



Incyte and Merck to Advance Clinical Development Program Investigating the Combination of Epacadostat with KEYTRUDA® (pembrolizumab)

January 9, 2017

Additional pivotal studies evaluating Incyte's IDO1 inhibitor in combination with Merck's anti-PD-1 therapy in patients with non-small cell lung, renal, bladder and head and neck cancers expected to start in 2017

WILMINGTON, Del. & KENILWORTH, N.J.--(BUSINESS WIRE)--Jan. 9, 2017-- Incyte Corporation (Nasdaq:INCY) and Merck (NYSE:MRK), known as MSD outside the United States and Canada, today announced the decision to advance the clinical development program investigating the combination of epacadostat, Incyte's investigational oral selective IDO1 inhibitor, with KEYTRUDA® (pembrolizumab), Merck's anti-PD-1 therapy.

This Smart News Release features multimedia. View the full release here: <http://www.businesswire.com/news/home/20170109005409/en/>

With the expansion of the clinical development program, the companies plan to initiate pivotal studies of epacadostat in combination with KEYTRUDA in four additional tumors: non-small cell lung cancer, renal cell carcinoma, bladder cancer and squamous cell carcinoma of the head and neck. Presentations of data from the ongoing studies of epacadostat in combination with KEYTRUDA, which support this decision, are expected at upcoming medical meetings.

"We are very pleased to announce the decision with Merck to initiate additional Phase 3 studies that will further evaluate the clinical utility of epacadostat in combination with KEYTRUDA," said Steven Stein, M.D., Incyte's Chief Medical Officer. "Data from across the ECHO development program for epacadostat continues to be accrued, including from the ECHO-202 Phase 2 cohorts in combination with KEYTRUDA which support the decision to move forward into pivotal studies beyond melanoma. We look forward to initiation of these new Phase 3 trials as we seek to help improve clinical outcomes for patients with these cancers."

"The expansion of our clinical trial program with Incyte is an important component of our comprehensive approach to investigating the potential for KEYTRUDA in combination with promising compounds, such as epacadostat, to help make a difference in the lives of people with these cancers," said Dr. Roy Baynes, senior vice president, head of clinical development, and Chief Medical Officer, Merck Research Laboratories.

About ECHO

The ECHO clinical trial program was established to investigate the efficacy and safety of epacadostat as a core component of combination therapy in oncology. Ongoing Phase 1 and Phase 2 studies evaluating epacadostat in combination with PD-1 and PD-L1 inhibitors collectively plan to enroll over 900 patients in a broad range of solid tumor types as well as hematological malignancies. ECHO-301 (NCT02752074), a Phase 3 randomized, double-blind, placebo-controlled study investigating pembrolizumab in combination with epacadostat or placebo for the first-line treatment of patients with advanced or metastatic melanoma, is also underway. ECHO-301 was initiated in June 2016 and initial data from this study are expected to be available in 2018.

About Epacadostat (INCB024360)

Indoleamine 2,3-dioxygenase 1 (IDO1) is a key immunosuppressive enzyme that modulates the anti-tumor immune response by promoting regulatory T cell generation and blocking effector T cell activation, thereby facilitating tumor growth by allowing cancer cells to avoid immune surveillance. Epacadostat is a first-in-class, highly potent and selective oral inhibitor of the IDO1 enzyme that reverses tumor-associated immune suppression and restores effective anti-tumor immune responses. In single-arm studies, the combination of epacadostat and immune checkpoint inhibitors has shown proof-of-concept in patients with unresectable or metastatic melanoma. In these studies, epacadostat combined with the CTLA-4 inhibitor ipilimumab or the PD-1 inhibitor pembrolizumab improved response rates compared with studies of the immune checkpoint inhibitors alone.

About KEYTRUDA® (pembrolizumab)

KEYTRUDA is a humanized monoclonal antibody that works by increasing the ability of the body's immune system to help detect and fight tumor cells. KEYTRUDA blocks the interaction between PD-1 and its ligands, PD-L1 and PD-L2, thereby activating T lymphocytes which may affect both tumor cells and healthy cells.

