Building Value through Innovative Medicines

2019 Second Quarter Financial and Corporate Update

July 30, 2019

Forward-looking Statements

Except for the historical information set forth herein, the matters set forth in this presentation contain predictions, estimates and other forward-looking statements, including without limitation statements regarding: expectations by our collaborative partner regarding timing of NDA submission for capmatinib; the expected timing for phase 3 development of ruxolitinib cream for vitiligo; our updated 2019 revenue guidance; expectations regarding the timing of clinical trial results for ruxolitinib in GVHD, itacitinib in GVHD, parsaclisib in lymphomas, and INCMGA0012 in various cancers; expectations regarding the timing of the filing of an NDA for and the release of clinical trial results for pemigatinib in cholangiocarcinoma; the potential of our product candidates to treat a significant number of patients across numerous indications; plans for phase 3 trials for ruxolitinib cream in vitiligo; our reaffirmed 2019 GAAP and non-GAAP non-revenue guidance; and our expected 2019 newsflow events.

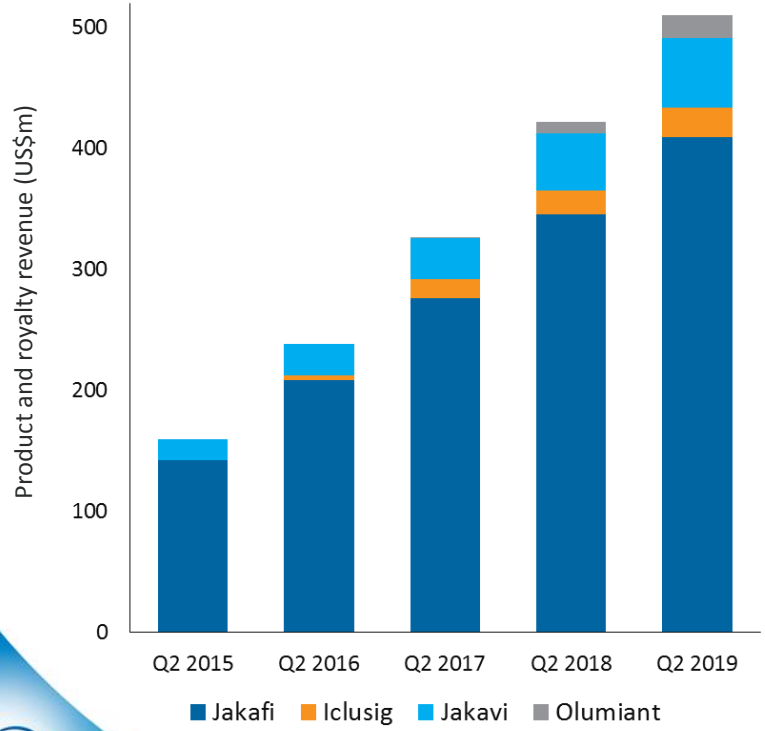
These forward-looking statements are based on our current expectations and are subject to risks and uncertainties that may cause actual results to differ materially, including unanticipated developments in and risks related to: unanticipated delays; further research and development and the results of clinical trials possibly being unsuccessful or insufficient to meet applicable regulatory standards or warrant continued development; the ability to enroll sufficient numbers of subjects in clinical trials; determinations made by the FDA; our dependence on relationships with and changes in the plans and expenditures of our collaboration partners; the efficacy or safety of our products and the products of our collaboration partners; the acceptance of our products and the products of our collaboration partners in the marketplace; market competition; sales, marketing, manufacturing and distribution requirements; unanticipated variations in demand for products; greater than expected expenses; expenses relating to litigation or strategic activities; and other risks detailed from time to time in our reports filed with the U.S. Securities and Exchange Commission, including our quarterly report on Form 10-Q for the quarter ended March 31, 2019. We disclaim any intent or obligation to update these forward-looking statements.

