic corporation under the laws of said state and has all requisite corporate power and authority to conduct its business as currently conducted and disclosed in the Offering Memorandum (as defined below).

3.2 Corporate Power, Authorization. The Company has all requisite legal and corporate power and has taken all requisite corporate action to execute and deliver this Agreement, to sell and issue the Shares and to carry out and perform all of its obligations under this Agreement. This Agreement constitutes

the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally and (ii) as limited by equitable principles generally. The execution and delivery of this Agreement does not, and the performance of this Agreement and the compliance with the provisions hereof and the issuance, sale and delivery of the Shares by the Company will not, conflict with or result in a breach or violation of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien pursuant to the terms of, the Certificate of Incorporation or Bylaws of the Company or any statute, law, rule or regulation or any state or federal order, judgment or decree or any indenture, mortgage, lease or other agreement or instrument to which the Company or any of its properties is subject.

3.3 Issuance and Delivery of the Shares. The Shares, when issued in compliance with the provisions of this Agreement, will be validly issued, fully paid and nonassessable. The issuance and delivery of the Shares is not subject to preemptive or any other similar rights of the stockholders of the Company or any liens or encumbrances.

3.4 Private Placement Offering Memorandum: SEC Documents, Financial Statements. Each complete or partial statement, report, or proxy statement included within the Company's Private Placement Offering Memorandum dated June 4, 1998 (the "Offering Memorandum") is a true and complete copy of or excerpt from such document as filed by the Company with the Securities and Exchange Commission (the "SEC"). The Company has filed in a timely manner all documents that the Company was required to file with the SEC under Sections 13, 14(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), during the twelve (12) months preceding the date of this Agreement. As of their respective filing dates, all documents filed by the Company with the SEC (the "SEC Documents") complied in all material respects with the requirements of the Exchange Act or the

Securities Act of 1933, as amended (the "Securities Act"), as applicable. Neither the Offering Memorandum nor any of the SEC Documents as of their respective dates contained any untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. As of their respective filing dates, the financial statements of the Company included in the SEC Documents (the "Financial Statements") complied as to form in all material respects with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto. The Financial Statements have been prepared in accordance with generally accepted accounting principles consistently applied and fairly present the consolidated financial position of the Company and any subsidiaries at the dates thereof and the consolidated results of their operations and consolidated cash flows for the periods then ended; provided, however, that the unaudited Financial Statements are subject to normal recurring year-end adjustments (which in any case will not be material) and do not contain all footnotes required under generally accepted accounting principles.

3.5 Governmental Consents. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state, or local governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by this Agreement except for (a) compliance with the securities and blue sky laws in the states in which Shares are offered and/or sold, (b) the filing of the Registration Statement and all amendments thereto with the SEC as contemplated by Section 7.2 of this Agreement and (c) all required filings with The Nasdaq Stock Market necessary for the listing of the Shares.

3.6 No Material Adverse Change. Except as otherwise disclosed in the Offering Memorandum, since March 31, 1998, there have not been any changes in the assets, liabilities, financial condition or operations of the Company from those reflected in the Financial Statements, except changes in the ordinary course of business which have not been, either individually or in the aggregate, materially adverse.

3.7 Intellectual Property. Except as disclosed in the Offering Memorandum, the Company owns or possesses sufficient rights to use all existing patents, patent rights, inventions, trade secrets, know-how, proprietary rights and processes that are necessary for the conduct and proposed conduct of its business as described in the Offering Memorandum (the "Company's Proprietary Rights") without any conflict with or infringement of the rights of others which would result in a material adverse effect on the condition (financial or otherwise), earnings, operations, business or business prospects of the Company. The Company believes that there are no third parties who have or will be able to establish rights to any of the Company's Proprietary Rights, except for (i) the ownership rights of the third party licensors to the Company's Proprietary Rights which are licensed to the Company by such third party licensors and (ii) the third party licensees of the Company's Proprietary Rights. Except as disclosed in the Offering Memorandum, to the knowledge of the Company, there is no infringement by any third parties of any of the Company's Proprietary Rights. Except as disclosed in the Offering Memorandum, the Company has not received any notice of, and has

no knowledge of any basis for, any infringement of or conflict with asserted rights of others with respect to any patent, patent right, invention, trade secret, know-how or other proprietary rights that, individually or in the aggregate, would have a material adverse effect on the condition (financial or otherwise), earnings, operations, business or business prospects of the Company.

3.8 Authorized Capital Stock. All outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable, have been issued in compliance with all federal and state securities laws, were not issued in violation of or subject to any preemptive rights or other rights to subscribe for or purchase securities, and the authorized and outstanding capital stock of the Company conforms, as of the dates for which such information is given, in all material respects to the statements relating thereto contained in Exhibit G hereto; there is no capital stock outstanding as of such dates other than as described in Exhibit G hereto; and all issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable. Except as disclosed in or contemplated by the Offering Memorandum and the Financial Statements and the related notes thereto included in the Offering Memorandum or in Exhibit G hereto, the Company does not have outstanding any options to purchase, or any preemptive rights or other rights to subscribe for or to purchase, any securities or obligations convertible into, or any contracts or commitments to issue or sell, shares of its capital stock or any such options, rights, convertible securities or obligations. Except as described in Exhibit G hereto, no stockholder of the Company, other than the Purchasers, has any right (which has not been waived or has not expired by reason of lapse of time following notification of the Company's intent to file the Registration Statement) to require the Company to register the sale of any shares owned by such stockholder under the Securities Act in the Registration Statement.

3.9 Litigation. Except as set forth in the Offering Memorandum, there are no actions, suits, proceedings or investigations pending or, to the best of the Company's knowledge, threatened against the Company or any of its properties before or by any court or arbitrator or any governmental body, agency or official in which there is the possibility of an adverse decision that (a) would reasonably be expected to have a material adverse effect on the Company's properties or assets or the business of the Company as presently conducted or proposed to be conducted or (b) would reasonably be expected to impair the ability of the Company to perform its obligations under this Agreement.

3.10 Use of Proceeds. The Company will apply the net proceeds from the sale of the Shares in the manner set forth under the caption "Use of Proceeds" in the Offering Memorandum.

3.11 Accountants. KPMG Peat Marwick LLP, who have expressed their opinion with respect to the audited financial statements and schedules to be filed with the SEC as a part of the Registration Statement and included in the Registration Statement and the Prospectus which forms a part thereof, are independent accountants as required by the Securities Act and the rules and regulations

promulgated thereunder (the "Rules and Regulations").

3.12 Compliance With Other Instruments. Except as to defaults, violations and breaches which individually or in the aggregate would not be material to the Company, the Company is not in violation or default of any provision of its Articles of Incorporation or Bylaws, each as amended to date, or of any agreement, license, permit, instrument, judgment, order, writ or decree to which it is a party or by which it is bound, or, to the best of its knowledge, of any provision of any federal or state statute, rule or regulation applicable to the Company.

