

INC Research Holdings, Inc.  
Form 424B7  
December 01, 2015  
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**Filed Pursuant to Rule 424(b)(7)**  
**Registration No. 333-208286**

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is part of an effective registration statement filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and neither we nor the selling stockholders are soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**Subject to Completion, Dated December 1, 2015.**

## **PRELIMINARY PROSPECTUS SUPPLEMENT**

**(To Prospectus dated December 1, 2015)**

6,000,000 Shares

**INC Research Holdings, Inc.**

Class A Common Stock

The selling stockholders identified in this prospectus supplement are offering 6,000,000 shares of Class A common stock, or common stock. We will not receive any proceeds from the sale of our common stock by the selling stockholders.

We intend to enter into an agreement with the Sponsors, as defined herein, who are also selling stockholders in this offering, to repurchase approximately 3,000,000 shares of our common stock from the Sponsors at a price of \$ per share in a private transaction. The closing of the private share repurchase will be concurrent with the closing of this offering. The closing of the share repurchase is contingent on the closing of this offering. The closing of this offering is not contingent on the closing of the share repurchase.

Our common stock is listed on the NASDAQ Global Select Market, or the NASDAQ, under the symbol INCR. The last reported sale price of our common stock on NASDAQ on November 30, 2015, was \$47.30 per share.

*Investing in our common stock involves risks. See Risk Factors beginning on page S-8 of this prospectus supplement, beginning on page 3 of the accompanying prospectus, and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as well as the other information contained in such report and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (which Forms 10-K and 10-Q are incorporated by reference herein) to read about factors you should consider before making a decision to invest in our common stock.*

The underwriter has agreed to purchase the shares of our common stock from the selling stockholders at a price of \$        per share, which will result in \$        of proceeds to the selling stockholders before expenses. The underwriter proposes to offer the shares of common stock from time to time for sale in one or more transactions on the NASDAQ, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. See Underwriting.

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement. Any representation to the contrary is a criminal offense.**

The underwriter expects to deliver the shares against payment in New York, New York on       , 2015.

**Credit Suisse**

Prospectus Supplement dated       , 2015.

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We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference herein or in any free writing prospectuses we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus supplement is an offer to sell only the shares offered hereby, but only under circumstances and in

jurisdictions where it is lawful to do so. The information contained in this prospectus supplement is current only as of its date. Our business, financial condition, results of operation and prospects may have changed since that date.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

On December 1, 2015, we filed with the Securities and Exchange Commission, or SEC, a registration statement on Form S-3 utilizing a shelf registration process relating to the securities described in this prospectus supplement, which was automatically declared effective upon filing.

This prospectus supplement describes the specific terms of an offering of our common stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the accompanying prospectus. The second part, the accompanying prospectus, provides more general information. If the information in this prospectus supplement is inconsistent with the accompanying prospectus or any document incorporated by reference therein filed prior to the date of this prospectus supplement, you should rely on the information in this prospectus supplement.

It is important for you to read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. We include cross-references in this prospectus supplement and the accompanying prospectus to captions in these materials where you can find additional related discussions. The table of contents in this prospectus supplement provides the pages on which these captions are located. You should read both this prospectus supplement and the accompanying prospectus, together with the additional information described in the sections entitled *Where You Can Find More Information* and *Incorporation of Documents by Reference* of this prospectus supplement, before investing in our common stock.

The selling stockholders are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about, and observe any restrictions relating to, the offering of the common stock and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus supplement and the accompanying prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

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**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights information contained elsewhere in this prospectus supplement or incorporated by reference into this prospectus supplement and the accompanying prospectus. This summary is not complete and does not contain all of the information that you should consider before investing in our common stock. Before investing in our common stock, you should carefully read the entire prospectus supplement, the accompanying prospectus, any applicable free writing prospectus we file with the SEC and the information incorporated herein by reference, including the financial data and related notes and the sections entitled Risk Factors. Unless the context requires otherwise, references to our company, we, us and our refer to INC Research Holdings, Inc. and its direct and indirect subsidiaries; references to INC Holdings refer to INC Research Holdings, Inc.; and references to INC refer to INC Research, LLC, our wholly-owned subsidiary. Unless the context otherwise requires, references to common stock refer to our Class A common stock. References to GAAP are to the generally accepted accounting principles of the United States.*

