Incyte Announces Outcome of Discussions with FDA Regarding Reverset(TM)

September 28, 2005

WILMINGTON, Del.--(BUSINESS WIRE)--Sept. 28, 2005--Incyte Corporation (NASDAQ:INCY) announced today that it met with representatives from the FDA yesterday regarding the development of Reverset, Incyte's nucleoside reverse transcriptase inhibitor (NRTI) that is being developed as a therapy for treatment-experienced HIV patients.

The purpose of the meeting was to discuss the results of a recently completed Phase II trial, which were presented in July at the IAS meeting, and the company's plans to move Reverset into two Phase III pivotal trials. At the meeting, the FDA did not approve of the company moving into Phase III studies. The agency requested that the company conduct another Phase II trial to provide additional data to support the efficacy and safety demonstrated in the original Phase II study with the drug.

Paul A Friedman, president and CEO of Incyte, stated, "Based on the outcome of this meeting, we need to carefully review and discuss FDA's input. We also need to determine how such a second Phase II study could best be conducted. If the results confirm those seen in Study 203, it is possible this second Phase II study could be considered one of two registration trials."

The company will host a conference call this morning, September 28, at 8:30 am. The domestic dial in number is 1-877-692-2592 and the international dial in number is 1-973-582-2700.

If you are unable to participate, a replay of the conference call will be available through October 30, 2005. The replay dial-in number for the U.S. is 877-519-4471 and dial-in number for international callers is 973-341-3080. The replay pin number is 6548638.

The conference call will also be webcast live and can be accessed at: www.incyte.com.

Incyte is a Wilmington, Delaware based drug discovery and development company with a growing pipeline of oral compounds to treat HIV, inflammation, cancer and diabetes. For additional information on Incyte visit: www.incyte.com

Forward Looking Statements

Except for the historical information contained herein, the matters set forth in this press release, including statements with respect to the company's actions in response to the FDA's input and the possibility of considering the second Phase II trial as one of two registration trials, are all forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the results of further discussions with the FDA, whether the company could come to a determination as to how a second Phase II trial could best be conducted, the results of any second Phase II trial that is conducted, the reaction of the FDA to the results of any such second Phase II trial, the high degree of risk associated with drug development and clinical trials, results of further research and development, the impact of competition and of technological advances and the ability of Incyte to compete against parties with greater financial or other resources, unanticipated delays, unanticipated cash requirements and the ability to raise additional capital, Incyte's ability to enroll a sufficient number of patients for its clinical trials, and other risks detailed from time to time in Incyte's filings with the Securities Exchange Commission, including its Quarterly Report on Form 10-Q for the quarter ended June 30, 2005. Incyte disclaims any intent or obligation to update these forward-looking statements.

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