KEYTRUDA is administered as an intravenous infusion over 30 minutes every three weeks for the approved indications. KEYTRUDA for injection is supplied in a 100 mg single use vial.

KEYTRUDA Indications and Dosing

Melanoma

KEYTRUDA is indicated for the treatment of patients with unresectable or metastatic melanoma at a dose of 2 mg/kg every three weeks until disease progression or unacceptable toxicity.

Lung Cancer

KEYTRUDA is indicated for the first-line treatment of patients with metastatic non-small cell lung cancer (NSCLC) whose tumors have high PD-L1 expression [tumor proportion score (TPS) ≥50%] as determined by an FDA-approved test, with no EGFR or ALK genomic tumor aberrations.

KEYTRUDA (pembrolizumab) is also indicated for the treatment of patients with metastatic NSCLC whose tumors express PD-L1 (TPS ≥1%) as determined by an FDA-approved test, with disease progression on or after platinum-containing chemotherapy. Patients with EGFR or ALK genomic tumor aberrations should have disease progression on FDA-approved therapy for these aberrations prior to receiving KEYTRUDA.

In metastatic NSCLC, KEYTRUDA is administered at a fixed dose of 200 mg every three weeks until disease progression, unacceptable toxicity, or up to 24 months in patients without disease progression.

Head and Neck Cancer

KEYTRUDA is indicated for the treatment of patients with recurrent or metastatic head and neck squamous cell carcinoma (HNSCC) with disease progression on or after platinum-containing chemotherapy. This indication is approved under accelerated approval based on tumor response rate and durability of response. Continued approval for this indication may be contingent upon verification and description of clinical benefit in the confirmatory trials. In HNSCC, KEYTRUDA is administered at a fixed dose of 200 mg every three weeks until disease progression, unacceptable toxicity, or up to 24 months in patients without disease progression.

Selected Important Safety Information for KEYTRUDA® (pembrolizumab)

KEYTRUDA can cause immune-mediated pneumonitis, including fatal cases. Pneumonitis occurred in 94 (3.4%) of 2799 patients receiving KEYTRUDA, including Grade 1 (0.8%), 2 (1.3%), 3 (0.9%), 4 (0.3%), and 5 (0.1%) pneumonitis, and occurred more frequently in patients with a history of prior thoracic radiation (6.9%) compared to those without (2.9%). Monitor patients for signs and symptoms of pneumonitis. Evaluate suspected pneumonitis with radiographic imaging. Administer corticosteroids for Grade 2 or greater pneumonitis. Withhold KEYTRUDA for Grade 2; permanently discontinue KEYTRUDA for Grade 3 or 4 or recurrent Grade 2 pneumonitis.

KEYTRUDA can cause immune-mediated colitis. Colitis occurred in 48 (1.7%) of 2799 patients receiving KEYTRUDA, including Grade 2 (0.4%), 3 (1.1%), and 4 (<0.1%) colitis. Monitor patients for signs and symptoms of colitis. Administer corticosteroids for Grade 2 or greater colitis. Withhold KEYTRUDA for Grade 2 or 3; permanently discontinue KEYTRUDA for Grade 4 colitis.

KEYTRUDA can cause immune-mediated hepatitis. Hepatitis occurred in 19 (0.7%) of 2799 patients receiving KEYTRUDA, including Grade 2 (0.1%), 3 (0.4%), and 4 (<0.1%) hepatitis. Monitor patients for changes in liver function. Administer corticosteroids for Grade 2 or greater hepatitis and, based on severity of liver enzyme elevations, withhold or discontinue KEYTRUDA.

