

INCYTE CORP  
Form SC 13D/A  
September 18, 2015

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**

(Amendment No. 16)\*

Incyte Corporation

(Name of Issuer)

Common Stock, Par Value \$0.001 Per Share

(Title of Class of Securities)

45337C102  
(CUSIP number)

Alexandra A. Toohey  
Chief Financial Officer  
Baker Bros. Advisors LP  
667 Madison Avenue, 21<sup>st</sup> Floor  
New York, NY 10065  
(212) 339-5690

(Name, address and telephone number of person authorized to receive notices and communications)

September 16, 2015

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(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box " .

(Continued on the following pages)

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 45337C102 Page 2 of 12 Pages

NAMES OF REPORTING PERSONS

1.

Baker Bros. Advisors LP

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)

2.

(b)

SEC USE ONLY

3.

SOURCE OF FUNDS\*

4.

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

5.

CITIZENSHIP OR PLACE OF ORGANIZATION

6.

Delaware

NUMBER OF

7. SOLE VOTING POWER 19,649,969(1)

SHARES

8. SHARED VOTING POWER: 0

BENEFICIALLY

9. SOLE DISPOSITIVE POWER: 19,649,969 (1)

OWNED BY EACH

REPORTING

10. SHARED DISPOSITIVE POWER: 0

PERSON WITH

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 19,649,969 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See  
Instructions)

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

10.6% (2)

TYPE OF REPORTING PERSON (See Instructions)

14.

IA, PN

(1) Includes 175,000 shares of the Issuer's common stock underlying 175,000 options.

(2) Based on 185,890,433 shares of the Issuer's common stock outstanding as of September 17, 2015, according to information obtained from the Issuer on September 18, 2015.



CUSIP No. 45337C102 Page 3 of 12 Pages

NAMES OF REPORTING PERSONS

1.

Baker Bros. Advisors (GP) LLC

(a) "

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(b) "

SEC USE ONLY

3.

SOURCE OF FUNDS\*

4.

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) or 2(e) "

5.

CITIZENSHIP OR PLACE OF ORGANIZATION

6.

Delaware

NUMBER OF  
SHARES

7. SOLE VOTING POWER 19,649,969 (1)

8. SHARED VOTING POWER: 0

BENEFICIALLY  
OWNED BY EACH

9. SOLE DISPOSITIVE POWER: 19,649,969 (1)

REPORTING

10. SHARED DISPOSITIVE POWER: 0

PERSON WITH

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 19,649,969 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See  
Instructions) "

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

10.6% (2)

TYPE OF REPORTING PERSON (See Instructions)

14.

HC, OO

(1) Includes 175,000 shares of the Issuer's common stock underlying 175,000 options.

(2) Based on 185,890,433 shares of the Issuer's common stock outstanding as of September 17, 2015, according to information obtained from the Issuer on September 18, 2015.



CUSIP No. 45337C102 Page 4 of 12 Pages

NAMES OF REPORTING PERSONS

1.

Julian C. Baker

(a) ..

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(b) ..

SEC USE ONLY

3.

SOURCE OF FUNDS\*

4.

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) or 2(e) ..

5.

CITIZENSHIP OR PLACE OF ORGANIZATION

6.

United States

NUMBER OF  
SHARES

7. SOLE VOTING POWER: 19,757,121 (1)

8. SHARED VOTING POWER: 0

BENEFICIALLY  
OWNED BY EACH

9. SOLE DISPOSITIVE POWER: 19,757,121 (1)

REPORTING

10. SHARED DISPOSITIVE POWER: 0

PERSON WITH

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 19,757,121 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See  
Instructions) ..

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

10.6% (2)

TYPE OF REPORTING PERSON (See Instructions)

14.

IN, HC

(1) Includes 175,000 shares of the Issuer's common stock underlying 175,000 options.

(2) Based on 185,890,433 shares of the Issuer's common stock outstanding as of September 17, 2015, according to information obtained from the Issuer on September 18, 2015.





CUSIP No. 45337C102 Page 5 of 12 Pages

NAMES OF REPORTING PERSONS

1.

Felix J. Baker

(a) "

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(b) "

SEC USE ONLY

3.

SOURCE OF FUNDS (See Instructions)

4.

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) or 2(e) "

5.