Overview

Hervé Hoppenot

Chief Executive Officer

Product & Royalty Revenues +21%; Significant Development Progress



Strong and Sustainable Revenue Growth

- 21% product and royalty revenue growth in Q2 2019 over Q2 2018
- FDA approval of Jakafi® (ruxolitinib) in steroid-refractory acute GVHD

Important Progress Across Portfolio

- **Capmatinib** (MET) updated data presented at ASCO; NDA submission for NSCLC expected in H2 2019 by Novartis[1]
- **Ruxolitinib cream** (JAK1/JAK2) compelling data presented at WCD; Phase 3 development in vitiligo expected to be initiated before end of 2019

Jakavi (ruxolitinib) licensed to Novartis ex-US, Olumiant (baricitinib) licensed to Lilly worldwide

1. Worldwide rights to capmatinib licensed to Novartis; capmatinib in development for the treatment of patients with non-small cell lung cancer harboring MET exon 14 skipping mutations

Two Franchises Driving Strategy for Diversification & Long-term Growth

Late-stage development programs

Hematology & Oncology

Ruxolitinib (JAK1/JAK2)

Itacitinib (JAK1)

Pemigatinib (FGFR)

Parsaclisib (PI3Kδ)

INCMGA0012 (PD-1)

Inflammation & Autoimmunity (IAI)

Ruxolitinib cream (JAK1/JAK2)
Atopic dermatitis
Vitiligo

Current sources of revenue

Jakafi® ruxolitinib (tablets)

JAKAVI® ruxolitinib

ICLUSIG™ (ponatinib) tablets

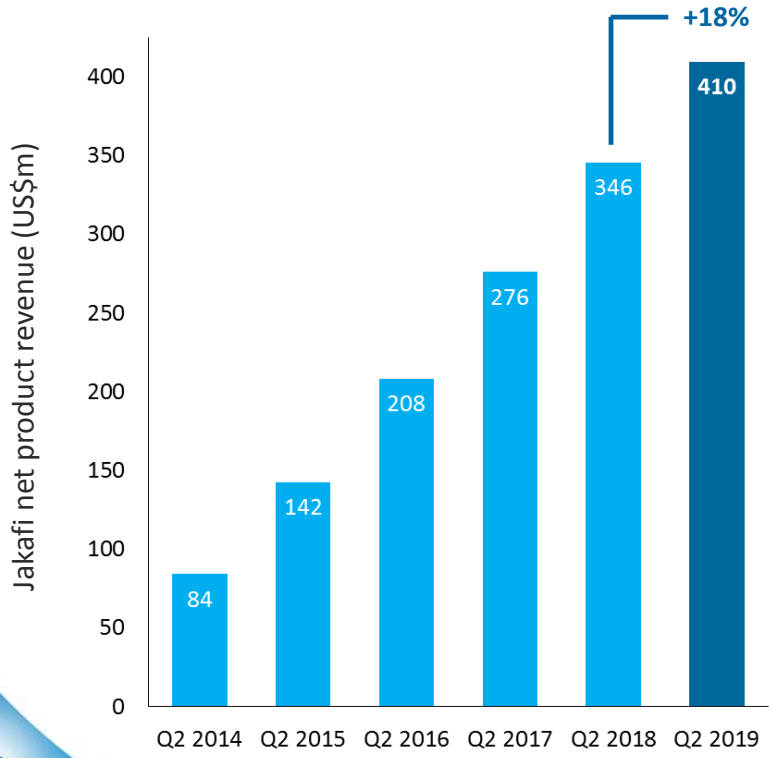
olumiant® (baricitinib) tablets

U.S. Commercial Update

Barry Flannelly

General Manager, U.S.