3.13 Permits. The Company has all franchises, permits, licenses, and any similar authority necessary for the conduct of its business as now being conducted by it, the lack of which could materially and adversely affect the business, properties, prospects, or financial condition of the Company. The Company is not in default in any material respect under any of such franchises, permits, licenses, or other similar authority.

3.14 Investment Company. The Company is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

3.15 Offering Materials. The Company has not distributed and will not distribute prior to the Closing Date any offering material in connection with the offering and sale of the Shares other than the Offering Memorandum.

Section 4

Representations, Warranties and Covenants of the Purchasers

Each Purchaser hereby severally represents and warrants to the Company, effective as of the Closing Date, as follows:

4.1 Power; Authorization. (i) Such Purchaser has all requisite legal and corporate or other power and capacity and has taken all requisite corporate or other action to execute and deliver this Agreement, to purchase the Shares to be purchased by it and to carry out and perform all of its obligations under this Agreement; and (ii) this Agreement constitutes the legal, valid and binding obligation of such Purchaser, enforceable in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights generally and (b) as limited by equitable principles generally.

4.2 Investment Experience. Such Purchaser is an "accredited investor" as defined in Rule 501(a) under the Securities Act. Such Purchaser has received and reviewed the Offering Memorandum, is aware of the Company's business affairs and financial condition and has had access to and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser has such business and financial experience as is required to permit it to protect its own interests in connection with the purchase of the Shares.

4.3 Investment Intent. Such Purchaser is purchasing the Shares in the ordinary course of its business for its own account as principal, for investment purposes only, and not with a present view to, or for, the resale distribution thereof, in whole or in part, within the meaning of the Securities Act or any state securities laws. Purchaser understands that its acquisition of the Shares has not been registered under the Securities Act or registered or qualified under any state law in reliance on specific exemptions therefrom, which exemptions may depend upon, among other things, the bona fide nature of such

Purchaser's investment intent as expressed herein. Such Purchaser has completed or caused to be completed the Purchaser Questionnaire attached hereto as Exhibit B for use in preparation of the Registration Statement (as defined below), and the responses provided therein shall be true and correct as of the effective date of the Registration Statement and as of the Closing Date. Purchaser has, in connection with its decision to purchase the number of Shares set forth in Exhibit A hereto, relied solely upon the Offering Memorandum and the documents attached as appendices thereto and the representations and warranties of the Company contained herein. Such Purchaser will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Shares except in compliance with the Securities Act, and the rules and regulations promulgated thereunder and applicable state securities laws.

4.4 Registration or Exemption Requirements. Such Purchaser further acknowledges, understands and agrees that the Shares may not be resold or otherwise transferred except in a transaction registered under the Securities Act or unless an exemption from such registration is available. Such Purchaser understands that the certificate(s) evidencing the Shares will be imprinted with a legend that prohibits the transfer of the Shares unless (i) they are registered or such registration is not required, and (ii) if the transfer is pursuant to an exemption from registration other than Rule 144 under the Securities Act and, if the Company shall so request in writing, an opinion of counsel reasonably satisfactory to the Company is obtained to the effect that the transaction is so exempt.

Section 5

Conditions to Closing of Purchasers

Each Purchaser's obligation to purchase the Shares at the Closing is, at the option of such Purchaser, subject to the fulfillment or waiver as of the Closing Date of the following conditions:

5.1 Representations and Warranties. The representations and warranties made by the Company in Section 3 hereof shall be true and correct in all material respects when made, and shall be true and correct in all material respects on the Closing Date with the same force and effect as if they had been made on and as of said date.

5.2 Covenants. All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the Closing Date shall have been performed or complied with in all respects.

5.3 Blue Sky. The Company shall have obtained all necessary blue sky law permits and qualifications, or secured exemptions therefrom, required by any state or foreign or other jurisdiction for the offer and sale of the Shares.

5.4 Legal Opinion. The Purchasers shall have received a legal opinion of Dorsey & Whitney LLP, counsel to the Company, with respect to the matters set forth on Exhibit C.

5.5 Patent Opinion. The Purchasers shall have received legal opinions of patent counsel to the Company with respect to the matters set forth on Exhibit D.

5.6 Registration Statement. The Registration Statement (as defined below) registering the resale of the Shares by the Purchasers shall have been filed with and declared effective by the SEC, and no stop order suspending the effectiveness thereof and no proceedings therefor shall be pending or threatened by the SEC.

5.7 Nasdaq Qualification. The Shares shall be duly authorized for listing by the Nasdaq Stock Market.

Section 6

Conditions to Closing of Company

The Company's obligation to sell and issue the Shares at the Closing is, at the option of the Company, subject to the fulfillment or waiver of the following conditions:

6.1 Representations and Warranties. The representations made by the Purchasers in Section 4 hereof shall be true and correct in all material respects when made, and shall be true and correct in all material respects on the Closing Date with the same force and effect as if they had been made on and as of such date.

6.2 Covenants. All covenants, agreements and conditions contained in this Agreement to be performed by the Purchasers on or prior to the Closing Date shall have been performed or complied with in all material respects.

6.3 Blue Sky. The Company shall have obtained all necessary blue sky law permits and qualifications, or secured exemptions therefrom, required by any state for the offer and sale of the Shares.

6.4 Registration Statement. The Registration Statement (as defined below) registering the resale of the Shares by the Purchasers shall have been filed with and declared effective by the SEC, and no stop order suspending the effectiveness thereof and no proceedings therefor shall be pending or threatened by the SEC.

6.5 Nasdaq Qualification. The Shares shall be duly authorized for listing by the Nasdaq Stock Market.

Section 7

Affirmative Covenants of the Company

The Company hereby covenants and agrees as follows:

7.1 Financial Information. The Company will mail the following reports to each Purchaser until such Purchaser transfers, assigns or sells the Shares purchased by such Purchaser pursuant to this Agreement:

(a) Within one hundred (100) days after the end of each fiscal year, a copy of its Annual Report on Form 10-K.

(b) Within fifty-five (55) days after the end of the first, second and third quarterly accounting periods of each fiscal year of the Company, a copy of its Quarterly Report on Form 10-Q.

(c) Within ten (10) days after the Company files any Current Report on Form 8-K with the SEC, such Current Report on Form 8-K

7.2 Registration Requirements.

(a) The Company shall use its best efforts to prepare and file a registration statement with the SEC under the Securities Act to register the resale of the Shares by the Purchasers (the "Registration Statement") no later than ten (10) days after the date hereof.