CITIZENSHIP OR PLACE OF ORGANIZATION

6.

United States

NUMBER OF  
SHARES

7. SOLE VOTING POWER: 19,759,538 (1)

8. SHARED VOTING POWER: 0

BENEFICIALLY  
OWNED BY EACH

9. SOLE DISPOSITIVE POWER: 19,759,538 (1)

REPORTING

10. SHARED DISPOSITIVE POWER: 0

PERSON WITH

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 19,759,538 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See  
Instructions) "

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

10.6% (2)

TYPE OF REPORTING PERSON (See Instructions)

14.

IN, HC

(1) Includes 175,000 shares of the Issuer's common stock underlying 175,000 options.

(2) Based on 185,890,433 shares of the Issuer's common stock outstanding as of September 17, 2015, according to information obtained from the Issuer on September 18, 2015.



CUSIP No. 45337C102 Page 6 of 12 Pages

NAMES OF REPORTING PERSONS

1.

FBB2, LLC

(a) "

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(b) "

SEC USE ONLY

3.

SOURCE OF FUNDS (See Instructions)

4.

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) or 2(e) "

5.

CITIZENSHIP OR PLACE OF ORGANIZATION

6.

Delaware

NUMBER OF	7. SOLE VOTING POWER: 15,110
SHARES	8. SHARED VOTING POWER: 0
BENEFICIALLY	9. SOLE DISPOSITIVE POWER: 15,110
OWNED BY EACH	
REPORTING	10. SHARED DISPOSITIVE POWER: 0
PERSON WITH	

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 15,110

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See  
Instructions) "

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

0.01% (1)

TYPE OF REPORTING PERSON (See Instructions)

14.

OO

(1) Based on 185,890,433 shares of the Issuer's common stock outstanding as of September 17, 2015, according to information obtained from the Issuer on September 18, 2015.



CUSIP No. 45337C102 Page 7 of 12 Pages

NAMES OF REPORTING PERSONS

1.

FBB Associates

(a) "

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(b) "

SEC USE ONLY

3.

SOURCE OF FUNDS (See Instructions)

4.

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS  
REQUIRED PURSUANT TO ITEM 2(d) or 2(e) "

5.

CITIZENSHIP OR PLACE OF ORGANIZATION

6.

New York

NUMBER OF	7. SOLE VOTING POWER: 33,410
SHARES	8. SHARED VOTING POWER: 0
BENEFICIALLY	9. SOLE DISPOSITIVE POWER: 33,410
OWNED BY EACH	
REPORTING	10. SHARED DISPOSITIVE POWER: 0
PERSON WITH	

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 33,410

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See  
Instructions) "

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

0.02% (1)

TYPE OF REPORTING PERSON (See Instructions)

14.

PN, OO

(1) Based on 185,890,433 shares of the Issuer's common stock outstanding as of September 17, 2015, according to information obtained from the Issuer on September 18, 2015.



**Amendment No. 16 to Schedule 13D**

This Amendment No. 16 to Schedule 13D amends and supplements the statements on the previously filed Schedule 13D, as amended, filed by Baker Bros. Advisors LP (the “Adviser”), Baker Bros. Advisors (GP) LLC (the “Adviser GP”), Julian C. Baker, Felix J. Baker, FBB2, LLC (“FBB2”) and FBB Associates (“FBB”) (collectively the “Reporting Persons”). Except as supplemented herein, such statements, as hereto amended and supplemented, remain in full force and effect. Information given in response to each item shall be deemed incorporated by reference in all other items, as applicable. Each capitalized term used but not defined herein has the meaning ascribed to such term in the Schedule 13D, as amended.

The Adviser GP is the sole general partner of the Adviser. Pursuant to the amended and restated management agreements, among the Adviser, Baker Brothers Life Sciences, L.P. (“Life Sciences”), 14159, L.P. (“14159”), and 667, L.P. (“667”, and together with Life Sciences and 14159, the “Funds”), and their respective general partners, the Adviser has complete and unlimited discretion and authority with respect to the Funds’ investments and voting power over investments.

**Item 3. Source and Amount of Funds or Other Consideration**

Item 3 of Schedule 13D is supplemented and amended, as the case may be, as follows:

The disclosure in Item 4 below is incorporated herein by reference.