**Overview**

We are a leading global Contract Research Organization based on revenues, and are exclusively focused on Phase I to Phase IV clinical development services for the biopharmaceutical and medical device industries. We provide our customers highly differentiated therapeutic alignment and expertise, with a particular strength in central nervous system, oncology and other complex diseases. We consistently and predictably deliver clinical development services in a complex environment and offer a proprietary, operational approach to clinical trials through our Trusted Process<sup>®</sup> methodology. Our service offerings focus on optimizing the development of, and therefore, the commercial potential for, our customers' new biopharmaceutical compounds, enhancing returns on their research and development investments and reducing their overhead by offering an attractive variable cost alternative to fixed cost, in-house resources.

**Our Sponsors**

Following the closing of this offering and the share repurchase (as defined below), affiliates of Avista Capital Partners II, L.P., or Avista, and affiliates of Teachers Private Capital, or Teachers, the private investment arm of Ontario Teachers' Pension Plan Board, or OTPP, together will own approximately 39.4% of our outstanding common stock. We expect that following this offering Avista will own approximately 20.1% of our outstanding common stock, and Teachers will own approximately 19.3% of our outstanding common stock. The common stock is entitled to one vote per share. As a result, Avista and Teachers (each, a Sponsor and together, the Sponsors) will be able to exert significant voting influence over fundamental and significant corporate matters and transactions. See Risk Factors Risks Related to Our Common Stock and this Offering Our Sponsors have significant influence over our company, and their interests may be different from or conflict with those of our other stockholders. See also Principal and Selling Stockholders. Because the Sponsors will own less than 50% of the total voting power of our common stock, we will no longer be a controlled company within the meaning of NASDAQ listing standards upon completion of this offering. However, during the phase-in period we may continue to rely on exemptions from certain corporate governance requirements. See Risk Factors Risks Related to Our Common Stock and this Offering Although we will not be a controlled company within the meaning of the rules of NASDAQ upon completion of this offering, during the phase-in period we may continue to rely on exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.

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**Share Repurchase**

We intend to enter into an agreement with the Sponsors, who are also selling stockholders in this offering, to repurchase approximately 3,000,000 shares of our common stock from the Sponsors at a price of \$ \_\_\_\_\_ per share in a private transaction. The closing of the private share repurchase will be concurrent with the closing of this offering. We refer to this transaction as the \_\_\_\_\_ share repurchase. The terms and conditions of the share repurchase were reviewed and approved by our Board of Directors, other than the director nominees of the selling stockholders, who recused themselves from the Board's deliberations.

We intend to fund the share repurchase with cash on hand and borrowings from our revolving credit facility. The completion of the share repurchase is contingent on the satisfaction of customary closing conditions and conditioned upon the completion of this offering. The completion of this offering is not conditioned upon the completion of the share repurchase. We cannot assure you that the share repurchase will be consummated.

Assuming the share repurchase is completed at the anticipated amounts, we expect that the share repurchase will result in accretion of approximately \$0.03 in pro forma adjusted net income per share in 2014 (assuming the repurchase of 3,000,000 shares at an assumed price of \$47.30 per share, which is based on the last reported price of our common stock on NASDAQ on November 30, 2015 of \$47.30). A \$1.00 increase or decrease in the assumed purchase price of \$47.30 per share would not have a significant impact in pro forma adjusted net income per share in 2014.

The description and the other information in this prospectus supplement regarding the share repurchase is included solely for informational purposes. Nothing in this prospectus should be construed as an offer to sell, or the solicitation of an offer to buy, any of our common stock, subject to the share repurchase.



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**Our Structure**

The diagram below reflects a simplified overview of our organizational structure following this offering and the share repurchase:

**Corporate Information**

We are a Delaware corporation and were incorporated on August 13, 2010. Our principal executive office is located at 3201 Beechleaf Court, Suite 600, Raleigh, North Carolina 27604-1547. Our telephone number at our principal executive office is (919) 876-9300. Our corporate website is [www.incresearch.com](http://www.incresearch.com). The information on our corporate website is not part of, and is not incorporated by reference into, this prospectus supplement.