KEYTRUDA can cause hypophysitis. Hypophysitis occurred in 17 (0.6%) of 2799 patients receiving KEYTRUDA, including Grade 2 (0.2%), 3 (0.3%), and 4 (<0.1%) hypophysitis. Monitor patients for signs and symptoms of hypophysitis (including hypopituitarism and adrenal insufficiency). Administer corticosteroids and hormone replacement as clinically indicated. Withhold KEYTRUDA (pembrolizumab) for Grade 2; withhold or discontinue for Grade 3 or 4 hypophysitis.

KEYTRUDA can cause thyroid disorders, including hyperthyroidism, hypothyroidism, and thyroiditis. Hyperthyroidism occurred in 96 (3.4%) of 2799 patients receiving KEYTRUDA, including Grade 2 (0.8%) and 3 (0.1%) hyperthyroidism. Hypothyroidism occurred in 237 (8.5%) of 2799 patients receiving KEYTRUDA, including Grade 2 (6.2%) and 3 (0.1%) hypothyroidism. The incidence of new or worsening hypothyroidism was higher in patients with HNSCC occurring in 28 (15%) of 192 patients with HNSCC, including Grade 3 (0.5%) hypothyroidism. Thyroiditis occurred in 16 (0.6%) of 2799 patients receiving KEYTRUDA, including Grade 2 (0.3%) thyroiditis. Monitor patients for changes in thyroid function (at the start of treatment, periodically during treatment, and as indicated based on clinical evaluation) and for clinical signs and symptoms of thyroid disorders. Administer replacement hormones for hypothyroidism and manage hyperthyroidism with thionamides and betablockers as appropriate. Withhold or discontinue KEYTRUDA for Grade 3 or 4 hyperthyroidism.

KEYTRUDA can cause type 1 diabetes mellitus, including diabetic ketoacidosis, which have been reported in 6 (0.2%) of 2799 patients. Monitor patients for hyperglycemia or other signs and symptoms of diabetes. Administer insulin for type 1 diabetes, and withhold KEYTRUDA and administer antihyperglycemics in patients with severe hyperglycemia.

KEYTRUDA can cause immune-mediated nephritis. Nephritis occurred in 9 (0.3%) of 2799 patients receiving KEYTRUDA, including Grade 2 (0.1%), 3 (0.1%), and 4 (<0.1%) nephritis. Monitor patients for changes in renal function. Administer corticosteroids for Grade 2 or greater nephritis. Withhold KEYTRUDA for Grade 2; permanently discontinue KEYTRUDA for Grade 3 or 4 nephritis.

KEYTRUDA can cause other clinically important immune-mediated adverse reactions. For suspected immune-mediated adverse reactions, ensure adequate evaluation to confirm etiology or exclude other causes. Based on the severity of the adverse reaction, withhold KEYTRUDA and administer corticosteroids. Upon improvement to Grade 1 or less, initiate corticosteroid taper and continue to taper over at least 1 month. Based on limited data from clinical studies in patients whose immune-related adverse reactions could not be controlled with corticosteroid use, administration of other systemic immunosuppressants can be considered. Resume KEYTRUDA when the adverse reaction remains at Grade 1 or less following corticosteroid taper. Permanently discontinue KEYTRUDA for any Grade 3 immune-mediated adverse reaction that recurs and for any life-threatening immune-mediated adverse reaction.

The following clinically significant immune-mediated adverse reactions occurred in less than 1% (unless otherwise indicated) of 2799 patients: arthritis (1.5%), exfoliative dermatitis, bullous pemphigoid, rash (1.4%), uveitis, myositis, Guillain-Barré syndrome, myasthenia gravis, vasculitis, pancreatitis, hemolytic anemia, and partial seizures arising in a patient with inflammatory foci in brain parenchyma.

KEYTRUDA (pembrolizumab) can cause severe or life-threatening infusion-related reactions, which have been reported in 6 (0.2%) of 2799 patients. Monitor patients for signs and symptoms of infusion-related reactions, including rigors, chills, wheezing, pruritus, flushing, rash, hypotension, hypoxemia, and fever. For Grade 3 or 4 reactions, stop infusion and permanently discontinue KEYTRUDA.