**Item 4. Purpose of the Transaction.**

Item 4 of Schedule 13D is supplemented and amended, as the case may be, as follows:

On September 16, 2015, the Adviser, the Adviser GP, Julian C. Baker and Felix J. Baker acquired beneficial ownership of 4,609,228 shares of Common Stock of Incyte Corporation (the “Issuer”), as a result of the conversion of \$40,446,000 principal amount of 4.75% Convertible Senior Notes due 2015 (“2015 Notes”). Such 2015 Notes were directly held by the Funds and the shares of Common Stock received pursuant to the conversion are directly held by the Funds. Julian C. Baker and Felix J. Baker acquired additional beneficial ownership of 7,292 and 7,406 shares of

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Common Stock, respectively, as a result of the conversion of \$64,000 and \$65,000 principal amount of 2015 Notes, respectively. The Reporting Persons and their affiliates no longer hold or beneficially own any 2015 Notes. The table below summarizes the conversion of the 2015 Notes and resulting Common Stock held by each direct holder.

Direct Holder	Principal Amount of 2015 Notes Converted	Common Stock directly held as a result of conversion of 2015 Notes
667, L.P.	\$ 7,587,000	864,614
Baker Brothers Life Sciences, L.P. 14159, L.P.	31,967,000 892,000	3,642,962 101,652
Felix J. Baker	65,000	7,406
Julian C. Baker	64,000	7,292
	\$ 40,575,000	4,623,926



The Funds hold securities of the Issuer for investment purposes. The Reporting Persons or their affiliates may purchase additional securities of the Issuer or dispose of securities in varying amounts and at varying times depending upon the Reporting Persons' continuing assessments of pertinent factors, including the availability of shares of Common Stock or other securities for purchase at particular price levels, the business prospects of the Issuer, other business investment opportunities, economic conditions, stock market conditions, money market conditions, the attitudes and actions of the Board of Directors and management of the Issuer, the availability and nature of opportunities to dispose of securities of the Issuer and other plans and requirements of the particular persons. The Reporting Persons may discuss items of mutual interest with the Issuer, which could include items in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

Depending upon their assessments of the above factors, the Reporting Persons or their affiliates may change their present intentions as stated above and they may make suggestions to the management of the Issuer regarding financing, and may acquire additional securities of the Issuer, including shares of Common Stock (by means of open market purchases, privately negotiated purchases, conversion of convertible notes, exercise of some or all of the Stock Options (as defined below), or otherwise) or may dispose of some or all of the securities of the Issuer, including shares of Common Stock, under their control.

Except as otherwise disclosed herein, at the present time, the Reporting Persons do not have any plans or proposals with respect to any extraordinary corporate transaction involving the Issuer including, without limitation, those matters described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

#### **Item 5. Interest in Securities of the Issuer.**

(a) and (b) Items 7 through 11 and 13 of each of the cover pages of this Amendment No. 16 are incorporated herein by reference. The calculation of beneficial ownership for purposes of this Schedule 13D does not reflect the conversion of the \$259,000,000 and \$274,500,000 principal amount of the 0.375% convertible senior notes due November 15, 2018 ("2018 Notes") and 1.25% convertible senior notes due November 15, 2020 (the "2020 Notes," and together with the 2018 Notes, the "Notes"), respectively, because the Issuer may at its option settle a conversion request in either cash or shares of Common Stock.

Set forth below is the aggregate number of shares of Common Stock of the Issuer directly held by each of the Funds as well as shares of Common Stock of the Issuer that may be acquired upon conversion of 2018 Notes and 2020 Notes at a presently applicable conversion price of \$51.758 and \$51.758, respectively, by the Funds notwithstanding the ability of the Issuer to settle the Notes, at its option, in cash or shares of the Issuer's Common Stock.

Common Stock

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Holder	Shares of Common Stock	Underlying 2018 Notes	Common Stock Underlying 2020 Notes
667, L.P.	2,888,551	483,017	483,017
Baker Brothers Life Sciences, L.P.	16,073,745	4,411,415	4,703,621
14159, L.P.	457,491	109,626	116,890

The Adviser GP, Felix J. Baker and Julian C. Baker as principals of the Adviser GP, and the Adviser may be deemed to be beneficial owners of securities of the Issuer directly held by the Funds, and may be deemed to have the power to vote or direct the vote of and the power to dispose or direct the disposition of such securities.