Strong Jakafi® Momentum, Driven by Patient Demand

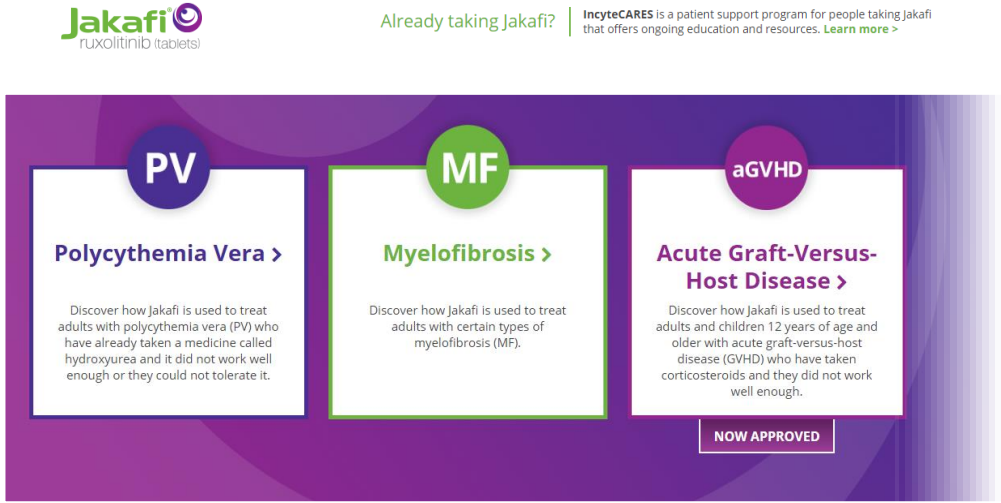


- Performance in-line with expectations
- Strong QoQ demand in both MF and PV
- Encouraging early launch feedback in new GVHD indication

- Lower end of full year net product revenue guidance increased to $1.61-1.65 billion

Jakafi (ruxolitinib) is approved by the FDA for treatment of adults with intermediate or high-risk myelofibrosis, for treatment of adults with polycythemia vera who have had an inadequate response to or are intolerant of hydroxyurea and for the treatment of steroid-refractory acute GVHD in adult and pediatric patients 12 years and older.

Jakafi® Now Available for Patients with Steroid-Refractory Acute GVHD



Key launch feedback

- Significant interest and excitement
- REACH1 data well received
- Multiple transplant centers already ordering Jakafi for inpatient use
- Good insurance coverage; no documented denials to date

Clinical Development

Steven Stein
Chief Medical Officer

Pivotal Programs in Cancer and IAI Indications Seek to Address Significant Number of Patients

Hematology & Oncology

ruxolitinib[1] (JAK1/JAK2)	itacitinib (JAK1)	pemigatinib (FGFR1/2/3)	parsaclisib (PI3Kδ)	INCMGA0012 (PD-1)
steroid-refractory acute GVHD, steroid-refractory chronic GVHD	steroid-naïve acute GVHD, steroid-naïve chronic GVHD	cholangiocarcinoma, bladder cancer, 8p11 MPN, solid tumors	follicular lymphoma, mantle cell lymphoma, marginal zone lymphoma	MSI-high endometrial cancer, anal cancer, Merkel cell carcinoma
3,000 new patients per year in US	**15,000 new patients per year**	**35,000 new patients per year**	**22,000 new patients per year (2L+)**	**15,000 new patients per year**
2019: Phase 3 results in both indications expected	**2019:** Phase 3 results in acute GVHD expected	**2019:** cholangiocarcinoma NDA expected	**2020:** Initial data expected	**2020:** Initial data expected

IAI

ruxolitinib cream (JAK1/JAK2)
atopic dermatitis, vitiligo
~12 million potential patients in the US
2019: Phase 3 initiation in vitiligo planned

