

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

Registration statement pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934
OR

Annual report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934
For the fiscal year ended: December 31, 2010
OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Commission File Number: 000-29714

ICON PUBLIC LIMITED COMPANY

(Exact name of Registrant as Specified in its Charter)
Ireland

(Jurisdiction of Incorporation or Organization)

SOUTH COUNTY BUSINESS PARK,
LEOPARDSTOWN,
DUBLIN 18, IRELAND

(Address of principal executive offices)

Ciaran Murray, CFO
South County Business Park Leopardstown, Dublin 18, Ireland.
Ciaran.Murray@iconplc.com
011-353-1-291-2000

(Name, telephone number, email and/or facsimile number and address of Company contact person)
Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class
AMERICAN DEPOSITORY SHARES, REPRESENTING
ORDINARY SHARES, PAR VALUE €0.06 EACH

Name of exchange on which registered
NASDAQ GLOBAL SELECT MARKET

Securities registered or to be registered pursuant to section 12(g) of the Act:

Title of each class
NONE

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

NONE

(Title of class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:
60,247,092 Ordinary Shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as determined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued Other
by the International Accounting Standards Board

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.
Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

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General

As used herein, "ICON plc", "ICON", the "Company" and "we" or "us" refer to ICON public limited company and its consolidated subsidiaries, unless the context requires otherwise.

Unless otherwise indicated, ICON plc's financial statements and other financial data contained in this Form 20-F are presented in United States dollars ("\$\$") and are prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP").

In this Form 20-F, references to "U.S. dollars", "U.S.\$" or "\$" are to the lawful currency of the United States, references to "pounds sterling", "sterling", "£", "pence" or "p" are to the lawful currency of the United Kingdom, references to "Euro" or "€" are to the European single currency adopted by seventeen members of the European Union (including the Republic of Ireland, France, Germany, Spain, Italy, Finland and the Netherlands). ICON publishes its consolidated financial statements in U.S. dollars.

Cautionary Statement Regarding Forward-looking Statements

Statements included herein which are not historical facts are forward-looking statements. Such forward-looking statements are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 (the "PSLRA"). Forward-looking statements may be identified by the use of future tense or other forward looking words such as "believe", "expect", "anticipate", "should", "may", "strategy", or other variations or comparable terminology. The forward looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, our results could be materially affected. The risks and uncertainties include, but are not limited to, dependence on the pharmaceutical industry and certain clients, the need to regularly win projects and then to execute them efficiently, the challenges presented by rapid growth, competition and the continuing consolidation of the industry, the dependence on certain key executives and other factors identified in the Company's Securities and Exchange Commission filings and in the risk factors included on pages 5 to 11. The Company has no obligation under the PSLRA to update any forward looking statements and does not intend to do so.

Part I

Item 1. *Identity of Directors, Senior Management and Advisors.*

Not applicable.

Item 2. *Offer Statistics and Expected Timetable.*

Not applicable.

Item 3. Key Information.**Selected Historical Consolidated Financial Data for ICON plc**

The following selected financial data set forth below are derived from the Company's consolidated financial statements and should be read in conjunction with, and are qualified by reference to, Item 5 "Operating and Financial Review and Prospects" and the Company's consolidated financial statements and related notes thereto included elsewhere in this Form 20-F.

	Year Ended December 31,				
	2006	2007	2008	2009	2010
	(in thousands, except share and per share data)				
Statement of Operations Data:					
Gross revenue	\$ 649,826	\$ 867,473	\$ 1,209,451	\$ 1,258,227	\$ 1,263,147
Reimbursable expenses (1)	(194,229)	(236,751)	(344,203)	(370,615)	(363,103)
Net revenue	455,597	630,722	865,248	887,612	900,044
Costs and expenses:					
Direct costs	256,263	354,479	489,238	507,783	541,388
Selling, general and administrative	136,569	187,993	248,778	230,910	232,688
Depreciation and amortization	14,949	19,008	27,728	32,659	33,873
One-time net charges (2)	-	-	-	8,808	-
Total costs and expenses	407,781	561,480	765,744	780,160	807,949
Income from operations	47,816	69,242	99,504	107,452	92,095
Net interest income / (expense)	3,640	2,738	(1,224)	(2,778)	629
Income before provision for income taxes	51,456	71,980	98,280	104,674	92,724
Provision for income taxes	(12,924)	(15,830)	(19,967)	(10,375)	(5,653)
Non-controlling interest	(228)	(187)	(193)	-	-
Net income	\$ 38,304	\$ 55,963	\$ 78,120	\$ 94,299	\$ 87,071
Net income per ordinary share (3):					
Basic	\$ 0.68	\$ 0.97	\$ 1.34	\$ 1.61	\$ 1.46
Diluted	\$ 0.66	\$ 0.94	\$ 1.30	\$ 1.57	\$ 1.44
Weighted average number of ordinary shares outstanding:					
Basic	56,629,970	57,410,544	58,245,240	58,636,878	59,718,934
Diluted	57,726,668	59,495,928	60,221,587	59,900,504	60,637,103