(b) The Company shall pay all Registration Expenses (as defined below) in connection with any registration, qualification or compliance hereunder, and each Purchaser shall pay all Selling Expenses (as defined below) and other expenses that are not Registration Expenses relating to the Shares resold by such Purchaser. Registration Expenses shall mean all expenses, except for Selling Expenses, incurred by the Company in complying with the registration provisions herein described, including, without limitation, all registration, qualification and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company, blue sky fees and expenses, and the expense of any special audits incident to or required by any such registration. Selling Expenses shall mean all selling commissions,

underwriting fees and stock transfer taxes applicable to the Shares and all fees and disbursements of counsel for any Purchaser.

(c) In the case of the registration effected by the Company pursuant to these registration provisions, the Company will use its reasonable best efforts to: (i) cause the Registration Statement to become effective within sixty (60) days of the date hereof, (ii) keep such registration effective until the earlier of (a) the second anniversary of the Closing Date, (b) such date as all of the Shares have been resold by the original Purchasers thereof, or (c) such time as all of the Shares held by the Purchasers can be sold within a given three-month period without compliance with the registration requirements of the Securities Act pursuant to Rule 144 under the Securities Act; (iii) prepare and file with the SEC such amendments and supplements to the Registration Statement and the prospectus used in connection with the Registration Statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by the Registration Statement; (iv) furnish such number of prospectuses and other documents incident thereto, including any amendment of or supplement to the prospectus, as a Purchaser from time to time may reasonably request; (v) cause all Shares registered as described herein to be listed on each securities exchange and quoted on each quotation service on which similar securities issued by the Company are then listed or quoted; (vi) provide a transfer agent and registrar for all Shares registered pursuant to the Registration Statement and a CUSIP number for all such Shares; (vii) otherwise use its best efforts to comply with all applicable rules and regulations of the SEC; and (viii) file the documents required of the Company and otherwise use its best efforts to maintain requisite blue sky clearance in (A) all jurisdictions in which any of the Shares are originally sold and (B) all other states reasonably specified in writing by a Purchaser, provided as to clause (B), however, that in no event shall the Company be required to qualify to do business or consent to service of process in any state in which it is not now so qualified or has not so consented.

(d) The Company shall furnish to each Purchaser upon request a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary in order to facilitate the public sale or other disposition of all or any of the Shares held by such Purchaser.

(e) With a view to making available to the Purchasers the benefits of Rule 144 promulgated under the Securities Act ("Rule 144") and any other rule or regulation of the SEC that may at any time permit a Purchaser to sell Shares to the public without registration or pursuant to a registration on Form S-3, the Company covenants and agrees to: (i) make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act, until the earlier of (A) the second anniversary of the Closing Date or (B) such date as all of the Shares shall have been resold by the original Purchasers thereof; (ii) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and (iii) furnish to any Purchaser upon request, as long as the Purchaser owns any Shares, (A) a written statement by the Company that it has complied with the reporting requirements of the Securities Act and the Exchange Act, (B) a copy of the most recent annual or quarterly report of the Company, and

(C) such other information as may be reasonably requested in order to avail any Purchaser of any rule or regulation of the SEC that permits the selling of any such Shares without registration or pursuant to such Form S-3.

(f) At any time the Company may refuse to permit a Purchaser to resell

any Shares pursuant to the Registration Statement; provided, however, that in order to exercise this right, the Company must deliver a certificate in writing to the Purchasers and the Placement Agent to the effect that a cessation of the ability to sell under, or a withdrawal of, such Registration Statement is necessary because a sale pursuant to the Registration Statement in its then-current form would constitute a violation of the federal securities laws. In such an event, the Company shall use its best efforts to promptly amend the Registration Statement if necessary and take all other actions necessary to allow such sale under the federal securities laws, and shall notify the Purchasers and the Placement Agent promptly after it has determined that such sale has become permissible under the federal securities laws. Notwithstanding the foregoing, the Company shall not under any circumstances be entitled to exercise its right to withdraw the registration statement more then one (1) time in any twelve (12) month period, and the period during which such Registration Statement may be withdrawn shall not exceed sixty (60) days. Each Purchaser hereby covenants and agrees that it will not sell any Shares pursuant to the Registration Statement during the periods the Registration Statement is withdrawn or the ability to sell thereunder is suspended as set forth in this Section 7.2(f).

7.3 Indemnification and Contribution.

(a) The Company agrees to indemnify and hold harmless each Purchaser from and against any losses, claims, damages or liabilities (or actions or proceedings in respect thereof) to which such Purchaser may become subject (under the Securities Act or otherwise) insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon, any untrue statement of a material fact contained in the Registration Statement, on the effective date thereof, or arise out of any failure by the Company to fulfill any undertaking included in the Registration Statement, and the Company will, as incurred, reimburse such Purchaser for any legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim; provided, however, that the Company shall not be liable in any such case to the extent that such loss, claim, damage or liability arises out of or is based upon (i) an untrue statement made in such Registration Statement in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Purchaser specifically for use in preparation of the Registration Statement, (ii) the failure of such Purchaser to comply with the covenants and agreements contained in Section 8.3 hereof, or (iii) any untrue statement in any Prospectus that is corrected in any subsequent Prospectus that was delivered to the Purchaser prior to the pertinent sale or sales by the Purchaser.

(b) Each Purchaser, severally and not jointly, agrees to indemnify and hold harmless the Company from and against any losses, claims, damages or liabilities (or actions or proceedings in respect thereof) to which the Company may become subject (under the

Securities Act or otherwise) insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon (i) an untrue statement made in such Registration Statement in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Purchaser specifically for use in preparation of the Registration Statement, provided, however, that no Purchaser shall be liable in any such case for any untrue statement included in any Prospectus which statement has been corrected, in writing, by such Purchaser and delivered to the Company before the sale from which such loss occurred, (ii) the failure of such Purchaser to comply with the covenants and agreements contained in Section 8.3 hereof, or (iii) any untrue statement in any prospectus that is corrected in any subsequent Prospectus that was delivered to the Purchaser prior to the pertinent sale or sales by the Purchaser, and each Purchaser, severally and not jointly, will, as incurred, reimburse the Company for any legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim.

(c) Promptly after receipt by any indemnified person of a notice of a claim or the beginning of any action in respect of which indemnity is to be

sought against an indemnifying person pursuant to this Section 7.3, such indemnified person shall notify the indemnifying person in writing of such claim or of the commencement of such action, and, subject to the provisions hereinafter stated, in case any such action shall be brought against an indemnified person and the indemnifying person shall have been notified thereof, the indemnifying person shall be entitled to participate therein, and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to the indemnified person. After notice from the indemnifying person to such indemnified person of the indemnifying person's election to assume the defense thereof, the indemnifying person shall not be liable to such indemnified person for any legal expenses subsequently incurred by such indemnified person in connection with the defense thereof, provided, however, that if there exists or shall exist a conflict of interest that would make it inappropriate in the reasonable judgment of the indemnified person for the same counsel to represent both the indemnified person and such indemnifying person or any affiliate or associate thereof, the indemnified person shall be entitled to retain its own counsel at the expense of such indemnifying person.