Based on its mechanism of action, KEYTRUDA can cause fetal harm when administered to a pregnant woman. If used during pregnancy, or if the patient becomes pregnant during treatment, apprise the patient of the potential hazard to a fetus. Advise females of reproductive potential to use highly effective contraception during treatment and for 4 months after the last dose of KEYTRUDA.

In KEYNOTE-006, KEYTRUDA was discontinued due to adverse reactions in 9% of 555 patients with advanced melanoma; adverse reactions leading to discontinuation in more than one patient were colitis (1.4%), autoimmune hepatitis (0.7%), allergic reaction (0.4%), polyneuropathy (0.4%), and cardiac failure (0.4%). Adverse reactions leading to interruption of KEYTRUDA occurred in 21% of patients; the most common ($\geq 1\%$) was diarrhea (2.5%). The most common adverse reactions with KEYTRUDA vs ipilimumab were fatigue (28% vs 28%), diarrhea (26% with KEYTRUDA), rash (24% vs 23%), and nausea (21% with KEYTRUDA). Corresponding incidence rates are listed for ipilimumab only for those adverse reactions that occurred at the same or lower rate than with KEYTRUDA.

In KEYNOTE-002, KEYTRUDA was discontinued due to adverse reactions in 12% of 357 patients with advanced melanoma; the most common ($\geq 1\%$) were general physical health deterioration (1%), asthenia (1%), dyspnea (1%), pneumonitis (1%), and generalized edema (1%). Adverse reactions leading to interruption of KEYTRUDA occurred in 14% of patients; the most common ($\geq 1\%$) were dyspnea (1%), diarrhea (1%), and maculopapular rash (1%). The most common adverse reactions with KEYTRUDA vs chemotherapy were fatigue (43% with KEYTRUDA), pruritus (28% vs 8%), rash (24% vs 8%), constipation (22% vs 20%), nausea (22% with KEYTRUDA), diarrhea (20% vs 20%), and decreased appetite (20% with KEYTRUDA). Corresponding incidence rates are listed for chemotherapy only for those adverse reactions that occurred at the same or lower rate than with KEYTRUDA.

KEYTRUDA was discontinued due to adverse reactions in 8% of 682 patients with metastatic NSCLC. The most common adverse event resulting in permanent discontinuation of KEYTRUDA was pneumonitis (1.8%). Adverse reactions leading to interruption of KEYTRUDA occurred in 23% of patients; the most common ($\geq 1\%$) were diarrhea (1%), fatigue (1.3%), pneumonia (1%), liver enzyme elevation (1.2%), decreased appetite (1.3%), and pneumonitis (1%). The most common adverse reactions (occurring in at least 20% of patients and at a higher incidence than with docetaxel) were decreased appetite (25% vs 23%), dyspnea (23% vs 20%), and nausea (20% vs 18%).

KEYTRUDA (pembrolizumab) was discontinued due to adverse reactions in 17% of 192 patients with HNSCC. Serious adverse reactions occurred in 45% of patients. The most frequent serious adverse reactions reported in at least 2% of patients were pneumonia, dyspnea, confusional state, vomiting, pleural effusion, and respiratory failure. The most common adverse reactions (reported in at least 20% of patients) were fatigue, decreased appetite, and dyspnea. Adverse reactions occurring in patients with HNSCC were generally similar to those occurring in patients with melanoma or NSCLC, with the exception of increased incidences of facial edema (10% all Grades; 2.1% Grades 3 or 4) and new or worsening hypothyroidism.

It is not known whether KEYTRUDA is excreted in human milk. Because many drugs are excreted in human milk, instruct women to discontinue nursing during treatment with KEYTRUDA and for 4 months after the final dose.

Safety and effectiveness of KEYTRUDA have not been established in pediatric patients.

About Incyte

Incyte Corporation is a Wilmington, Delaware-based biopharmaceutical company focused on the discovery, development and commercialization of proprietary therapeutics. For additional information on Incyte, please visit the Company's website at www.incyte.com.