	Year Ended December 31,				
	2006	2007	2008	2009	2010
	(in thousands)				
Balance Sheet Data:					
Cash and cash equivalents	\$ 63,039	\$ 76,881	\$ 58,378	\$ 144,801	\$ 255,706
Short term investments	39,822	41,752	42,726	49,227	-
Working capital	160,321	193,271	185,957	235,906	329,350
Total assets	476,341	693,138	867,285	908,398	949,538
Total debt	5,000	94,829	105,379	-	-
Long term government grants	1,170	1,179	1,386	1,750	1,470
Long term liabilities	163	1,443	1,880	2,844	3,676
Ordinary share capital	4,789	4,843	4,921	4,965	5,063
Additional paid-in capital	131,307	143,639	162,057	174,188	196,960
Shareholders' equity	\$ 302,738	\$ 388,400	\$ 456,366	\$ 572,246	\$ 669,999

- (1) Reimbursable expenses are comprised of investigator payments and certain other costs reimbursed by clients under terms specific to each of the Company's contracts. See Note 2 (d) to the Audited Consolidated Financial Statements.
- (2) One-time net charges of \$8.8 million were recorded in the year ended December 31, 2009. In response to the globalization of clinical studies and its attendant impact on resources in existing and emerging markets, the Company conducted a review of its existing infrastructure to better align its resources with the needs of its clients. This realignment resulted in resource rationalizations in certain more mature markets in which the Company operates and the recognition of a restructuring charge of \$13.3 million. This was partially offset by research and development incentives of \$4.5 million received by the Company in certain European Union jurisdictions in which it operates.
- (3) Net income per ordinary share is based on the weighted average number of outstanding ordinary shares. Diluted net income per share includes potential ordinary shares from the exercise of options.

Risk Factors

Risk Related to Our Business and Operations

We depend on a limited number of clients and a loss of or significant decrease in business from them could affect our business.

We have in the past and may in the future derive a significant portion of our net revenue from a relatively limited number of major projects or clients. During the years ended December 31, 2010, December 31, 2009 and December 31, 2008 33%, 27% and 29% respectively of our net revenues were derived from our top five clients. No one client contributed more than 10% of net revenues during the years ended December 31, 2010, December 31, 2009 and December 31, 2008. The loss of, or a significant decrease in business from one or more of these key clients could have a material adverse impact on our results of operations.

Many of our contracts are long-term fixed-fee contracts. We would lose money in performing these contracts if the costs of performance exceed the fixed fees for these projects and we were unable to negotiate a change order for the value of work performed.

Many of our contracts are long-term fixed fee contracts. Revenues on these contracts are agreed on contract initiation between the Company and the customer and are based on estimated time inputs to the contract. Factors considered in estimating time requirements include the complexity of the study, the number of geographical sites where trials are to be conducted and the number of patients to be recruited at each site. The Company regularly reviews the estimated hours on each contract to determine if the budget accurately reflects the agreed tasks to be performed taking into account the state of progress at the time of review. The Company further ensures that changes in scope are appropriately monitored and change orders for additional revenue are promptly negotiated for additional work as necessary. If we were to fail to recognize and negotiate change orders for changes in the resources required or the scope of the work to be performed the Company could lose money if the costs of performance of these contracts exceeded their fixed fees.

If our clients discontinue using our services, or cancel or discontinue projects, our revenue would be adversely affected and we may not receive their business in the future or may not be able to attract new clients.

Our clients may discontinue using our services completely or cancel some projects either without notice or upon short notice. The termination or delay of a large contract or of multiple contracts could have a material adverse effect on our revenue and profitability. Historically, clients have cancelled or discontinued projects and may in the future cancel their contracts with us for reasons including:

- the failure of products being tested to satisfy safety or efficacy requirements;
- unexpected or undesired clinical results of the product;
- a decision that a particular study is no longer necessary;
- poor project performance, quality concerns, insufficient patient enrollment or investigator recruitment; or
- production problems resulting in shortages of the drug.

If we lose clients, we may not be able to attract new ones, and if we lose individual projects, we may not be able to replace them.

If we fail to attract or retain qualified staff, our performance may suffer.

Our business, future success and ability to expand operations depend upon our ability to attract, hire, train and retain qualified professional, scientific and technical operating staff. We compete for qualified professionals with other CROs, temporary staffing agencies and the in-house departments of pharmaceutical, biotechnology and medical device companies. Although we have not had any difficulty attracting or retaining qualified staff in the past, there is no guarantee that we will be able to continue to attract a sufficient number of clinical research professionals at an acceptable cost.

