

INCYTE CORPORATION

Code of Business Conduct and Ethics

Adopted December 11, 2003

INTRODUCTION

This Code of Business Conduct and Ethics sets forth the basic principles that guide the business conduct of Incyte Corporation. A fundamental goal of Incyte is to adhere to ethical standards and obey all applicable laws and that its employees, including its officers, clearly understand what is required of them in that regard. This Code does not address every ethical or legal issue that an employee or officer may face, but rather serves as a guide to maintain the highest ethical standards in their conduct.

Each employee is expected to act in good faith and with integrity in the performance of his/her responsibilities on behalf of Incyte. Employees also have a duty of loyalty to Incyte to act within the company's best interests. Employees of Incyte and officers, directors and employees of Incyte's subsidiaries are expected to comply with this Code. Members of the Board of Directors of Incyte are subject to the same high ethical standards and are bound by their own code of conduct and ethics in compliance with regulatory requirements and the Company's own set of high standards. Employees who violate this Code will be subject to disciplinary action, possibly including termination of employment.

BASIC PRINCIPLES AND PRACTICES

ACCURATE BUSINESS RECORDS

Incyte requires its employees to honestly and accurately record and report financial, scientific and other business information in order to make responsible business decisions and full, fair, accurate, timely and understandable financial and other disclosures to regulatory agencies and the public. Incyte is legally required to maintain an effective system of internal controls to ensure that transactions are properly authorized, assets are safeguarded, financial records are reliable and operations are conducted in accordance with directives of the Board of Directors and management and with the highest professionalism and integrity. All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls.

To maintain the integrity of the accounting records, all entries in the Company's books and records must be prepared carefully and honestly and must be supported by adequate documentation to provide a complete, accurate, and auditable record. All employees have a responsibility to ensure that their work is fair and accurate.

Falsification of records or misrepresentation of facts will not be tolerated. Business records and communications often become public and employees should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies.

COMPLIANCE WITH LAWS

Our policy is to comply with all laws, rules, regulations and professional codes of conduct that are applicable to our business. To that end, the use of company funds or assets for an unlawful or improper purpose is strictly prohibited. No Incyte employee shall commit an illegal or unethical act or instruct others to do so, for any reason on behalf of, or in the name of, Incyte. If an employee believes that any practice raises questions as to compliance with applicable law, rule, regulation or professional code of conduct or if the employee has questions regarding any law, rule, regulation or professional code of conduct, s/he should contact the General Counsel. Suspected violations of law should be reported to the General Counsel.

CONFIDENTIALITY

Information about Incyte operations, performance, technology or personnel that has not been publicly disclosed by an authorized spokesperson of Incyte or is not available from public sources is confidential. Protecting confidential information is essential to Incyte's business and competitive edge, and is the responsibility of each employee. "Confidential Information" means any proprietary and/or confidential knowledge, information, data, trade secrets or know-how of the Company, including, but not limited to, that related to research, products, services, suppliers, customers, markets, software, developments or plans, clinical data, test data, inventions, patent disclosures and applications, processes, formulas, technology, algorithms, techniques, designs, drawings, engineering, hardware configuration information, marketing, personnel information (including without limitation employee compensation), finances or other business information however disclosed to or observed by the employee. All employees must be careful not to disclose non-public information to unauthorized persons, either within or outside of the Company, and must exercise care to protect the confidentiality of such information received from another party. If employees are unsure whether information may be disclosed, they should ask their manager or seek advice from the General Counsel. Incyte employees should also consult the Confidential Information and Invention Assignment Agreement they entered into upon employment with Incyte and must abide by its terms.

CONFLICTS OF INTEREST

While Incyte respects the privacy of its employees in the conduct of their personal affairs, it insists that they fully discharge their employment obligations to Incyte. Employees should avoid any activity in which their personal interests may come into conflict, or may appear to conflict, with the interests of Incyte in its relations with current or prospective suppliers, customers, or competitors. Employees must report actual or potential conflicts of interest to the General Counsel.