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**THE OFFERING**

<b>Common stock offered by the selling stockholders</b>	6,000,000 shares.
<b>Common stock to be outstanding after this offering and the share repurchase</b>	53,504,163 shares.
<b>Use of proceeds</b>	We will not receive any of the proceeds from the sale of shares of common stock by the selling stockholders.
<b>Share repurchase</b>	We intend to enter into an agreement with the Sponsors, who are also selling stockholders in this offering, to repurchase approximately 3,000,000 shares of our common stock from the Sponsors at a price of \$ per share in a private transaction. The closing of the share repurchase will be concurrent with the closing of this offering, at the price at which the shares of common stock are sold to the underwriter. We intend to fund the share repurchase using the proceeds from approximately \$141.9 million of cash on hand and borrowings under our revolving credit facility (assuming a purchase price of \$47.30 per share, the last reported price of our common stock on NASDAQ on November 30, 2015). The repurchased shares will be cancelled and no longer outstanding after this offering. The share repurchase was approved by the disinterested directors on our Board. The closing of this offering is not contingent on the closing of the share repurchase.
<b>Dividend policy</b>	We do not anticipate paying any dividends on our common stock in the foreseeable future; however, we may change this policy in the future. See Dividend Policy.
<b>Risk factors</b>	Investing in our common stock involves a high degree of risk. See Risk Factors beginning on page S-8 of this prospectus supplement, in the accompanying prospectus and the documents incorporated by reference for a discussion of factors you should consider carefully before investing in our common stock.

**NASDAQ trading symbol**

**INCR.**

Unless otherwise indicated, the number of shares of our common stock outstanding after this offering:

excludes 1,357,046 shares of our common stock issuable upon exercise of outstanding stock options as of September 30, 2015 with a weighted average exercise price of \$10.33 per share;

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excludes 6,834,312 shares of our common stock reserved for the future issuance, as of September 30, 2015, under our 2014 Equity Incentive Plan, or the 2014 Plan;

excludes 223,966 shares of nonvested restricted stock units outstanding as of September 30, 2015; and

assumes the repurchase of 3,000,000 shares of common stock.

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**RISK FACTORS**

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below together with the other information included in this prospectus supplement, the accompanying prospectus and incorporated by reference herein, before deciding to purchase our common stock. In addition, you should carefully consider, among other things, the section entitled "Risk Factors" beginning on page 19 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and page 34 of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015 and other information in our consolidated financial statements, all of which are incorporated by reference into this prospectus supplement. The risks described below and incorporated herein by reference are those which we believe are the material risks that we face. The occurrence of any of the following risks may materially and adversely affect our business, financial condition, results of operations, cash flows, reputation and future prospects. In this event, the market price of our common stock could decline, and you could lose part or all of your investment.

**Risks Related to Our Common Stock and this Offering**

*Our stock price might fluctuate significantly, which could cause the value of your investment in our common stock to decline, and you might not be able to resell your shares at a price at or above the public offering price.*

Since our IPO in November 2014, the price of our common stock, as reported by NASDAQ, has ranged from a low of \$19.61 on November 7, 2014 to a high of \$51.69 on August 3, 2015. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of our common stock regardless of our results of operations. The public market of our common stock is very new, and its trading price is likely to be volatile and subject to significant price fluctuations in response to many factors, including:

market conditions or trends in our industry, including with respect to the regulatory environment, or the economy as a whole;

fluctuations in quarterly operating results, as well as differences between our actual financial and operating results and those expected by investors;

guidance, if any, that we provide to the public, any changes in this guidance or our failure to meet this guidance;

changes in financial estimates or ratings by any securities analysts who follow our common stock, our failure to meet these estimates or the failure of those analysts to initiate or maintain coverage of our common stock;

changes in key personnel;

entry into new markets;

announcements by us or our competitors of new service offerings or significant acquisitions, divestitures, strategic partnerships, joint ventures or capital commitments;

actions by competitors;

changes in operating performance and stock market valuations of other companies;

investors' perceptions of our prospects and the prospects of the industry;

the public's response to press releases or other public announcements by us or third parties, including our filings with the SEC;

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announcements related to litigation;

changes in the credit ratings of our debt;

the development and sustainability of an active trading market for our common stock;

investor perceptions of the investment opportunity associated with our common stock relative to other investment alternatives;

future sales of our common stock by our officers, directors and significant stockholders;

other events or factors, including those resulting from system failures and disruptions, earthquakes, hurricanes, war, acts of terrorism, other natural disasters or responses to these events; and

changes in accounting principles.