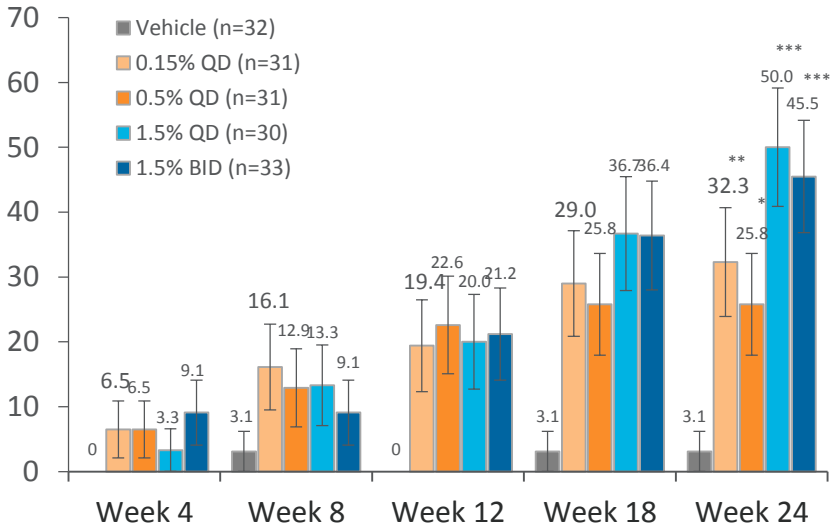
1. Development of ruxolitinib in GVHD in collaboration with Novartis.
All epidemiology data for US, Europe and Japan except where noted for US only; all incidence data for unresectable or metastatic disease, except prevalence data for ruxolitinib cream.
References upon request.

Successful Phase 2 Trial of Ruxolitinib Cream in Vitiligo

ruxolitinib cream (JAK1/JAK2)

- **Primary endpoint met**
  F-VASI50 vs vehicle at 24 weeks
- Highest F-VASI50 achieved with ruxolitinib cream 1.5% QD and BID
- Not associated with clinically significant application site reactions or serious treatment-related adverse events

F-VASI50 Response, %

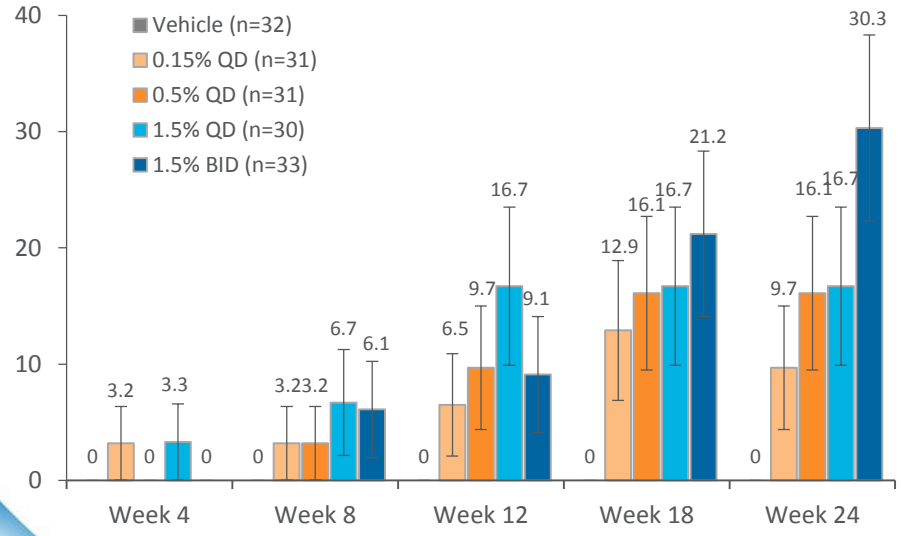


Error bars indicate standard error.
*** P<0.001 vs vehicle at Week 24; ** P<0.01 vs vehicle at Week 24; * P<0.05 vs vehicle at Week 24.

Highest F-VASI75 Response Rates at 1.5% BID Dose

Decision to advance to Phase 3 Development; expected to begin before end 2019

ruxolitinib cream (JAK1/JAK2)



Error bars indicate standard error.