Each of the Adviser, the Adviser GP, Felix J. Baker and Julian C. Baker disclaims beneficial ownership of the securities held by each of the Funds, and this Amendment No. 16 shall not be deemed an admission that any of the Adviser, the Adviser GP, Felix J. Baker or Julian C. Baker is the beneficial owners of such securities for purposes of Section 13(d) or for any other purpose, except to the extent that any such Reporting Persons actually exercises voting or dispositive power with respect to such securities.

Julian C. Baker and Felix J. Baker are also the sole partners of FBB and the sole managers of FBB2, and as such may be deemed to be beneficial owners of securities owned by FBB and FBB2 and may be deemed to have the power to vote or direct the vote and dispose or direct the disposition of those securities.

Julian C. Baker is a Director of the Issuer. In connection with his service on the Issuer's Board, Julian C. Baker holds options to purchase Common Stock of the Issuer ("Stock Options"), Common Stock and Common Stock received from the exercise of Stock Options as disclosed in previous amendments to this Schedule 13D.

Julian C. Baker serves on the Issuer's Board as a representative of the Funds. The policy of the Funds and the Adviser does not permit employees or principals of the Adviser to receive compensation for serving as a director of the Issuer. Therefore, Julian C. Baker has no pecuniary interest in the Stock Options, Common Stock or Common Stock received from the exercise of Stock Options received as directors compensation. The Funds are instead entitled to the pecuniary interest in the Stock Options, Common Stock and Common Stock received from the exercise of Stock Options received as directors compensation.

The Adviser has voting and investment power over the Stock Options, Common Stock and Common Stock underlying such Stock Options and Common Stock received from the exercise of Stock Options by Julian C. Baker received as directors compensation. The Adviser GP, and Felix J. Baker and Julian C. Baker as principals of the Adviser GP, may be deemed to have the power to vote or direct the vote of and the power to dispose or direct the disposition of the Stock Options, Common Stock, Common Stock received from the exercise of Stock Options and Common Stock underlying such Stock Options held by Julian C. Baker received as directors compensation.

(c) The information set forth in Item 4 is hereby incorporated by reference into this Item 5(c). Except as disclosed herein or in any previous amendments to this Schedule 13D, none of the Reporting Persons or their affiliates has effected any other transactions in securities of the Issuer during the past 60 days.

(d) Certain securities of the Issuer are held directly by 667, a limited partnership the sole general partner of which is Baker Biotech Capital, L.P., a limited partnership the sole general partner of which is Baker Biotech Capital (GP), LLC. Julian C. Baker and Felix J. Baker are the controlling members of Baker Biotech Capital (GP), LLC.

Certain securities of the Issuer are held directly by Life Sciences, a limited partnership the sole general partner of which is Baker Brothers Life Sciences Capital, L.P., a limited partnership the sole general partner of which is Baker Brothers Life Sciences Capital (GP), LLC. Julian C. Baker and Felix J. Baker are the controlling members of Baker Brothers Life Sciences Capital (GP), LLC.

Certain securities of the Issuer are held directly by 14159, a limited partnership the sole general partner of which is 14159 Capital, L.P., a limited partnership the sole general partner of which is 14159 Capital (GP), LLC. Julian C. Baker and Felix J. Baker are the controlling members of 14159 Capital (GP), LLC.

(e) Not applicable.

**ITEM 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.**

Item 6 of this Schedule 13D is hereby supplemented and amended, as the case may be, as follows:

The information set forth in Item 4 is hereby incorporated by reference into this Item 6.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

September 18, 2015

**BAKER BROS.  
ADVISORS LP**

By: Baker Bros. Advisors  
(GP) LLC, its general  
partner

By: /s/ Scott L. Lessing  
Name: Scott L. Lessing  
Title: President

**BAKER BROS.  
ADVISORS (GP) LLC**

By: /s/ Scott L. Lessing  
Name: Scott L. Lessing  
Title: President

/s/ Julian C. Baker  
Julian C. Baker

/s/ Felix J. Baker  
Felix J. Baker

**FBB Associates**

By: /s/ Julian C. Baker  
Name: Julian C. Baker  
Title: Partner

**FBB2, LLC**

By: /s/ Julian C. Baker  
Name: Julian C. Baker

Title: Manager