

**July 25, 2000**

**ICON REPORTS 43% INCREASE IN FOURTH QUARTER EPS (NASDAQ:ICLR)**

**Fourth Quarter and Full Year Highlights**

- Fourth Quarter net revenues increased 42% over the fourth quarter of fiscal 1999 to \$22.4 million, and for the year increased 35% over fiscal 1999 to \$80.8 million.
- Income from operations increased 199% over the fourth quarter of fiscal 1999 to \$2.4 million, and for the year, excluding merger costs, increased 17% to \$8.2 million.
- Diluted earnings per share for the fourth quarter was 20 cents compared to 14 cents in same quarter last year, an increase of 43%. For the year E.P.S. increased 6% on a pro forma basis.

Dublin, Ireland, July 25, 2000 - ICON plc (NASDAQ: ICLR), a global full service clinical research organisation, headquartered in Dublin, Ireland, today reported the financial results for its fourth quarter and full year ended May 31, 2000.

For the fourth quarter ended May 31, 2000, net revenues were \$22.4 million, representing a 42% increase over net revenues of \$15.8 million for the same quarter last year. Income from operations for the fourth quarter was \$2.4 million, an increase of 199% from the \$0.8 million reported for the fourth quarter last year. Net income for the quarter was \$2.3 million or 20 cents per share, on a diluted basis, compared with \$1.7 million or 14 cents per share last year.

For the fiscal year ended May 31, 2000, net revenues increased 35% to \$80.8 million, from \$59.9 million in the prior year. Pro forma income from operations, excluding merger transaction and tax costs, increased 16.8% from \$7.0 million to \$8.2 million. Pro forma diluted earnings per share was 70 cents for fiscal 2000 compared to 66 cents for fiscal 1999. Earnings per share after the merger transaction and tax costs associated with the PRAI merger was 51 cents on a diluted basis, compared to 68 cents for fiscal 1999. The company's cash, short term debt and short term investments were \$46.0 million at May 31, 2000, compared to \$45.2 million at May 31, 1999. Cash generated from operating activities in the year was \$8.4 million. Capital expenditure was \$5.6 million for the year.

Days Sales outstanding, comprising accounts receivable and unbilled revenue less payments on account, were 60 days at May 31, 2000 compared with 65 days at May 31, 1999.

"The fiscal year to May 31, 2000, our tenth year of operations, has been another year of record earnings and profits for ICON" said Dr Ronan Lambe, ICON's Chairman. "In addition, we made our first ever acquisitions, a biostatistics consulting group in California, a regulatory consulting group in the UK and an animal health consulting group in France, each of which fit well into ICON's strategic development. I am pleased to report that the integration of these has progressed well. Since year end we have made a further acquisition of a central laboratory in the US which compliments our existing European central laboratory.

Looking forward, we expect the market to remain competitive, particularly in Europe, but are confident that the strong flow of business opportunities which we have been getting from existing clients and potential new clients in both Europe and the US will enable us to achieve further growth in the year ahead, with the second half likely to be stronger than the first."

ICON provides contract clinical research services to the pharmaceutical industry world-wide. It currently has 18 offices in 11 countries and has approximately 1000 employees world-wide

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/A-1, 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.

**Source:** ICON plc

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**Proforma Consolidated Income Statements\***  
**(Unaudited)**  
**Three months and Years ended May 31, 2000 and 1999**  
(Dollars, in thousands, except share and per share data)

	<b>Three Months Ended May 31</b>		<b>Year Ended May 31</b>	
	<b>2000</b>	<b>1999</b>	<b>2000**</b>	<b>1999**</b>
Gross revenue	29,129	25,503	115,087	98,910
Subcontractor costs	6,730	9,746	34,320	39,003
<b>Net revenue</b>	<b>22,399</b>	<b>15,757</b>	<b>80,767</b>	<b>59,907</b>
<b>Cost and expenses</b>				
Direct costs	11,612	8,623	42,007	31,662
Selling, general and administrative	7,447	5,679	27,348	19,200
Depreciation and amortization	971	663	3,264	2,066
<b>Total costs and expenses</b>	<b>20,030</b>	<b>14,965</b>	<b>72,619</b>	<b>52,928</b>
<b>Income from operations</b>	<b>2,369</b>	<b>792</b>	<b>8,148</b>	<b>6,979</b>
Interest income (net)	690	644	2,659	2,631
Income before provision for income taxes	3,059	1,436	10,807	9,610
Provision for income taxes	719	(239)	2,585	1,738
<b>Net income</b>	<b>2,340</b>	<b>1,675</b>	<b>8,222</b>	<b>7,872</b>
Net income per ordinary share				
Basic	\$0.21	\$0.15	\$0.74	\$0.72
Diluted	\$0.20	\$0.14	\$0.70	\$0.66
Weighted average number of ordinary shares				
Basic	11,129,397	10,948,010	11,050,556	10,908,409
Diluted	11,855,447	11,878,084	11,824,359	11,917,605

\* Excludes merger costs and the tax effect in the current year of the conversion of Pacific Research Associates from a cash basis S-Corp. Tax effect is charged against prior periods.

\*\* Restated to include the merger between ICON and Pacific Research Associates Inc. which was concluded in the year in a transaction accounted for as a pooling of interest.

**ICON plc**  
**Consolidated Income Statements**  
**(Audited)**  
**Three months and Years ended May 31, 2000 and 1999**  
(Dollars, in thousands, except share and per share data)

	<b>Three Months Ended May 31</b>		<b>Year Ended May 31</b>	
	<b>2000</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>
Gross revenue	29,129	25,503	115,087	98,910
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<b>Net revenue</b>	<b>22,399</b>	<b>15,757</b>	<b>80,767</b>	<b>59,907</b>
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Depreciation and amortization	971	663	3,264	2,066
<b>Total costs and expenses</b>	<b>20,030</b>	<b>14,965</b>	<b>74,236</b>	<b>52,928</b>
<b>Income from operations</b>	<b>2,369</b>	<b>792</b>	<b>6,531</b>	<b>6,979</b>
Interest income (net)	690	644	2,659	2,631
Income before provision for income taxes	3,059	1,436	9,190	9,610
Provision for income taxes	719	(279)	3,122	1,551
<b>Net income</b>	<b>2,340</b>	<b>1,715</b>	<b>6,068</b>	<b>8,053</b>
Net income per ordinary share				
Basic	\$0.21	\$0.15	\$0.55	\$0.74
Diluted	\$0.20	\$0.14	\$0.51	\$0.68
Weighted average number of ordinary shares				
Basic	11,129,397	10,948,010	11,050,556	10,908,409
Diluted	11,855,447	11,878,084	11,824,359	11,917,605

**ICON plc**  
**Summary Balance Sheet Data**  
**May 31, 2000 and 1999**  
(Dollars, in thousands)

	<b>May 31</b>	<b>May 31</b>
	<b>2000</b>	<b>1999</b>
Cash, short term debt and short term investments	46,043	45,227
Accounts receivable, unbilled revenue less payments on account	13,933	14,942
Unbilled revenue	14,379	12,539
Payments on account	(9,298)	(9,846)
Total	19,014	17,635
Working capital	57,962	56,944
Total assets	100,118	95,758
Shareholders' equity	77,053	71,633

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**Source:** ICON plc

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