Follow @Incyte on Twitter at <https://twitter.com/Incyte>.

Merck's Focus on Cancer

Our goal is to translate breakthrough science into innovative oncology medicines to help people with cancer worldwide. At Merck, helping people fight cancer is our passion and supporting accessibility to our cancer medicines is our commitment. Our focus is on pursuing research in immuno-oncology and we are accelerating every step in the journey – from lab to clinic – to potentially bring new hope to people with cancer.

As part of our focus on cancer, Merck is committed to exploring the potential of immuno-oncology with one of the fastest-growing development programs in the industry. We are currently executing an expansive research program that includes more than 400 clinical trials evaluating our anti-PD-1 therapy across more than 30 tumor types. We also continue to strengthen our immuno-oncology portfolio through strategic acquisitions and are prioritizing the development of several promising immunotherapeutic candidates with the potential to improve the treatment of advanced cancers.

For more information about our oncology clinical trials, visit www.merck.com/clinicaltrials.

About Merck

For more than 125 years, Merck has been a global health care leader working to help the world be well. Merck is known as MSD outside the United States and Canada. Through our prescription medicines, vaccines, biologic therapies, and animal health products, we work with customers and operate in more than 140 countries to deliver innovative health solutions. We also demonstrate our commitment to increasing access to health care through far-reaching policies, programs and partnerships. For more information, visit www.merck.com and connect with us on [Twitter](#), [Facebook](#), [YouTube](#) and [LinkedIn](#).

Forward-Looking Statement of Incyte Corporation

Except for the historical information set forth herein, the matters set forth in this press release contain predictions, estimates and other forward-looking statements, including without limitation statements regarding: whether and when the planned pivotal trials investigating epacadostat with KEYTRUDA in any of non-small cell lung, renal, bladder or head and neck cancers will commence; whether any of these studies will lead to any products that will be approved for use in humans anywhere; whether these planned collaborations will help improve clinical outcomes for patients; whether and when any data from the ECHO program will be available.

These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including unanticipated developments in and risks related to: the efficacy or safety of the Incyte's development pipeline; the results of further research and development; the high degree of risk and uncertainty associated with drug development, clinical trials and regulatory approval processes, other market or economic factors and competitive and technological advances; the possibility that results of clinical trials may be unsuccessful or insufficient to meet applicable regulatory standards or warrant continued development; our ability to compete against parties with greater financial or other resources; greater than expected expenses; and such other risks detailed from time to time in Incyte's reports filed with the Securities and Exchange Commission, including our Form 10-Q for the quarter ended September 30, 2016. Incyte disclaims any intent or obligation to update these forward-looking statements.

Forward-Looking Statement of Merck & Co., Inc., Kenilworth, N.J., USA

This news release of Merck & Co., Inc., Kenilworth, N.J., USA (the "company") includes "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of the company's management and are subject to significant risks and uncertainties. There can be no guarantees with respect to pipeline products that the products will receive the necessary regulatory approvals or that they will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the company's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the company's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the company's 2015 Annual Report on Form 10-K and the company's other filings with the Securities and Exchange Commission (SEC) available at the SEC's Internet site (www.sec.gov).

Please see Prescribing Information for KEYTRUDA (pembrolizumab) at http://www.merck.com/product/usa/pi_circulars/k/keytruda/keytruda_pi.pdf and Patient Information/Medication Guide for KEYTRUDA at http://www.merck.com/product/usa/pi_circulars/k/keytruda/keytruda_mg.pdf.



View source version on businesswire.com: <http://www.businesswire.com/news/home/20170109005409/en/>

Source: Incyte Corporation and Merck

Merck Media Relations

Pamela Eisele, 267-305-3558

Kim Hamilton, 908-740-1863

or

Merck Investor Relations

Teri Loxam, 908-740-1986

Amy Klug, 908-740-1898

or

Incyte Media Relations

Catalina Loveman, 302-498-6171

or

Incyte Investor Relations

Michael Booth, DPhil, 302-498-5914