These and other factors may cause the market price and demand for shares of our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of our common stock and may otherwise negatively affect the liquidity of our common stock. In that event, the price of our common stock would likely decrease. In the past, when the market price of a stock has been volatile, security holders have often instituted class action litigation against the company that issued the stock. If we become involved in this type of litigation, regardless of the outcome, we could incur substantial legal costs and our management's attention could be diverted from the operation of our business, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

***We do not expect to pay any cash dividends for the foreseeable future.***

We do not anticipate that we will pay any dividends to holders of our common stock for the foreseeable future. Any payment of cash dividends will be at the discretion of our Board and will depend on our financial condition, capital requirements, legal requirements, earnings and other factors. Our ability to pay dividends is restricted by the terms of our credit agreement and might be restricted by the terms of any indebtedness that we incur in the future. Consequently, you should not rely on dividends in order to receive a return on your investment. See Dividend Policy.

***Future sales of our common stock in the public market could cause the market price of our common stock to decrease significantly.***

Sales of substantial amounts of our common stock in the public market may cause the market price of our common stock to decrease significantly. The perception that such sales could occur could also depress the market price of our common stock. Any such sales could also create public perception of difficulties or problems with our business and might also make it more difficult for us to raise capital through the sale of equity securities in the future at a time and price that we deem appropriate.

Upon the consummation of this offering and the share repurchase, we will have 53,504,163 outstanding shares of common stock, of which:

6,000,000 shares are shares that our selling stockholders are selling to the public in this offering, which, unless purchased by affiliates, may be resold in the public market immediately after this offering; and

21,609,819 shares will be restricted securities, as defined under Rule 144 under the Securities Act, and be eligible for sale in the public market immediately following this offering subject to the requirements of Rule 144; of these, 21,355,814 shares are subject to lock-up agreements

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expiring 45 days after the date of this prospectus supplement, respectively, and the remainder will become available for resale in the public market immediately following this offering.

As restrictions on resale expire or as shares are registered, our share price could drop significantly if the holders of these restricted or newly registered shares sell them or are perceived by the market as intending to sell them. These sales might also make it more difficult for us to raise capital through the sale of equity securities in the future at a time and at a price that we deem appropriate.

### ***Our Sponsors have significant influence over our company, and their interests may be different from or conflict with those of our other stockholders.***

After the consummation of this offering and the share repurchase, the Sponsors will collectively beneficially own approximately 39.4% of our outstanding common stock. As a consequence, the Sponsors will be continue to be able to exert a significant degree of influence or actual control over our management and affairs and matters requiring stockholder approval, including the election of directors, a merger, consolidation or sale of all or substantially all of our assets, and any other significant transaction. Additionally, the Sponsors are and, following the completion of this offering, will continue to be parties to a stockholders agreement, or the Stockholders Agreement. The Stockholders Agreement, among other things, requires such stockholders to vote in favor of certain nominees to our Board. The interests of the Sponsors might not always coincide with our interests or the interests of our other stockholders. For instance, this concentration of ownership and/or the restrictions imposed by the Stockholders Agreement may have the effect of delaying or preventing a change in control of us otherwise favored by our other stockholders and could depress our stock price.

The Sponsors each make investments in companies and may, from time to time, acquire and hold interests in businesses that compete directly or indirectly with us. Each of the Sponsors may also pursue, for its own account, acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities might not be available to us. Our organizational documents contain provisions renouncing any interest or expectancy held by our directors affiliated with the Sponsors in certain corporate opportunities. Accordingly, the interests of the Sponsors may supersede ours, causing the Sponsors or their affiliates to compete against us or to pursue opportunities instead of us, for which we have no recourse. Such actions on the part of the Sponsors and inaction on our part could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The Sponsors control four seats on our Board. Since the Sponsors could invest in entities that directly or indirectly compete with us, when conflicts arise between the interests of the Sponsors and the interests of our stockholders, these directors might not be disinterested.