(d) If the indemnification provided for in this Section 7.3 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the Company on the one hand and the Purchasers on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or a Purchaser on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or

omission. The Company and the Purchasers agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Purchasers were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claim, damages, or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Purchaser shall be required to contribute any amount in excess of the amount by which the net amount received by the Purchaser from the sale of the Shares to which such loss relates exceeds the amount of any damages which such Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Purchasers' obligations in this subsection (d) to contribute are several in proportion to their respective sales of Shares to which such loss relates and not joint.

(e) The obligations of the Company and the Purchasers under this Section 7.3 shall be in addition to any liability which the Company and the respective Purchasers may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls the Company or any Purchaser within the meaning of the Act.

Restrictions on Transferability of Shares:
Compliance with Securities Act

8.1 Restrictions on Transferability. The Shares shall not be transferable in the absence of a registration under the Securities Act or an exemption therefrom or in the absence of compliance with any term of this Agreement. The Company shall be entitled to give stop transfer instructions to its transfer agent with respect to the Shares in order to enforce the foregoing restrictions.

8.2 Restrictive Legend. Each certificate representing Shares shall bear substantially the following legends (in addition to any legends required under applicable securities laws):

> THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT PURPOSES ONLY AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THE SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM.

> ADDITIONALLY THE TRANSFER OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS SPECIFIED IN THE COMMON STOCK PURCHASE AGREEMENT DATED JUNE 25, 1998 BETWEEN THE COMPANY AND THE ORIGINAL PURCHASER, AND NO TRANSFER OF SHARES SHALL BE VALID OR EFFECTIVE ABSENT COMPLIANCE WITH SUCH RESTRICTIONS. ALL SUBSEQUENT HOLDERS OF THIS CERTIFICATE WILL HAVE AGREED TO BE BOUND BY CERTAIN OF THE TERMS OF THE AGREEMENT, INCLUDING SECTIONS 7.2 AND 8.3 OF THE AGREEMENT. COPIES OF THE AGREEMENT MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE REGISTERED HOLDER OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY.

The legend contained in this Section 8.2 may be removed from a certificate either in accordance with Section 8.3 or immediately upon receipt by the Transfer Agent of a certificate substantially in the form attached hereto as Exhibit E.

8.3 Transfer of Shares After Registration. Each Purchaser hereby covenants with the Company not to make any sale of the Shares except either (i) in accordance with the Registration Statement, in which case Purchaser covenants to comply with the requirement of delivering a current prospectus, or (ii) in accordance with Rule 144, in which case Purchaser covenants to comply with Rule 144. Purchaser further acknowledges and agrees that such Shares are not transferable on the books of the Company unless the certificate submitted to the Company's transfer agent evidencing such Shares is accompanied by a separate certificate executed by an officer of, or other person duly authorized by, the Purchaser in the form attached hereto as Exhibit F.

8.4 Purchaser Information. Each Purchaser covenants that it will promptly notify the Company of any changes in the information set forth in the Registration Statement regarding such Purchaser or such Purchaser's "Plan of Distribution."

Section 9

Miscellaneous

9.1 Waivers and Amendments. With the exception of Sections 7.1 and 7.2 hereof, the terms of this Agreement may be waived or amended with the written consent of the Company and each Purchaser. With respect to Sections 7.1 and 7.2 hereof, with the written consent of the Company and the record holders of more than fifty percent (50%) of the Shares then outstanding and held by Purchasers, the terms of the Agreement may be waived or amended

and any such amendment or waiver shall be binding upon the Company and all holders of Shares.

9.2 Placement Agent Fee. Each Purchaser acknowledges that the Company intends to pay a fee to SBC Warburg Dillon Read Inc. and Evolution Capital in respect of the sale of the Shares to the Purchaser. Each of the parties hereto hereby represents that, on the basis of any actions and agreements by it, there are no other brokers or finders entitled to compensation in connection with the sale of the Shares to the Purchasers.

9.3 Governing Law. This Agreement shall be governed in all respects by and construed in accordance with the laws of the State of New York without any regard to conflicts of laws principles.

9.4 Survival. The representations, warranties, covenants and agreements made in this Agreement shall survive any investigation made by the Company or the Purchasers and the Closing.

9.5 Successors and Assigns. The provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties to this Agreement. Notwithstanding the foregoing, no Purchaser shall assign this Agreement without the prior written consent of the Company.

9.6 Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subjects thereof.

9.7 Notices, etc. All notices and other communications required or permitted under this Agreement shall be effective upon receipt and shall be in writing and may be delivered in person, by telecopy, overnight delivery service or registered or certified United States mail addressed to the Company or the Purchasers, as the case may be, at their respective addresses set forth at the beginning of this Agreement or on Exhibit A or at such other address as the Company or the Purchasers shall have furnished to the other party in writing. All notices and other communications shall be effective upon the earlier of actual receipt thereof by the person to whom notice is directed or (i) in the case of notices and communications sent by personal delivery or telecopy, one business day after such notice or communication arrives at the applicable address or was successfully sent to the applicable telecopy number, (ii) in the case of notices and communications sent by overnight delivery service, at noon (local time) on the second business day following the day such notice or communication was sent, and (iii) in the case of notices and communications sent by United States mail seven days after such notice or communication shall have been deposited in the United States mail.

9.8 Severability of this Agreement. If any provision of this Agreement shall be judicially determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

9.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

9.10 Further Assurances. Each party to this Agreement shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments and documents as the other party hereto may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

9.11 Termination. In the event that the Closing shall not have occurred on or before sixty (60) days from the date hereof, the Purchasers shall have the option to terminate this Agreement at the close of business on such date, and in the event that the Closing shall not have occurred on or before ninety (90) days from the date hereof, this Agreement shall terminate at the close of business on such date.

9.12 Expenses. The Company and each such Purchaser shall bear its own expenses incurred on its behalf with respect to this Agreement and the transactions contemplated hereby, including fees of legal counsel.

9.13 Currency. All references to "dollars" or "$" in this Agreement shall be deemed to refer to United States dollars.

The foregoing agreement is hereby executed as of the date first above written.

"COMPANY"

ENZON, INC.
a Delaware corporation

By: _____

Title: _____

"PURCHASERS"

THE DCF LIFE SCIENCES FUND, LTD.

By: _____

Name: _____

Title: _____

DCF PARTNERS, L.P.