Without limiting the general scope of this policy, the following relationships and courses of conduct by employees will be considered to involve a conflict of interest unless in special circumstances they are specifically approved and waived by the General Counsel:

- Participating in civic or professional organizations that might involve divulging confidential information of Incyte.
- Violating Incyte's policy regarding making personnel decisions based on family or social relationships rather than on job-related criteria.
- Initiating or approving any form of harassment of employees.
- Engaging in other employment, occupation, consulting or other business activity, or having a direct or indirect financial interest in any privately held company that is in direct competition with Incyte, whether alone, as a partner, or as an officer, director or employee; or by holding more than a 5% interest in any publicly held company that is in direct competition with Incyte; or by holding more than a 5% interest in any publicly or privately held company that is a customer, supplier or contractor of Incyte.
- Lending money to, guaranteeing debts of, or borrowing money from a competitor, supplier or customer of Incyte by or for an employee or an immediate relative of an employee. The borrowing of money from a financial institution that provides services to Incyte is not prohibited if the loan is of a type generally made available by the financial institution to all, or a specific group of, Incyte employees.
- Acquiring real estate in which Incyte has announced an interest.
- Unlawfully discussing prices, costs, customers, sales or markets with competing companies or their employees.
- Making any unlawful agreements with distributors with respect to prices.
- Improperly using or authorizing the use of any inventions that are the subject of patent claims of any other person or entity.
- Engaging in any conduct that is not in the best interest of Incyte.

CORPORATE OPPORTUNITY

Employees must not take for themselves personally opportunities that could reasonably be available to Incyte. Employees are prohibited from directly or indirectly acquiring rights to any property that he or she knows Incyte may also be interested in acquiring. Employees owe a duty to Incyte to advance its legitimate interests when the opportunity to do so arises. Employees must not use Company property, information or position for personal gain or compete with the Company during their employment with the Company.

FAIR DEALING

When interacting with the Company's employees, competitors, suppliers, or customers, each employee should strive to act with integrity and honesty and avoid taking advantage of anyone through any unfair-dealing practice.

GIFTS, GRATUITIES, AND ENTERTAINMENT

Receiving business gifts, including the acceptance of meals and transportation, of nominal value is permissible where customary. Receiving cash or gifts of significant value is strictly prohibited. Employees should never accept any gift that might make it appear that their business judgment could be compromised. Customary business entertainment, including meals or transportation, is proper unless the value, cost, or frequency of the business entertainment could appear to influence the judgment of the person being entertained. Gifts or gratuities to government officials may be inappropriate, and in some cases, illegal. Each employee should always be sensitive to potential unlawful activities, such as kickbacks or bribes (payment for giving business to, or receiving business from, an organization). Such activities are always unethical and often illegal.

INSIDER TRADING

If any employee has material non-public information relating to Incyte, it is our policy that neither that person nor any related person may buy or sell securities of Incyte or engage in any other action to take advantage of, or pass on to others, that information. This policy also applies to information relating to any other company, including our customers, partners or suppliers, obtained in the course of employment. Employees should also consult the Incyte Corporation Insider Trading Policy, which sets forth more fully your obligations in this regard. Questions regarding insider trading should be addressed to the General Counsel.

PROTECTION AND PROPER USE OF INCYTE ASSETS

Protecting Incyte's assets against loss, theft or other misuse is the responsibility of every employee. Loss, theft and misuse of Incyte's assets directly impacts our profitability. Any such loss, misuse or suspected theft should be reported to a manager/supervisor or the Legal Department.

The purpose of Incyte's equipment, vehicles and supplies is the conduct of its business. They are to be used for Incyte business, consistent with Incyte guidelines. Employees should consult Incyte's Computer Usage Policy with respect to the appropriate use of Incyte-provided computer and related assets. Incidental personal use in the course of business that does not interfere with Incyte's business may be permitted, but Incyte property and services must not be diverted to personal use.

IMPLEMENTATION OF THIS CODE

All employees must sign a statement certifying that they have read and understand this Code. Employees violating this Code will be subject to disciplinary action, up to and including termination of employment.

