

INCYTE CORP  
Form 4  
February 22, 2017

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**BAKER JULIAN**

(Last) (First) (Middle)

**667 MADISON AVENUE, 21ST FLOOR**

(Street)

**NEW YORK, NY 10065**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**INCYTE CORP [INCY]**

3. Date of Earliest Transaction (Month/Day/Year)  
**02/17/2017**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock					58,632 <sup>(1)</sup>	D	
Common Stock					61,049 <sup>(2)</sup>	D	
Common Stock					33,410	I	See Footnote <sup>(3)</sup>
Common Stock	02/17/2017		A	491,338	A <sup>(5)</sup> 3,851,178	I	See Footnote <sup>(4)</sup> <sup>(5)</sup> <sup>(13)</sup> <sup>(14)</sup>

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Common Stock	02/17/2017		A	502,779	A	<u>(5)</u>	4,353,957	I	See Footnote <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(13)</u> <u>(14)</u>
Common Stock	02/17/2017		A	4,487,412	A	<u>(7)</u>	24,245,586	I	See Footnote <u>(4)</u> <u>(7)</u> <u>(13)</u> <u>(14)</u>
Common Stock	02/17/2017		A	4,896,067	A	<u>(7)</u>	29,141,653	I	See Footnote <u>(4)</u> <u>(7)</u> <u>(8)</u> <u>(9)</u> <u>(13)</u> <u>(14)</u>
Common Stock	02/17/2017		A	111,514	A	<u>(10)</u>	645,423	I	See Footnote <u>(4)</u> <u>(10)</u> <u>(13)</u> <u>(14)</u>
Common Stock	02/17/2017		A	121,672	A	<u>(10)</u>	767,095	I	See Footnote <u>(4)</u> <u>(10)</u> <u>(11)</u> <u>(13)</u> <u>(14)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
0.375% Convertible Senior Note due 2018	\$ 51.758	02/17/2017		D	25,000,000	<u>(12)</u>	11/15/2018	Common Stock
1.25% Convertible Senior Note due 2020	\$ 51.758	02/17/2017		D	25,000,000	<u>(12)</u>	11/15/2020	Common Stock
	\$ 51.758	02/17/2017		D	228,326,000	<u>(12)</u>	11/15/2018	

0.375% Convertible Senior Note due 2018								Common Stock
1.25% Convertible Senior Note due 2020	\$ 51.758	02/17/2017	D	243,450,000	<u>(12)</u>	11/15/2020	Common Stock	4
0.375% Convertible Senior Note due 2018	\$ 51.758	02/17/2017	D	5,674,000	<u>(12)</u>	11/15/2018	Common Stock	
1.25% Convertible Senior Note due 2020	\$ 51.758	02/17/2017	D	6,050,000	<u>(12)</u>	11/15/2020	Common Stock	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAKER JULIAN 667 MADISON AVENUE, 21ST FLOOR NEW YORK, NY 10065	X	X		
BAKER FELIX 667 MADISON AVENUE, 21ST FLOOR NEW YORK, NY 10065	X	X		
BAKER BROS. ADVISORS LP 667 MADISON AVENUE, 21ST FLOOR NEW YORK, NY 10065	X	X		
667, L.P. 667 MADISION AVENUE, 21ST FLOOR NEW YORK, NY 10065	X	X		
Baker Brothers Life Sciences LP 667 MADISION AVENUE, 21ST FLOOR NEW YORK, NY 10065	X	X		
14159, L.P. 667 MADISION AVENUE, 21ST FLOOR NEW YORK, NY 10065	X	X		
Baker Bros. Advisors (GP) LLC 667 MADISION AVENUE, 21ST FLOOR NEW YORK, NY New York	X	X		

## Signatures

/s/ Julian C. Baker	02/22/2017
__Signature of Reporting Person	Date
/s/ Felix J. Baker	02/22/2017
__Signature of Reporting Person	Date
By: Baker Bros. Advisors LP, Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing	02/22/2017
__Signature of Reporting Person	Date
Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to 667, L.P., pursuant to authority granted by Baker Biotech Capital, L.P., GP to 667, L.P. Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing	02/22/2017
__Signature of Reporting Person	Date
Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to BAKER BROTHERS LIFE SCIENCES, L.P., pursuant to authority granted by Baker Brothers Life Sciences Capital, L.P., GP to Baker Brothers Life Sciences, L.P Name: Scott L. Lessing, Title: President /s/	02/22/2017
__Signature of Reporting Person	Date
Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to 14159, L.P., pursuant to authority granted by 14159 Capital, L.P., GP to 14159, L.P. Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing	02/22/2017
__Signature of Reporting Person	Date
By: Baker Bros. Advisors (GP) LLC, Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing	02/22/2017
__Signature of Reporting Person	Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Reflects shares of common stock of Incyte Corporation (the "Issuer") held directly by Julian C. Baker.
- (2) Reflects shares of common stock of the Issuer held directly by Felix J. Baker.
- (3) Julian C. Baker and Felix J. Baker may be deemed to have an indirect pecuniary interest in 33,410 shares of common stock of the Issuer directly held by FBB Associates. Julian C. Baker and Felix J. Baker are the sole partners of FBB Associates. Julian C. Baker and Felix J. Baker disclaim beneficial ownership of the securities held directly by FBB Associates except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that Julian C. Baker or Felix J. Baker is a beneficial owner of such securities for purposes of Section 16 or any other purpose.
- (4) On February 17, 2017, the Issuer entered into a letter agreement with 667, L.P. ("667"), Baker Brothers Life Sciences, L.P. ("Life Sciences") and 14159, L.P. ("14159" and together with 667 and Life Sciences, the "Funds") for the exchange of \$533.5 million aggregate principal amount of its convertible senior notes ("Exchange Agreement") consisting of \$259 million aggregate principal amount of 0.375% convertible Senior Notes due November 15, 2018 (the "2018 Notes") and \$274.5 million aggregate principal amount of 1.25% convertible senior notes due November 15, 2020 (the "2020 Notes") in exchange for an aggregate of 10,610,782 shares of common stock of the Issuer. The shares of common stock of the Issuer issued in exchange for the 2018 and 2020 Notes represent the number of shares into which these notes were convertible together with an additional negotiated number of shares.
- (5) Pursuant to the Exchange Agreement, 667 exchanged \$25,000,000 principal amount of 2018 Notes for 491,338 shares of common stock of the Issuer and exchanged \$25,000,000 principal amount of 2020 Notes for 502,779 shares of common stock of the Issuer.
- (6)