Phase 3 summary design

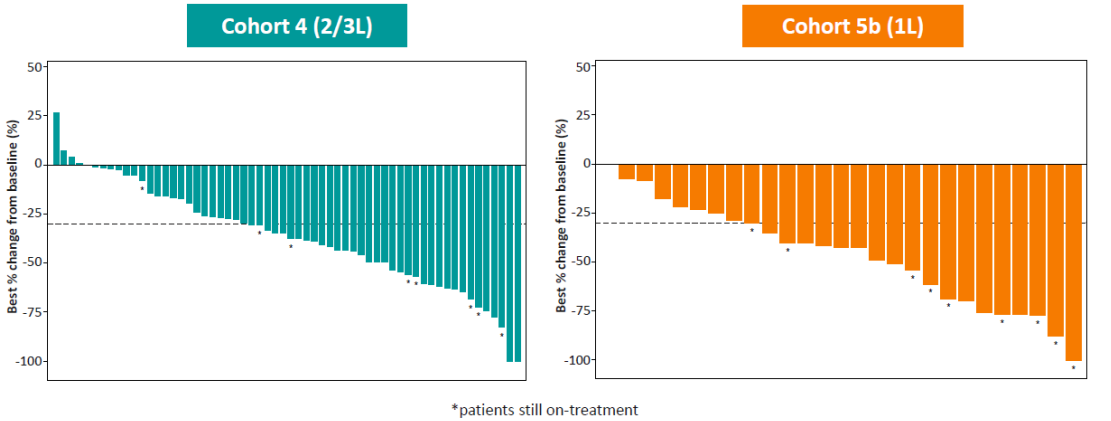
- Two Phase 3 trials to be initiated
- Ruxolitinib cream 1.5% BID vs vehicle
- ~300 patients in each trial
- Primary Endpoint: F-VASI75 @ 24 weeks

Capmatinib is a Selective MET Inhibitor

Potential to be first-in-class approval by FDA; milestones and royalties from Novartis

capmatinib (MET)

- Updated data recently presented at ASCO
- Breakthrough Therapy designation[1]
- NSCLC NDA submission expected, by Novartis, in H2 2019



- **Oral presentation at ASCO[2]**

  ORR: 68% 1L, 41% 2/3L
  DOR: 11.1m 1L, 9.7m 2/3L
  Manageable safety profile

- 3-4% of NSCLC
- 12-14% royalties to Incyte
  >$500m potential milestones

1. Capmatinib granted Breakthrough Therapy designation as a treatment for patients with metastatic NSCLC harboring MET exon-14 skipping mutation with disease progression on or after platinum-based chemotherapy 2. Wolf et al, ASCO 2019

Late-Stage Hematology-Oncology Newsflow Events in 2019

NDA (pemigatinib, 2L cholangiocarcinoma) expected by year-end

Updated data from FIGHT-202 trial (pemigatinib, 2L cholangiocarcinoma) expected by year-end

Results of REACH2 and REACH3 trials (ruxolitinib, Phase 3, SR acute and SR chronic GVHD) expected by year-end[1]

Results of GRAVITAS-301 trial (itacitinib, Phase 3, SN acute GVHD) expected by year-end

1. Development of ruxolitinib in GVHD in collaboration with Novartis.

Financial Results

Christiana Stamoulis

Chief Financial Officer

Non-GAAP Adjustments

- The financial measures other than Non-GAAP operating income / (loss) presented in this presentation for the three months ended June 30, 2019 and 2018 have been prepared by the Company in accordance with U.S. Generally Accepted Accounting Principles ("GAAP").
- Management has chosen to present Non-GAAP operating income / (loss) for the three months ended June 30, 2019 and 2018 and to release both GAAP and Non-GAAP financial guidance for the year ending December 31, 2019 in the belief that this Non-GAAP information is useful for investors, when considered in conjunction with Incyte's GAAP financial guidance.
- Management uses such information internally and externally for establishing budgets, operating goals and financial planning purposes. These metrics are also used to manage the Company's business and monitor performance. The Company adjusts, where appropriate, for expenses in order to reflect the Company's core operations.
- The Company believes these adjustments are useful to investors by providing an enhanced understanding of the financial performance of the Company's core operations. The metrics have been adopted to align the Company with disclosures provided by industry peers.
- Beginning in the first quarter of 2019, after reviewing our Reconciliation of GAAP Net Income (Loss) to Selected Non-GAAP Adjusted Information with the U.S. Securities & Exchange Commission, we no longer adjust for upfront consideration and milestones that are part of collaboration agreements with new or existing partners.