By: _____

Name: _____

Title: _____

ARIES DOMESTIC FUND, L.P.

By:

Name:

Title:

THE ARIES TRUST

By:

Name:

Title:

HAUSMANN HOLDINGS, N.V.

By:

Name:

Title:

ORACLE OFFSHORE LTD.

By:

Name:

Title:

ORACLE PARTNERS L.P.

By:

Name:

Title:

ORACLE INSTITUTIONAL PARTNERS

By:

Name:

Title:

GSAM ORACLE FUND, INC.

By:

Name:

Title:

SBC WARBURG DILLON READ, INC.

By:

Name:

Title:

SBC WARBURG DILLON READ, INC.

By:

Name:

Title:

CACLUCEUS CAPITAL L.P.

By:

Name:

Title:

CACLUCEUS CAPITAL LTD.

By:

Name:

Title:

MERLIN BIOMED L.P.

By:

Name:

Title:

DEUTSCHE VERMOGEN SBILDUNGSGESELL
SCHAFT MBH

By:

Name:

Title:

WAYNE P. ROTHBAUM

By:

Name:

Title:

MITCHELL D. SILBER

By:

Name:

Title:

NEW TECHNOLOGIES FUND

By: ----------

Name: ----------

Title: ----------

Exhibit A
to CSPA

Purchaser	Shares	Purchase Price
DCF Life Sciences Fund Ltd.	100,000	$ 475,000
DCF Partners, L.P. C/O DCF Capital 660 Steamboat Road Greenwich, CT 06830 Attn: Mr. Doug Floren Facsimile: (203) 618-1495	953,000	$ 4,526,750
Oracle Partners, L.P.	315,789	$ 1,499,997.75
Oracle Institutional Partners, L.P.	78,496	$ 372,856
GSAM Oracle Fund, Inc.	168,721	$ 801,424.75
Haussmann Holdings, N.V	50,526	$ 239,998.50
Oracle Offshore Ltd. C/O Oracle Partners, L.P. 712 Fifth Avenue, 45th Floor New York, NY 10019 Attn: Mr. Norman Schleffer Facsimile: (212) 459-0863	18,046	$ 85,718.50
SBC Warburg Dillon Read, Inc. 120 Wall Street, 6th Floor New York, NY 10005 Attn: Mr. James Del Medico Facsimile: (212) 554-5334	500,000	$ 2,375,000

Cacluceus Capital L.P.	105,000	$ 498,750
Cacluceus Capital Ltd. C/O Orbimed Advisors LLC 767 Third Avenue, 6th Floor New York, NY 10017 Attn: Mr. Sven H. Borho Facsimile: (212) 789-2580	220,000	$ 1,045,000
Merlin BioMed LP	21,053	$ 100,001.75
Deutsche Vermogen Sbildungsgesell Shaft mbH C/O Merlin Biomed 237 Park Avenue, Suite 801 New York, NY 10017 Attn: Ms. Jennifer Stoler	294,737	$ 1,400,000.75
The Aries Trust	747,368	3,549,998
Aries Domestic Fund, L.P. C/O Paramount Capital Asset Management, Inc. 787 Seventh Avenue New York, NY 10019 Attn: Mr. David Tanen Facsimile: (212) 554-4355	305,264	1,450,004
Wayne P. Rothbaum	30,000	$ 142,500
Mitchell D. Silber C/O The Carson Group 156 West 56th Street 10th Floor New York, NY 10019 Attn: Mr. Wayne Rothbaum	15,000	$ 71,250
New Technologies Fund C/O Emerging Growth Management Co. One Embarcadero Center Suite 2410 San Francisco, CA 94111 Attn: Mr. Marc Pentopoulos Facsimile: (415) 782-9645	60,000	$ 285,000
	3,983,000	$18,919,250

Exhibit B

INSTRUCTION SHEET FOR PURCHASER

(to be read in conjunction with the entire Common Stock Purchase Agreement)

A. Complete the following items in the Common Stock Purchase Agreement:

1. Provide the information regarding the Purchaser requested on the signature page. The Agreement must be executed by an individual authorized to bind the Purchaser.

2. Exhibit B-1 - Stock Certificate Questionnaire:

   Provide the information requested by the Stock Certificate Questionnaire;

3. Exhibit B-2 - Registration Statement Questionnaire:

Provide the information requested by the Registration Statement Questionnaire.

4. Exhibit B-3 - Purchaser Certificate:

Provide the information requested by the Certificate for Individual Purchasers or the Certificate for Corporate, Partnership, Trust, Foundation and Joint Purchasers, as applicable.

5. Return the signed Purchase Agreement including the properly completed Exhibit 4.2 to:

Brobeck, Phleger & Harrison LLP
1633 Broadway, 47th Floor
New York, New York 10019
Telephone: (212) 581-1600
Attn: Heather Willens, Esq.

B. Instructions regarding the transfer of funds for the purchase of Shares will be telecopied to the Purchaser by the Placement Agent at a later date.

C. Upon the resale of the Shares by the Purchaser after the Registration Statement covering the Shares is effective, as described in the Purchase Agreement, the Purchaser:

(i) must deliver a current prospectus, and annual and quarterly reports of the Company to the buyer (prospectuses, and annual and quarterly reports may be obtained from the Company at the Purchaser's request); and

(ii) must send a letter in the form of Exhibit D to the Company so that the Shares may be properly transferred.

Exhibit B-1

ENZON, INC.

STOCK CERTIFICATE QUESTIONNAIRE

Pursuant to Section 4.3 of the Agreement, please provide us with the following information:

1. The exact name that the Shares are to be registered in (this is the name that will appear on the stock certificate(s)). You may use a nominee name if appropriate: _____

2. The relationship between the Purchaser of the Shares and the Registered Holder listed in response to item 1 above: _____

3. The mailing address of the Registered Holder listed in response to item 1 above: _____

_____

_____

_____

_____

4. The Tax Identification Number of the

Registered Holder listed in response to item 1 above: _____

Exhibit B-2

ENZON, INC.

REGISTRATION STATEMENT QUESTIONNAIRE

In connection with the preparation of the Registration Statement, please provide us with the following information regarding the Purchaser.

1. Please state your organization's name exactly as it should appear in the Registration Statement:

2. Have you or your organization had any position, office or other material relationship within the past three years with the Company or its affiliates other than as disclosed in the prospectus included in the Registration Statement?

_____ Yes _____ No

If yes, please indicate the nature of any such relationship below:

- ---

- ---

- ---

- ---

Exhibit B-3

ENZON, INC.

CERTIFICATE FOR INDIVIDUAL PURCHASERS

If the investor is an individual Purchaser (or married couple) the Purchaser must complete, date and sign this Certificate.

