



ICON reports 46% increase in operating income, 56% increase in EPS and raises guidance for 2007 (NASDAQ:ICLR)

April 24, 2007

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Highlights – First Quarter Fiscal 2007

- First quarter net revenues increased 38% over the comparative quarter, to \$136.1 million.
- Income from operations increased by 46%, to \$14.7 million.
- Diluted earnings per share increased by 56%, to 42 cents.
- Record \$223 million of net new business wins in the quarter, representing a book-to-bill ratio of 1.6.
- Revenue guidance increased from \$530 - \$550 million, to \$560 - \$580 million for 2007.

Dublin, Ireland, April 24, 2007 – ICON (NASDAQ: ICLR), a global provider of outsourced development services to the pharmaceutical, biotechnology and medical device industries, today reported its financial results for the first quarter ended March 31, 2007.

Net revenues for the quarter were \$136.1 million, representing a 38.2% increase over net revenues of \$98.5 million for the comparative quarter last year.

Income from operations, after taking non-cash stock compensation charge of \$1.2 million calculated in accordance with SFAS 123[®], was \$14.7 million or 10.8% of revenue, compared to \$10.1 million or 10.2% for the same quarter last year. Net income was \$12.3 million or 42 cents per share on a diluted basis, compared with \$7.5 million or 27 cents per share last year.

Days sales outstanding, comprising accounts receivable and unbilled revenue less payments on account, were 59 days at March 31, 2007, an increase from 53 days at December 31, 2006.

For the quarter ended March 31, 2007, cash used in operating activities was \$2.8 million and capital expenditure was \$12.5 million. As a result, the company's cash and short-term investments, net of debt, amounted to \$84.4 million at March 31, 2007, compared to \$97.9 million at December 31, 2006.

"It has been an excellent start to 2007", commented Chairman Dr. John Climax. "Business authorisations have been strong with \$223 million of net business awarded to ICON in the quarter, and both operating income and EPS again tracked ahead of revenue growth. Business flows continue to be positive and we look forward with confidence to the remainder of 2007. Accordingly we have raised our 2007 revenue guidance to \$560 - \$580 million"

The company will hold its first quarter conference call today, April 24, 2007 at 09:00 EST [14:00 Ireland & UK]. This call and linked slide presentation can be accessed live from our website at www.iconclinical.com. A recording will also be available on the website for 90 days following the call. In addition, a calendar of company events, including upcoming conference presentations, is available on our website, under "Investors". This calendar will be updated regularly.

The statements made in this Press Release may contain forward-looking statements that involve a number of risks and uncertainties. In addition to the matters described in this Press Release, the ability to maintain large client contracts or enter into new contracts, maintain client relationships and the ability to manage the opening of new offices, the integration of new business mergers and acquisitions, as well as other risks and uncertainties detailed from time to time in SEC reports filed by ICON, including its Form 20-F, F-1, S-8 and F-3, may affect the actual results achieved by ICON. ICON disclaims any intent or obligation to update these forward-looking statements.

The financial information presented herein has been prepared in accordance with U.S. GAAP.

ICON plc is a global provider of outsourced development services to the pharmaceutical, biotechnology and medical device industries. The Company specializes in the strategic development, management and analysis of programs that support clinical development - from compound selection to Phase I-IV clinical studies. ICON teams have successfully conducted over 1,900 development projects and over 2,300 consultancy engagements across all major therapeutic areas. ICON currently has approximately 4,500 employees, operating from 52 locations in 30 countries. Further information is available at www.iconclinical.com.

Source: ICON plc

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Consolidated Income Statements (Unaudited)

Three Months ended March 31, 2007 and March 31, 2006

(Dollars, in thousands, except share and per share data)

	Three Months Ended	
	March 31,	March 31,
	2007	2006
Gross Revenue	186,740	140,644
Subcontractor costs	50,651	42,149
Net Revenue	136,089	98,495
Costs and expenses		
Direct costs	78,557	54,704
Selling, general and administrative	38,684	30,280
Depreciation and amortization	4,156	3,445
Total costs and expenses	121,397	88,429

Income from operations	14,692	10,066
Interest income (net)	1,044	647
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Income before provision of income taxes	15,736	10,713
Provision for income taxes	3,428	3,130
Minority interest	42	42
	<hr/>	<hr/>
Net income	12,266	7,541
	<hr/>	<hr/>
Net income per ordinary share		
Basic	\$0.43	\$0.27
	<hr/>	<hr/>
Diluted	\$0.42	\$0.27
	<hr/>	<hr/>
Weighted average number of ordinary shares		
Basic	28,564,498	28,084,034
Diluted	29,508,662	28,219,068

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Summary Balance Sheet Data

March 31, 2007 and December 31, 2006

(Dollars, in thousands)

	March 31,	December 31,
	2007	2006
	(Unaudited)	(Audited)

Cash and short-term investments	89,434	102,861
Short-term debt	(5,000)	(5,000)
Net cash	84,434	97,861
Accounts receivable	110,211	108,216
Unbilled revenue	90,065	89,977
Payments on account	(77,454)	(90,394)
Total	122,822	107,799
Working Capital	167,716	160,321
Total Assets	476,131	476,341
Shareholder's Equity	319,851	302,738

Source: ICON plc

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