

INCYTE CORP  
Form 10-Q  
July 31, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

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

**For the quarterly period ended June 30, 2014**

**or**

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

**For the transition period from                      to**

**Commission File Number: 0-27488**

# INCYTE CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**94-3136539**

(IRS Employer  
Identification No.)

**Experimental Station, Route 141 & Henry Clay Road,**

**Building E336, Wilmington, DE 19880**

(Address of principal executive offices)

**19880**

(Zip Code)

**(302) 498-6700**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

(Do not check if a smaller reporting company)

Smaller reporting company ☐

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

The number of outstanding shares of the registrant's Common Stock, \$0.001 par value, was 168,411,943 as of July 24, 2014.



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INCYTE CORPORATION

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(in thousands)

	<b>June 30, 2014 (unaudited)</b>	<b>December 31, 2013*</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 406,264	\$ 471,429
Marketable securities available-for-sale	102,489	37,575
Restricted investments	750	500
Accounts receivable, net	47,205	35,374
Inventory	269	406
Deferred income taxes	900	895
Prepaid expenses and other current assets	19,268	9,620
Total current assets	577,145	555,799
Restricted investments	14,250	14,500
Inventory	15,591	14,937
Property and equipment, net	55,607	26,848
Other assets, net	16,514	17,484
Total assets	\$ 679,107	\$ 629,568
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 27,251	\$ 19,102
Accrued compensation	19,683	28,079
Interest payable	1,850	1,909
Accrued and other current liabilities	50,878	46,062
Deferred revenue Collaborative agreements	12,885	12,890
Total current liabilities	112,547	108,042
Convertible senior notes	673,315	661,567
Other liabilities	44,403	26,803
Deferred income taxes	900	895
Deferred revenue Collaborative agreements	18,940	25,369
Total liabilities	850,105	822,676
Stockholders' deficit:		

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Preferred stock, \$0.001 par value; 5,000,000 shares authorized; none issued or outstanding as of June 30, 2014 and December 31, 2013

Common stock, \$0.001 par value; 400,000,000 shares authorized; 168,376,131

and 162,984,680 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively

	168	163
Additional paid-in capital	1,634,621	1,541,773
Accumulated other comprehensive gain	2,080	1,993
Accumulated deficit	(1,807,867)	(1,737,037)
Total stockholders' deficit	(170,998)	(193,108)
Total liabilities and stockholders' deficit	\$ 679,107	\$ 629,568

\* The condensed consolidated balance sheet at December 31, 2013 has been derived from the audited financial statements at that date.

See accompanying notes.

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**INCYTE CORPORATION**

**Condensed Consolidated Statements of Operations**

(in thousands, except per share amounts)

(unaudited)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>		
	<b>June 30,</b>		<b>June 30,</b>		
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>&amp;nbsp;</b>	<b>2013</b>
Revenues:					