### ***Although we will not be a controlled company within the meaning of the rules of NASDAQ upon completion of this offering, during the phase-in period we may continue to rely on exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.***

Upon completion of our initial public offering, the Sponsors beneficially owned more than 50% of the total voting power of our common stock and, as a result, we are a controlled company under NASDAQ corporate governance listing standards. As a controlled company, we are exempt under NASDAQ listing standards from the obligation to comply with certain of NASDAQ's corporate governance requirements, including the requirements:

that a majority of our board of directors consist of independent directors, as defined under the rules of NASDAQ;

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that we have a corporate governance and nominating committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and

that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

Accordingly, you do not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of NASDAQ.

Following this offering, we will no longer be a controlled company within the meaning of the rules of NASDAQ. Under NASDAQ rules, a company that ceases to be a controlled company must comply with the independent board committee requirements as they relate to the nominating and corporate governance and compensation committees on the following phase-in schedule: (1) one independent committee member at the time it ceases to be a controlled company, (2) a majority of independent committee members within 90 days of the date it ceases to be a controlled company and (3) all independent committee members within one year of the date it ceases to be a controlled company. Additionally, NASDAQ rules provide a 12-month phase-in period from the date a company ceases to be a controlled company to comply with the majority independent board requirement. During these phase-in periods, our stockholders will not have the same protections afforded to stockholders of companies of which the majority of directors are independent. Additionally, if, within the phase-in periods, we are not able to recruit additional directors who would qualify as independent, or otherwise comply with NASDAQ rules, we may be subject to enforcement actions by NASDAQ. Furthermore, a change in our board of directors and committee membership may result in a change in corporate strategy and operation philosophies, and may result in deviations from our current growth strategy.

***We may be limited in our ability to utilize, or may not be able to utilize, net operating loss, or NOL, carryforwards to reduce our future tax liability.***

As of December 31, 2014, we had U.S. federal NOL carryforwards of approximately \$185 million and state NOL carryforwards of approximately \$263 million, which are limited annually due to certain change in ownership provisions of Section 382 of the Internal Revenue Code of 1986, as amended, or the Code. Based on our estimates, approximately \$5.1 million of our federal NOL carryforwards are subject to limitation under Section 382 of the Code and will expire unused. In addition, as a result of the Kendle acquisition, approximately \$76.6 million in NOL carryforwards are subject to an annual Section 382 base limitation of \$7.7 million. The limitation is not expected to impact the realization of the deferred tax assets associated with these NOLs. We currently expect the sale of our common stock in this offering to trigger an additional limitation on the use of our NOL carryforwards. While this additional limitation may impact the timing of our ability to use these carryforwards, we currently do not expect it to increase the total amount of NOL carryforwards that will expire unused. However, there can be no assurance because, as discussed below, the annual use limitation will ultimately depend on the value of our equity as determined for these purposes immediately prior to the ownership change. Our federal NOL carryforwards will begin to expire in 2018 and will completely expire in 2033. Our state NOL carryforwards may be used over various periods ranging from one to 20 years. See Note 10 to our consolidated financial statements included in our 2014 Form 10-K for a further discussion of our tax loss carryovers and current limitations on our ability to utilize NOLs.

Future ownership changes within the meaning of Section 382(g) of the Code may subject our tax loss carryforwards to annual limitations which would restrict our ability to use them to offset our taxable income in periods following the ownership changes. In general, the annual use limitation equals the aggregate value of our equity immediately before the ownership change multiplied by a specified tax-exempt interest rate. We have had significant financial losses in previous years and, as a result, we

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currently maintain a full valuation allowance for our deferred tax assets including our federal and state NOL carryforwards.