COMPLIANCE PROCEDURES

Incyte recognizes the need for this Code to be applied equally to everyone it covers. The General Counsel of Incyte will have primary authority and responsibility for the enforcement of this Code, subject to the supervision of the Nominating and Corporate Governance Committee, or, in the case of accounting, internal accounting controls or auditing matters, the Audit Committee of the Board of Directors, and Incyte will devote the necessary resources to enable the General Counsel to establish such procedures as may be reasonably necessary to create a culture of accountability and facilitate compliance with this Code. Questions concerning this Code should be directed to the General Counsel.

REPORTING VIOLATIONS OF THIS CODE

An employee who becomes aware of a violation of this Code or believes that a violation may take place in the future must promptly report the matter. Failure to report a known violation allows misconduct to go unremedied and is itself grounds for discipline. Reporting is governed by the following rules:

- Ordinarily, the report may be made to the employee's immediate supervisor who, in turn, must report it to the General Counsel. If the report pertains to concerns regarding questionable accounting or auditing matters, the employee should direct the report to the General Counsel or to the Audit Committee of the Board of

Directors. An employee may contact the General Counsel or the Audit Committee through any one of the following means:

- Contact the General Counsel, Patricia Schreck, by email at pschreck@incyte.com, by phone at (302) 498-6831, or by mail at Experimental Station, Route 141 & Henry Clay Road, Building E336, Wilmington, DE 19880.
 - Contact the Audit Committee by email at auditcommittee@incyte.com (a copy of this message will also be directed to Incyte's General Counsel).
 - Contact the Audit Committee by mail at Incyte Corporation, ATTN: Audit Committee, Experimental Station, Route 141 & Henry Clay Road, Building E336, Wilmington, DE 19880. (This correspondence will be forwarded directly to an Audit Committee representative.)
 - Contact the Audit Committee at the following voicemail number: 1-800-630-8586. This is a toll-free nationwide number. (This voicemail box will be checked regularly by the General Counsel's office.)
- An employee who is uncomfortable reporting a violation to his or her supervisor, who is uncomfortable being identified as reporting a possible violation, or who believes that reporting the problem to the supervisor has not corrected the problem, may make an anonymous report as follows:
 - In making an anonymous report, the employee should provide as much information as possible in order to allow an investigator to evaluate your report. The employee should also identify specific documents or computer files that will show the violation.
 - If possible, the employee should provide a means by which s/he can be contacted in the event that an investigator needs follow-up information or wants to report back as to what he or she has learned.
 - An employee should make a record of the anonymous report for his/her personal use. If the violation is later discovered, it may be important for an employee to show that the matter was reported.

We will not allow retaliation against an employee for reporting a possible violation of this Code unless it can be shown that the report was knowingly false. Retaliation for reporting a federal offense is illegal under federal law and prohibited under this Code. Such retaliation will result in discipline up to and including termination of employment and may also result in criminal prosecution. The employee is protected from retaliation even if the investigator does not agree that there has been a violation. However, if the employee making the report was involved in improper activity, the fact that s/he reported it will not necessarily prevent him or her from being disciplined for his

or her participation in the violation. In these circumstances, we may consider the employee's conduct in promptly reporting the information as a mitigating factor in any disciplinary decision.

WAIVERS

If an employee believes that a waiver of this Code is necessary or appropriate, including, but not limited to, any potential or actual conflict of interest, or any waiver of Incyte's policies or procedures, a request for a waiver and the reasons for the request must be submitted in writing to the General Counsel. An executive officer must submit the request for a waiver to the Board of Directors. Waivers of this Code for executive officers must be approved by the Board of Directors and disclosed as required by applicable law, rule or regulation.

CHANGES TO THIS CODE

This Code may be changed from time to time, either on a periodic basis, or in response to employee feedback, changes in industry practice or changes in applicable law. Employee feedback regarding this Code may be directed to the General Counsel's office, which will work with the Nominating and Corporate Governance Committee of the Board of Directors to consider any such changes and to recommend to the full Board of Directors for its approval any substantive changes to this Code.

ACKNOWLEDGEMENT

I have received and read Incyte Corporation's Code of Business Conduct and Ethics, and I understand its contents. I agree to comply fully with the standards, policies and procedures contained in the Code and Incyte's related policies and procedures. I acknowledge that the Code is a statement of policies for business conduct and does not, in any way, constitute an employment contract or an assurance of continued employment.

Printed Name

Signature

Date