CERTIFICATE

I certify that the representations and responses below are true and accurate:

In order for the Company to offer and sell the Shares in conformance with state and federal securities laws, the following information must be obtained regarding your investor status. Please initial each category applicable to you

as an investor in the Company.

___ (1) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds $1,000,000;

___ (2) A natural person who had an individual income in excess of $200,000 in each of the two most recent years, or joint income with that person's spouse in excess of $300,000, in each of those years, and has a reasonable expectation of reaching the same income level in the current year;

___ (3) An executive officer or director of the Company.

Dated: _____

_____
Name(s) of Purchaser

_____
Signature

_____
Signature

Exhibit B-4

ENZON, INC.

CERTIFICATE FOR CORPORATE, PARTNERSHIP,
TRUST, FOUNDATION AND JOINT PURCHASERS

If the investor is a corporation, partnership, trust, pension plan, foundation, joint purchaser (other than a married couple) or other entity, an authorized officer, partner, or trustee must complete, date and sign this Certificate.

CERTIFICATE

The undersigned certifies that the representations and responses below are true and accurate:

(a) The investor has been duly formed and is validly existing and has full power and authority to invest in the Company. The person signing on behalf of the undersigned has the authority to execute and deliver the Common Stock Purchase Agreement on behalf of the Purchaser and to take other actions with respect thereto.

(b) Indicate the form of entity of the undersigned:

____ Limited Partnership

____ General Partnership

____ Corporation

____ Revocable Trust (identify each grantor and indicate under what circumstances the trust is revocable by the grantor):

_____
_____
_____
_____
_____
_____. (Continue on a separate piece of paper, if necessary.)

____ Other type of Trust (indicate type of trust and, for trusts other

than pension trusts, name the grantors and beneficiaries):_____
_____
_____
_____
_____. (Continue on a separate piece of paper, if necessary.)

____ Other form of organization (indicate form of organization (____
_____).

(c) Indicate the approximate date the undersigned entity was formed: _____
_____.

(d) In order for the Company to offer and sell the Shares in conformance with state and federal securities laws, the following information must be obtained regarding your investor status. Please initial each category applicable to you as an investor in the Company.

____ 1. A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity;

____ 2. A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934;

____ 3. An insurance company as defined in Section 2(13) of the Securities Act;

____ 4. An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act;

____ 5. A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

____ 6. A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000;

____ 7. An employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

____ 8. A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;

____ 9. An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000;

____ 10. A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of the Exchange Act;

____ 11. An entity in which all of the equity owners qualify under any of the above subparagraphs. If the undersigned belongs to this investor category only, list the equity owners of the undersigned, and the investor category which each such equity owner satisfies:

_____
_____
_____
_____.
(Continue on a separate piece of paper, if necessary.)

Dated: _____, 19__

_____
Name of investor

_____
Signature and title of authorized officer, partner or trustee

Exhibit C

Opinion of Company Counsel

EXHIBIT C

DRAFT

[Closing Date], 1998

[ ]

Re: Enzon, Inc. - Sale of Common Stock

Ladies and Gentlemen:

We have acted as counsel to Enzon, Inc. (the "Company") in connection with the sale by the Company of shares of common stock of the Company (the "Shares") pursuant to the Common Stock Purchase Agreement (the "Purchase Agreement"), dated as of June [ ], 1998, by and between the Company and the investors listed on Schedule A thereto (the "Purchasers"). This opinion is being delivered pursuant to Section 5.4 of the Purchase Agreement. All capitalized terms used herein and not defined herein have the meanings assigned to such terms in the Purchase Agreement.

We have examined such documents and have reviewed such questions of law as we have considered necessary and appropriate for the purposes of our opinions set forth below.

In rendering our opinions set forth below, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures and the conformity to authentic originals of all documents submitted to us as copies. We have also assumed the legal capacity for all purposes relevant hereto of all natural persons and, with respect to all parties to agreements or

instruments relevant hereto other than the Company, that such parties had the requisite power and authority (corporate or otherwise) to execute, deliver and perform such agreements or instruments, that such agreements or instruments have been duly authorized by all requisite action (corporate or otherwise) on the part of such parties and have been duly executed and delivered by such parties and that such agreements or instruments are the valid, binding and enforceable obligations of such parties. As to questions of fact material to our opinions, we have relied upon the representations made in the Purchase Agreement and upon certificates of officers of the Company and of public officials (including, without limitation, those certificates delivered to others at the Closing).

Our opinions expressed below as to certain factual matters are qualified as being limited "to our knowledge" or by other words to the same or similar effect. Such words, as used herein, mean the information known to the attorneys in the firm who have principally represented the Company in connection with the transactions contemplated by the Purchase Agreement. In rendering such opinions, we have not conducted any independent investigation or consulted with other attorneys in our firm with respect to the matters covered thereby. No inference as to our knowledge with respect to such matters should be drawn from the fact of our representation of the Company.

Based on the foregoing, we are of the opinion that:

1. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

2. The Company has the corporate power and authority to enter into the Purchase Agreement and to issue, sell and deliver to the Purchasers the Shares to be issued and sold by it thereunder.

3. The Purchase Agreement has been duly authorized by all necessary corporate action on the part of the Company and has been duly executed and delivered by the Company.

4. The performance by the Company of the Purchase Agreement and the consummation by the Company of the transactions therein contemplated will not (a) violate any provision of the Company's charter or bylaws or any applicable statute, rule or regulation, or (b) result in the material breach or violation of any of the terms and provisions, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, bond, debenture, note agreement or other evidence of indebtedness, or any lease, contract or other agreement or instrument known to us to which the Company is a party or by which its properties are bound, or, to our knowledge, any order, writ or decree of any court or governmental agency or body having jurisdiction over the Company, or over any of its properties or operations; provided, however, that we express no opinion herein regarding state or foreign securities or Blue Sky laws.

5. The Purchase Agreement constitutes a valid and binding obligation of the Company, enforceable against the Company according to its terms.

6. The Shares to be issued by the Company pursuant to the terms of the Purchase Agreement will be, upon issuance and delivery against payment therefor in accordance with the terms thereof, duly authorized and validly issued and fully paid and nonassessable, and the stockholders of the Company have no preemptive or other rights to purchase any of the Shares.

The opinions set forth above are subject to the following qualifications and exceptions:

(a) Our opinions are subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or other similar law of general application affecting creditors' or secured creditors' rights, including (without limitation) applicable fraudulent transfer laws.

(b) Our opinions are subject to the effect of general principles of equity, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law).

(c) Our opinions are subject to possible judicial action giving effect to governmental actions or foreign laws affecting creditors' rights.

(d) Our opinions, insofar as they relate to indemnification provisions, are subject to the effect of federal and state securities laws and public policy relating thereto.