Financial Highlights: Second Quarter 2019

$ millions	Q2 2019 GAAP	Q2 2018 GAAP	Q2 2019 Non-GAAP[1]	Q2 2018 Non-GAAP[1]	*YoY Change Non-GAAP*
Net product revenues	**434**	**366**	**434**	**366**	***19%***
Jakafi	410	346	410	346	*18%*
Iclusig	24	20	24	20	*23%*
Royalties	**76**	**56**	**76**	**56**	***36%***
Jakavi	57	47	57	47	*21%*
Olumiant	19	9	19	9	*116%*
Total product and royalty revenues	**510**	**421**	**510**	**421**	***21%***
Milestones and contract revenues	20	100	20	100	
Total revenues	**530**	**522**	**530**	**522**	***2%***
Costs and expenses	**431**	**438**	**379**	**389**	***(3%)***
COGS	29	25	24	19	*22%*
R&D – ongoing	264	278	237	253	*(7%)*
% total revenues	*50%*	*53%*	*45%*	*49%*	
R&D – upfront and milestones	25	20	*25*	20	*25%*
SG&A	106	108	93	96	*(3%)*
% total revenues	*20%*	*21%*	*18%*	*18%*	
Change in fair value of contingent consideration	7	7	-	-	
Operating income	**99**	**83**	**151**	**133**	***14%***
% total revenues	*19%*	*16%*	*29%*	*25%*	

Totals may not add due to rounding

1. Non-GAAP costs and expenses exclude stock-based compensation and other expenses; a reconciliation from GAAP to Non-GAAP financial measures is provided on slide 23

Updated Financial Guidance: Full Year 2019

$ millions	FY 2019 GAAP		FY 2019 Non-GAAP[1]	
	Updated	Previous	Updated	Previous
Net product revenues				
Jakafi	1,610-1,650	1,580-1,650	1,610-1,650	1,580-1,650
Iclusig	90-100	No change	90-100	No change
Costs and expenses				
COGS	112-117	No change	90-95	No change
R&D	1,145-1,195	No change	1,020-1,070	No change
SG&A	471-521	No change	420-470	No change
Change in fair value of contingent consideration	30	No change	-	No change