***Provisions of our corporate governance documents and Delaware law could make an acquisition of our company more difficult and may prevent attempts by our stockholders to replace or remove our current management, even if beneficial to our stockholders.***

Provisions of our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that delay, defer or discourage transactions involving an actual or potential change in control of us or change in our management that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board. Because our Board is responsible for appointing the members of our management team, these provisions could in turn affect any attempt to replace current members of our management team. Among others, these provisions include, (1) our ability to issue preferred stock without stockholder approval, (2) the requirement that our stockholders may not act without a meeting, (3) requirements for advance notification of stockholder nominations and proposals contained in our bylaws, (4) the absence of cumulative voting for our directors, (5) requirements for stockholder approval of certain business combinations and (6) the limitations on director nominations contained in our Stockholders Agreement. See Description of Capital Stock in the accompanying prospectus for more detail.

Additionally, Section 203 of the Delaware General Corporation Law, or the DGCL, prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person which together with its affiliates owns, or within the last three years has owned, 15% of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. The existence of the foregoing provision could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock.

***We are incurring increased costs and obligations as a result of being a public company.***

As a relatively new public company, we have and will continue to incur significant legal, accounting and other expenses that we were not required to incur as a privately held company, due to compliance requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley, the Dodd-Frank Act, the listing requirements of NASDAQ and other applicable securities rules and regulations. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results with the SEC. We are also required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. We expect to incur additional annual expenses of \$3.0 million to \$5.0 million related to these increased requirements, including additional directors and officers liability insurance, director fees, transfer agent fees, accounting, legal and administrative personnel expenses, and increased auditing and legal fees. Compliance with these rules and regulations will increase our legal and financial compliance costs, and might make some activities more difficult, time-consuming or costly and increase demand on our systems and resources.

As a public company, we must, among other things:

prepare and distribute periodic public reports and other stockholder communications in compliance with our obligations under the federal securities laws and applicable NASDAQ rules;

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create or expand the roles and duties of our board of directors, or our Board, and committees of the Board;

institute more comprehensive financial reporting and disclosure compliance functions;

enhance our investor relations function;

comply with new internal policies, including those relating to disclosure controls and procedures; and

involve and retain to a greater degree outside counsel and accountants in the activities listed above. These changes will require a significant commitment of additional resources. We might not be successful in complying with these obligations and the significant commitment of resources required for complying with them could have a material adverse effect on our business, financial condition, results of operations and cash flows.

***Our internal control over financial reporting does not currently meet all the standards of Section 404 of Sarbanes-Oxley and failure to achieve and maintain effective internal control over financial reporting when required could have a material adverse effect on our stock price, reputation, business, financial condition, results of operations and cash flows.***

Section 404 of Sarbanes-Oxley requires annual management assessments of the effectiveness of internal control over financial reporting, starting with our annual report on Form 10-K for the year ending December 31, 2015. Because we are no longer an emerging growth company, management and our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting on an annual basis beginning with our annual report on Form 10-K for the year ending December 31, 2015. The rules governing the standards that must be met to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation of our existing controls and could result in incurring significant additional expenditures.

We are in the process of designing, implementing, and testing the internal control over our financial reporting in order to comply with this obligation. The process necessary to meet these requirements is time consuming, costly, and complicated. In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that cause us to incur significant costs and cause distractions from our business objectives and for which we might not be able to remediate deficiencies in time to meet the deadlines imposed by Sarbanes-Oxley for compliance with the requirements of Section 404. In addition, we may encounter problems or delays in completing the implementation of any required improvements and receiving a favorable attestation in connection with the attestation provided by our independent registered public accounting firm. Further, material weaknesses or significant deficiencies in our internal control over financial reporting may exist or otherwise be discovered in the future. If we are not able to meet the compliance requirements of the applicable provisions of Section 404, we will be unable to issue securities in the public markets through the use of a shelf registration statement. In addition, failure to achieve and maintain an effective internal control environment could limit our ability to report our financial results accurately and timely, result in misstatements and restatements of our consolidated financial statements, cause investors to lose confidence and have a material adverse effect on our stock price, reputation, business, financial condition, results of operations and cash flows.