Our opinions expressed above are limited to the law of the State of New York, the Delaware General Corporation Law, and the federal laws of the United States of America.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

Very truly yours,

Exhibit D

OPINIONS OF PATENT COUNSEL

Exhibit E

PURCHASER'S LEGEND REMOVAL CERTIFICATE

To: [Transfer agent name and address]

Attention: _____

The undersigned, the Purchaser or an officer of, or other person duly authorized by the Purchaser, hereby certifies that _____
(fill in name of Purchaser)
institution was the Purchaser of the Shares evidenced by the attached certificate, and in order to induce the Company to remove the legends contained on the certificates representing the Common Stock purchased by such Purchaser, Purchaser will sell such Shares (i) in accordance with the registration statement, file number in which case the Purchaser will satisfy the requirement of delivering a current prospectus in connection with such sale, or (ii) in accordance with Rule 144 under the Securities Act of 1933 ("Rule 144"), in which case the Purchaser certifies that it has complied with or will comply with the requirements of Rule 144. Print or type:

Name of Purchaser: _____

Name of Individual

representing
Purchaser (if an
Institution): _____

Title of Individual
representing
Purchaser (if an
Institution): _____

Signature by:

Purchaser or
Individual representing
Purchaser: _____

Exhibit F

PURCHASER'S CERTIFICATE OF SUBSEQUENT SALE

To: [Transfer agent name and address]

Attention: _____

The undersigned, the Purchaser or an officer of, or other person duly authorized by the Purchaser, hereby certifies that _____ (fill in name of Purchaser) institution was the Purchaser of the Shares evidenced by the attached certificate, and as such, proposes to transfer such Shares on or about _____ (date) either (i) in accordance with the registration statement, file number _____, in which case the Purchaser certifies that the requirement of delivering a current prospectus has been complied with or will be complied with in connection with such sale, or (ii) in accordance with Rule 144 under the Securities Act of 1933 ("Rule 144"), in which case the Purchaser certifies that it has complied with or will comply with the requirements of Rule 144.

Print or type:

Name of Purchaser: _____

Name of Individual
representing
Purchaser (if an
Institution): _____

Title of Individual
representing
Purchaser (if an
Institution): _____

Signature by:

EXHIBIT G

Description of Capital Stock

Under its Certificate of Incorporation, the Company is authorized to issue 60,000,000 shares of Common Stock, par value $.01 per share, and 3,000,000 shares of preferred stock, par value $.01 per share. As of May 29, 1998, there were 31,331,081 shares of Common Stock, and 108,000 shares of preferred stock designated as Series A Preferred Stock, outstanding. Other than the Series A Preferred Stock, there are no other classes of preferred stock designated and no other shares of preferred stock outstanding. Holders of shares of Common Stock and Series A Preferred Stock are entitled to one vote per share on matters to be voted upon by the stockholders of the Company. There are no cumulative voting rights and, accordingly, the holders of a majority of the combined Common Stock and Series A Preferred Stock may elect all of the directors. The Common Stock and the Series A Preferred Stock shall be voted as one class, except (i) with respect to any action amending or repealing any of the powers, designations, preferences and rights of the Series A Preferred Stock, which requires the affirmative vote of holders of not less than two-thirds of the then outstanding Series A Preferred Stock and (ii) with respect to any action increasing or decreasing the authorized shares or the par value of the Common Stock or preferred stock or altering or changing adversely the powers, preferences, or special rights of such shares, which pursuant to Section 242 of the Delaware General Corporation Law requires the affirmative vote of a majority of the outstanding shares of the class so being affected, voting as a class and the affirmative vote of a majority of the combination of the outstanding Common Stock and Series A Preferred Stock, voting as one class.

Common Stock

Holders of shares of Common Stock will be entitled to receive dividends when, as and if declared by the Board of Directors and to share ratably in the assets of the Company legally available for distribution to its stockholders in the event of the liquidation, dissolution or winding up of the Company, in each case subject to the rights of the holders of the Series A Preferred Stock. Holders of Common Stock have no preemptive, subscription, redemption or conversion rights. All of the issued and outstanding shares of Common Stock are duly authorized, validly issued, fully-paid and non-assessable.

The registrar and transfer agent for the Common Stock is Continental Stock Transfer and Trust Company, 2 Broadway, New York, New York 10004.

The authorized but unissued preferred stock may be issued by the Board of Directors from time to time in one or more series with such preferences, terms and rights as the Board of Directors may determine without further action by the stockholders of the Company. Accordingly, the Board of Directors has the power to fix the dividend rate and to establish the provisions, if any, relating to voting rights,

redemption rates, sinking fund, liquidation preferences and conversion rights

for any series of preferred stock issued in the future.

It is not possible to state the actual effect of the authorization of the preferred stock upon the rights of holders of the Common Stock until the Board of Directors determines the specific rights of the holders of a series of the preferred stock. The issuance of the preferred stock may have the effect of delaying, deferring or preventing a change in control of the Company without further action by the stockholders.

Series A Preferred Stock

The holders of the Series A Preferred Stock are entitled to an annual dividend of $2.00 per share, payable semi-annually but only when and if declared by the Board of Directors out of funds legally available therefor. Dividends on the Series A Preferred Stock are cumulative and accrue and accumulate. No dividends are to be paid or set apart for payment on the Common Stock, nor are any shares of Common Stock to be redeemed, retired or otherwise acquired for valuable consideration unless the Company has paid in full, or made appropriate provision for the payment in full of, all dividends which have then accumulated on the Series A Preferred Stock.

Since the Company did not make cash dividend payments for eight semi-annual periods from the date of issuance of the Series A Preferred Stock, any holder of Series A Preferred Stock may elect, upon written notice to the Company, to be paid all or any part of such accrued and unpaid dividends, and any dividends which accrue but are not paid in cash within thirty days of the scheduled payment date thereafter, in shares of the Company's Common Stock. Accrued and unpaid dividends payable to holders of Series A Preferred Stock as of the date such holder elects to convert the Series A Preferred Stock into Common Stock may, at the Company's option, be paid by the Company's issuance of Common Stock to such holder. In all cases the number of shares of Common Stock to be received in lieu of accrued dividends shall be determined by dividing the aggregate amount of the accrued and unpaid dividends by the conversion rate of the Series A Preferred Stock in effect on the date of election. To date, the Company has paid no dividends on the Series A Preferred Stock, except for accrued dividends payable on Series A Preferred Stock which has been converted, all of which have been paid with Common Stock. The Company does not presently intend to pay cash dividends on the Series A Preferred Stock. There were 1,733,000 of accrued and unpaid dividends on the Series A Preferred Stock as of March 31, 1998. Dividends on the Series A Preferred Stock currently accrue at the rate of $216,000 per year.