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Following the transactions reported herein, as a result of Felix J. Baker's and Julian C. Baker's ownership interest in Baker Biotech Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 4,353,957 shares of common stock of the Issuer beneficially owned by 667, a limited partnership of which the sole general partner is Baker Biotech Capital, L.P., a limited partnership of which the sole general partner is Baker Biotech Capital (GP), LLC, due to Baker Biotech Capital, L.P.'s right to receive an allocation of a portion of the profits from 667. Includes beneficial ownership of 1,418 shares issued pursuant to the Stock Incentive Plan in lieu of director retainer fees and 75,000 shares received previously from exercise of 75,000 stock options of the Issuer that were issued to Julian C. Baker in his capacity as a director of the Issuer, of which the fund may be deemed to own a portion.

- (7) Pursuant to the Exchange Agreement, Life Sciences exchanged \$228,326,000 principal amount of 2018 Notes for 4,487,412 shares of common stock of the Issuer and exchanged \$243,450,000 principal amount of 2020 Notes for 4,896,067 shares of common stock of the Issuer.

- (8) Following the transactions reported herein, as a result of Felix J. Baker's and Julian C. Baker's ownership interest in Baker Brothers Life Sciences Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest 29,141,653 shares of common stock of the Issuer beneficially owned by Life Sciences, a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital, L.P., a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital (GP), LLC, due to Baker Brothers Life Sciences Capital, L.P.'s right to receive an allocation of a portion of the profits from Life Sciences.

- (9) Includes beneficial ownership of 1,418 shares issued pursuant to the Stock Incentive Plan in lieu of director retainer fees and 75,000 shares received previously from exercise of 75,000 stock options of the Issuer that were issued to Julian C. Baker in his capacity as a director of the Issuer, of which the fund may be deemed to own a portion.

- (10) Pursuant to the Exchange Agreement, 14159 exchanged \$5,674,000 principal amount of 2018 Notes for 111,514 shares of common stock of the Issuer and exchanged \$6,050,000 principal amount of 2020 Notes for 121,672 shares of common stock of the Issuer.

- (11) Following the transactions reported herein, as a result of Felix J. Baker's and Julian C. Baker's ownership interest in 14159 Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 767,095 shares of common stock of the Issuer beneficially owned by 14159, a limited partnership of which the sole general partner is 14159 Capital, L.P., a limited partnership of which the sole general partner is 14159 Capital (GP), LLC, due to 14159 Capital, L.P.'s right to receive an allocation of a portion of the profits from 14159. Includes beneficial ownership of 1,418 shares issued pursuant to the Stock Incentive Plan in lieu of director retainer fees and 75,000 shares received previously from exercise of 75,000 stock options of the Issuer that were issued to Julian C. Baker in his capacity as a director of the Issuer, of which the fund may be deemed to own a portion.

- (12) Immediately

- (13) The Adviser serves as the Investment Adviser to the Funds. In connection with the services provided by the Adviser, the Adviser receives an asset-based management fee that does not confer any pecuniary interest in the securities held by the Funds. Baker Bros. Advisors (GP) LLC (the "Adviser GP") is the Adviser's sole general partner.

- (14) Julian C. Baker and Felix J. Baker are principals of the Adviser GP. The Adviser has complete and unlimited discretion and authority with respect to the investment and voting power of the securities held by the Funds. The general partners of the Funds relinquished to the Adviser all discretion and authority with respect to the investment and voting power of the securities held by the Funds. Julian C. Baker, Felix J. Baker, the Adviser GP and the Adviser disclaim beneficial ownership of the securities held directly by the Funds except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that any of Julian C. Baker, Felix J. Baker, the Adviser GP or the Adviser is a beneficial owner of such securities for purposes of Section 16 or any other purpose.

### Remarks:

Julian C. Baker is a director of Incyte Corporation (the "Issuer"). By virtue of his representation on the Board of Directors of the

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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