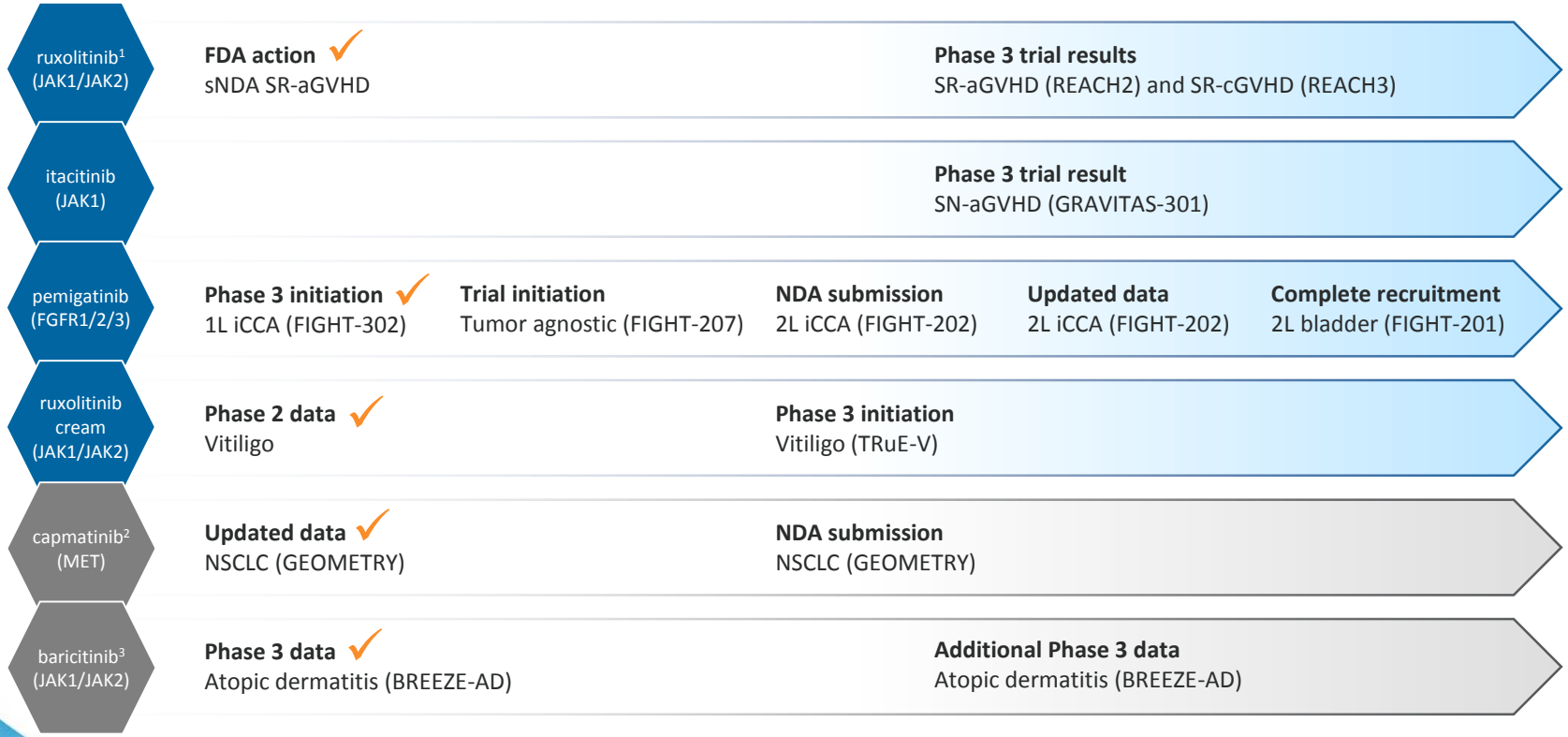
1. Non-GAAP costs and expenses exclude stock-based compensation and other expenses; a reconciliation from GAAP to Non-GAAP financial measures is provided on slide 24

The Year Ahead

Hervé Hoppenot

Chief Executive Officer

Important Newsflow Expected Throughout 2019



1. Development of ruxolitinib in GVHD in collaboration with Novartis; 2. Worldwide rights to capmatinib licensed to Novartis; 3. Worldwide rights to baricitinib licensed to Lilly

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Financial Backup Slides

2019 and 2018 Non-GAAP Reconciliation

$ millions	Three Months Ended June 30, 2019	Three Months Ended June 30, 2018
GAAP operating income / (loss)	**99**	**83**
Adjustments		
Non-cash stock compensation from equity awards	41	37
Amortization of acquired product rights	5	5
Change in fair value of contingent consideration	7	7
Non-GAAP operating income / (loss)	**151**	**133**

Totals may not add due to rounding
A full reconciliation of GAAP to Non-GAAP results is set forth in our second quarter 2019 financial results press release issued on July 30, 2019

2019 Financial Guidance Non-GAAP Reconciliation

$ millions	GAAP Guidance	Adjustments	Non-GAAP Guidance
Net product revenues			
Jakafi	1,610-1,650	-	1,610-1,650
Iclusig	90-100	-	90-100
Costs and expenses			
COGS	112-117	Amortization of acquired product rights for Iclusig and stock-based compensation (22)	90-95
R&D	1,145-1,195	Stock-based compensation (125)	1,020-1,070
SG&A	471-521	Stock-based compensation (51)	420-470
Change in fair value of contingent consideration	30	Change in fair value of estimated future Iclusig royalties (30)	-