Each share of Series A Preferred Stock is convertible at any time prior to redemption. For purposes of conversion, each share of Series A Preferred Stock is deemed to have a value of $25.00. The Series A Preferred Stock is convertible into Common Stock at a conversion rate of $11.00 per share of Common Stock. The

conversion rate will be adjusted upon the Company's payment of dividends on its Common Stock in Common Stock, the subdivision or reduction of the Company's outstanding Common Stock, the reclassification of the Common Stock or the merger or consolidation of the Company, provided, however, that no such adjustment to the conversion rate will be made unless the net effect on the conversion price per share of all such events is at least $.50 in the aggregate.

The Company may at any time, redeem the whole or any part of the Series A Preferred Stock then outstanding at a redemption price of $25.00 per share, plus in each case a sum equal to all accumulated and unpaid dividends thereon through the date fixed for redemption. In case of redemption of only part of the Series A Preferred Stock at any time outstanding, the Company shall designate the amount of Series A Preferred Stock so to be redeemed and shall redeem such Series A Preferred Stock on a pro rata basis. Subject to certain limitations, the Board of Directors shall have the power and authority to prescribe the terms and conditions upon which the Series A Preferred Stock shall be redeemed from time to time.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of Series A Preferred Stock will be entitled to receive in cash out of the assets of the Company, whether from capital or from earnings, available for distribution to its stockholders, before any amount shall be paid to the holders of the Common Stock, the sum of $25.00 per share of Series A Preferred Stock, plus an amount equal to all accumulated and unpaid dividends thereon through the date fixed for payment of such distributive amount.

All shares of Common Stock are of junior rank to Series A Preferred Stock in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution or winding up of the Company. The rights of the holders of the Common Stock are subject to the preferences and relative rights of the Series A Preferred Stock. The Company may authorize and issue additional or other Preferred Stock which is of equal rank with the Series A Preferred Stock in respect of the preferences as to dividends, distributions and payments upon the liquidation, dissolution or winding up of the Company; provided, however, that for so long as any Series A Preferred Stock remains outstanding, the Company shall not issue any capital stock which is more senior in rank than the Series A Preferred Stock in respect of the foregoing preferences or which shall have greater voting rights than the Series A Preferred Stock. In the event of a merger or consolidation of the Company with or into another corporation, the Series A Preferred Stock shall maintain its relative powers, designations and preferences.

Common Stock Purchase Warrants

As of May 29, 1998 the Company had outstanding warrants to purchase an aggregate of 1,038,686 shares of Common Stock at exercise prices ranging from $2.50 to $ 5.63 per share.

Options to Purchase Common Stock

As of May 29, 1998 the Company had outstanding options to purchase an aggregate of 4,378,736 shares of Common Stock at exercise prices ranging from $1.88 to $14.88 per share held by employees, directors and consultants under the Company's Non-Qualified Stock Option Plan.

Independent Directors Stock Plan

Under the terms of the Company's Independent Directors Stock Plan (approved by stockholders in December 1996) each independent director is granted shares of Common Stock equivalent to $2,500 per quarter, plus $500 for Board of Directors' meeting attended. The number of shares issued is based on the fair market value of the Common Stock on the last trading day of the applicable quarter.

Registration Rights

Schering Corporation has piggyback registration rights with respect to 847,489 shares of Common Stock. Such shares are eligible under Rule 144(k) of the Securities Act of 1933, as amended.

Exhibit 4.2

CERTIFICATE OF AMENDENT

OF

CERTIFICATE OF INCORPORATION

OF

ENZON, INC.

Enzon, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of said Corporation, at a meeting of its members, adopted resolutions proposing and declaring advisable the following amendments to the Certificate of Incorporation of said Corporation:

RESOLVED, that the first sentence of Article 4 of the Certificate of Incorporation be amended to read in its entirety as set forth below:

"4. Number if Shares. The total number of shares of capital stock which the Corporation shall have authority to issue is sixty-three million (63,000,000) shares, of which sixty million (60,000,000) shares shall be Common stock, par value $.01 per share."

SECOND: That the remainder of Article 4 of the Certificate of Incorporation of said Corporation shall remain unchanged.

THRID: That at the Annual Meeting of Stockholders of the Corporation, the holders of a majority of the outstanding stock entitled to vote thereon voted in favor of said amendments in accordance with the provisions of Section 215 of the General Corporation Law of the State of Delaware.

FOURTH: That the aforesaid amendments were duly adopted in accordance with the applicable provisions of sections 242 and 216 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, Enzon, Inc. has caused this certificate to be signed by Peter G. Tombros, its President and attested to by John A. Caruso, Secretary of the Corporation, this 18th of December, 1997.

By: /s/ Peter G. Tombros

Peter G. Tombros
President

ATTEST

By: /s/ John A. Caruso

John A. Caruso
Secretary

EXHIBIT 5.1

[DORSEY & WHITNEY LLP LETTERHEAD]

July 1, 1998

Enzon, Inc.
20 Kingsbridge Road

Piscataway, New Jersey 08854

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

You have requested our opinion with respect to the registration by Enzon, Inc. (the "Company") pursuant to a Registration Statement on Form S-3 (the "Registration Statement") under the Securities Act of 1933, as amended (the "Act"), of an aggregate of 3,983,000 shares (the "Shares") of the Company's Common Stock, $.01 par value per share (the "Common Stock") which may be sold from time to time by the selling stockholders named therein (the "Selling Stockholders"). All Shares to be sold by the Selling Stockholders are issued and outstanding.

In so acting, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates of public officials and other instruments and have conducted such other investigations of fact and law as we have deemed relevant and necessary to form a basis for the opinions hereinafter expressed. In conducting such examination, we have assumed (i) that all signatures are genuine, (ii) that all documents and instruments submitted to us as copies conform with the originals, and (iii) the due execution and delivery of all documents where due execution and delivery are a prerequisite to the effectiveness thereof. As to any facts material to this opinion, we have relied upon statements and representations of officers and other representatives of the Registrant and certificates or public officials and have not independently verified such facts.

Based solely upon the foregoing, it is our opinion that the Shares constitute validly issued, fully paid and non-assessable shares of Common Stock of the Company.

Our opinions expressed above are limited to the law of the State of New York, the Delaware General Corporation Law, and the federal laws of the United States of America.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement, and to the reference to our firm under the heading "Legal Matters" in the Prospectus constituting part of the Registration Statement relating to the registration of the Shares.

Very truly yours,

EXHIBIT 23.2

INDEPENDENT AUDITORS' CONSENT

The Board of Directors
Enzon, Inc.

We consent to the use of our reports incorporated herein by reference and to the reference to our firm under the heading "Experts" in the Prospectus.

/s/ KPMG Peat Marwick LLP

KPMG Peat Marwick LLP

Short Hills, New Jersey
June 29, 1998