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***We are a holding company and rely on dividends and other payments, advances and transfers of funds from our subsidiaries to meet our obligations and pay any dividends.***

We have no direct operations and no significant assets other than ownership of 100% of the capital stock of our subsidiaries. Because we conduct our operations through our subsidiaries, we depend on those entities for dividends and other payments to generate the funds necessary to meet our financial obligations, and to pay any dividends with respect to our common stock. Legal and contractual restrictions in our credit agreement and other agreements which may govern future indebtedness of our subsidiaries, as well as the financial condition and operating requirements of our subsidiaries, may limit our ability to obtain cash from our subsidiaries. The earnings from, or other available assets of, our subsidiaries might not be sufficient to pay dividends or make distributions or loans to enable us to pay any dividends on our common stock or other obligations. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and cash flows.

***If securities analysts or industry analysts downgrade our shares, publish negative research or reports, or do not publish reports about our business, our share price and trading volume could decline.***

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us, our business and our industry. If one or more analysts adversely change their recommendation regarding our shares or our competitors' stock, our share price would likely decline. If one or more analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline. As a result, the market price for our common stock may decline below the public offering price and you might not be able to resell your shares of our common stock at or above the public offering price.

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement (including the accompanying prospectus and the information incorporated or deemed to be incorporated by reference in this prospectus supplement) and any free writing prospectus that we may provide to you in connection with an offering of our common stock described in this prospectus supplement contains forward-looking statements within the meaning of Section 27A of the Securities Act. All statements other than statements of historical facts contained in this prospectus supplement, including statements regarding our future results of operations and financial position, business strategy and plans and our objectives for future operations, are forward-looking statements. The words anticipates, believes, can, continue, could, estimates, expects, intend, may, might, plans, projects, should, would, targets, will and the negative thereof and similar words and phrases are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make regarding: (i) trends in R&D spending, outsourcing penetration rates and the incremental growth of the late-stage clinical development services market relative to the overall market; (ii) fast growing therapeutic areas and (iii) the continuous enhancement of our Trusted Process<sup>®</sup> to deliver superior outcomes. Forward-looking statements are based largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short term and long term business operations and objectives, and financial needs. These forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus supplement may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. We caution you therefore against relying on these forward-looking statements.

Some of the key factors that could cause actual results to differ from our expectations include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following:

any failure to generate a large number of new business awards and the risk of delay, termination, reduction in scope or failure to go to contract of our business awards;

any failure to convert backlog to revenue;

fluctuation in our results between fiscal quarters and years;

our history of net losses which may continue;

the impact of underpricing our contracts, overrunning our cost estimates or failing to receive approval for or experiencing delays with documentation of change orders;

the risks associated with our information systems infrastructure;

any adverse results from customer or therapeutic area concentration;

the risks associated with doing business internationally;

the risks associated with our intercompany transfer pricing policies;

any failure to successfully increase our market share, grow our business and execute our growth strategies;

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the risks associated with upgrading our information systems and evolving the technology platform for our services;

any failure to perform our services in accordance with contractual requirements, regulatory standards and ethical considerations;

the risk of litigation and personal injury claims;

potentially inadequate insurance coverage for our operations and indemnification obligations;

any failure to attract principal investigators and patients for our clinical trials;

the risks related to our Phase I Services segment;

the impact of any failure to retain qualified management and key personnel;

the impact of unfavorable economic conditions and exchange rate and effective income tax rate fluctuations;

our limited ability to protect our intellectual property rights;

the risks associated with potential future acquisitions or investments in our customers' businesses or drugs;

the risks related to our relationships with existing or potential customers who are in competition with each other;

potential impairment of goodwill or other intangible assets;

the risks arising from the restructuring of our operations;

any inability to compete effectively for the services we provide;

changes in trends in the biopharmaceutical industry, including our customers reducing their R&D spend or limiting the amount of such spend that is subject to competitive bidding among CROs;

the impact of changes in government regulations and healthcare reform;

any failure to keep pace with rapid technological changes;

our ability to service our substantial indebtedness;

the effect of covenant restrictions in our debt agreements on our ability to operate our business;

fluctuations in interest rates; and

the other factors set forth in Risk Factors.

The forward-looking statements included in this prospectus supplement are made only as of the date hereof. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this prospectus supplement to conform these statements to actual results or to changes in our expectations, except as may be required by law.

You should read this prospectus supplement with the understanding that our actual future results, levels of activity, performance and events and circumstances may be materially different from what we expect.

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**USE OF PROCEEDS**

We will not receive any of the proceeds from the sale of shares of our common stock by selling stockholders in this offering.

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**Table of Contents****CAPITALIZATION**

The following table sets forth our cash and cash equivalents and our capitalization, as of September 30, 2015, on:

an actual basis; and

a pro forma basis giving effect to the share repurchase (assuming a purchase price of \$47.30 per share, the last reported price of our common stock on NASDAQ on November 30, 2015).

You should read this information in conjunction with the sections entitled "Prospectus Supplement Summary" as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our audited consolidated financial statements, each of which is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 incorporated by reference herein.

	<b>As of September 30, 2015</b>	
	<b>Actual</b>	<b>Pro Forma</b>
	<b>(dollars in thousands)</b>	
Cash and cash equivalents(1)	\$ 136,091	\$ 35,391
Debt:		
Revolving credit facility	\$	\$ 41,900
Term loan	475,000	475,000
Capital leases	53	53
Total long-term debt, including current portion	\$ 475,053	\$ 516,953
Stockholders' equity:		
Common stock (\$0.01 par value, 600 million shares authorized and 56.5 million shares issued and outstanding; 53.5 shares issued and outstanding on a pro forma basis)	\$ 565	\$ 535
Additional paid-in-capital	584,002	552,984
Treasury stock		
Accumulated other comprehensive loss	(38,474)	(38,474)
Accumulated deficit	(228,240)	(338,392)
Total stockholders' equity	317,853	176,653
Total capitalization	\$ 792,906	\$ 693,606

(1) Includes the use of approximately \$100 million of cash on hand and borrowings of approximately \$42 million under our revolving credit facility to effect the share repurchase and pay related fees and expenses of this

offering. The completion of this offering is not conditioned upon the consummation of the share repurchase.

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**Table of Contents****MARKET PRICE OF OUR COMMON STOCK**

Our common stock has been listed on the NASDAQ under the symbol **INCR** since November 7, 2014. Prior to that time, there was no public market for our common stock. The following table sets forth for the periods indicated the high and low sale prices of our common stock on NASDAQ.

	<b>High</b>	<b>Low</b>
<b>2014</b>		
Fourth Quarter (from November 7, 2014)	\$ 26.85	\$ 19.61
<b>2015</b>		
First Quarter	\$ 34.54	\$ 22.17
Second Quarter	\$ 42.45	\$ 29.03
Third Quarter	\$ 51.69	\$ 37.52
Fourth Quarter (through November 30, 2015)	\$ 49.36	\$ 37.51

The closing price of our common stock as of November 30, 2015 was \$47.30 per share.

On November 30, 2015, we had approximately 40 holders of record of our common stock. The actual number of stockholders is greater than this number of record holders, and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees.

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**DIVIDEND POLICY**

We have not declared or paid cash dividends on our existing common stock. In the years ended December 31, 2012, 2013 and 2014, we paid dividends of \$500,000, \$500,000 and \$375,000, respectively, to holders of our Class C common stock. In November 2014, we redeemed all of the outstanding Class C common stock for \$3,375,000 in connection with our corporate reorganization at the time of our initial public offering. Following our corporate reorganization, we no longer had authorized Class C common stock. We do not intend to pay cash dividends on our common stock in the foreseeable future. However, in the future, subject to the factors described below and our future liquidity and capitalization, we may change this policy and choose to pay dividends.

We are a holding company that does not conduct any business operations of our own. As a result our ability to pay cash dividends on our common stock is dependent upon cash dividends and distributions and other transfers from our subsidiaries. The ability of our subsidiaries to pay dividends is currently restricted by the terms of our credit facilities, and may be further restricted by any future indebtedness we or they incur. In addition, under Delaware law, our Board may declare dividends only to the extent of our surplus (which is defined as total assets at fair market value minus total liabilities, minus statutory capital) or, if there is no surplus, out of our net profits for the then current and/or immediately preceding fiscal year.

Any future determination to pay dividends will be at the discretion of our Board and will take into account:

restrictions in our debt instruments, including our credit facilities;

general economic business conditions;

our financial condition, results of operations and cash flows;

our capital requirements;