Our ability to perform clinical trials is dependant upon our ability to recruit suitable willing investigators and patients

We contract with physicians located in hospitals, clinics or other such sites, who serve as investigators in conducting clinical trials to test new drugs on their patients. Investigators supervise administration of the study drug to patients during the course of the clinical trial. The availability of suitable patients for enrolment on studies is dependent upon many factors including, amongst others, the size of the patient population, the design of the study protocol, eligibility criteria, the referral practices of physicians, the perceived risks and benefits of the drug under study and the availability of alternative medication, including medication undergoing separate clinical trial. Insufficient patient enrolment or investigator recruitment may result in the termination or delay of a study which could have a material adverse impact on our results of operations.

We are highly dependent on information technology. If our systems fail or are unreliable our operations may be adversely impacted.

The efficient operation of our business depends on our information technology infrastructure and our management information systems. Our information technology infrastructure includes both third party solutions and applications designed and maintained internally. Since our Company operates on multiple platforms, the failure of our information technology infrastructure and/or our management information systems to perform could severely disrupt our business and adversely affect our results of operation. In addition, our information technology infrastructure and/or our management information systems are vulnerable to damage or interruption from natural or man-made disasters, terrorist attacks, computer viruses or hackers, power loss, or other computer systems, Internet telecommunications or data network failures. Any such interruption could adversely affect our business and results of operations.

We may make acquisitions in the future, which may lead to disruptions to our ongoing business.

We have made a number of acquisitions and will continue to review new acquisition opportunities. If we are unable to successfully integrate an acquired company, the acquisition could lead to disruptions to the business. The success of an acquisition will depend upon, among other things, our ability to:

- assimilate the operations and services or products of the acquired company;
- integrate acquired personnel;
- retain and motivate key employees;
- retain customers; and
- minimize the diversion of management's attention from other business concerns.

In the event that the operations of an acquired business do not meet our performance expectations, we may have to restructure the acquired business or write-off the value of some or all of the assets of the acquired business.

Our operations might be impacted by a disruption to the air travel system.

Many of our operations rely on the availability of air transportation for the distribution of clinical trial materials, study samples and personnel. A disruption to the air travel system could materially impact our operations. While we have developed contingency plans to minimize the impact of such events, a disruption to the availability of air transportation could have a material adverse impact on our activities and results of operations.

We rely on our interactive voice response systems to provide accurate information regarding the randomization of patients and the dosage required for patients enrolled in the trials.

We develop and maintain computer run interactive voice response systems to automatically manage the randomization of patients in trials, assign the study drug, and adjust the dosage when required for patients enrolled in trials we support. An error in the design, programming or validation of these systems could lead to inappropriate assignment or dosing of patients which could give rise to patient safety issues, invalidation of the trial, liability claims against the Company or all three.

We rely on various control measures to mitigate the risk of a serious adverse event resulting from healthy volunteer Phase I trials.

We conduct healthy volunteer Phase I trials including first-into-man trials. Due to the experimental nature of these studies, serious adverse events may arise. We mitigate such events by following Good Clinical Practice and ensuring appropriately trained and experienced clinical physicians are managing these trials and that internal Standard Operating Procedures and client protocols are rigorously adhered to. We also ensure that a signed contract is in place with the client in advance of clinical dosing with appropriate indemnifications and insurance coverage. We maintain our own no-faults clinical trial insurance. Following our internal review and submission, an Independent Ethics committee approves the study protocol and appropriate approval is obtained from the relevant regulatory body.

Risk Related to Our Industry

We are dependent on the continued outsourcing of research and development by the pharmaceutical, biotechnology and medical device industries.

We are dependent upon the ability and willingness of the pharmaceutical, biotechnology and medical device companies to continue to spend on research and development and to outsource the services that we provide. We are therefore subject to risks, uncertainties and trends that affect companies in these industries. We have benefited to date from the tendency of pharmaceutical, biotechnology and medical device companies to outsource clinical research projects. Any downturn in these industries or reduction in spending or outsourcing could adversely affect our business. For example, if these companies expanded upon their in-house clinical or development capabilities, they would be less likely to utilize our services. In addition, if governmental regulations were changed, it could affect the ability of our clients to operate profitably, which may lead to a decrease in research spending and therefore this could have a material adverse effect on our business.

Risk Related to Our Financial Results

Our quarterly results are dependent upon a number of factors and can fluctuate from quarter to quarter.

Our results of operations in any quarter can fluctuate depending upon, among other things, the number and scope of ongoing client projects, the commencement, postponement, variation and cancellation or termination of projects in a quarter, the mix of revenue, cost overruns, employee hiring and other factors. Our net revenue in any period is directly related to the number and percentage of employees who were working on projects billable to the client during that period. We may be unable to compensate for periods of underutilization during one part of a fiscal period by augmenting revenues during another part of that period. We believe that operating results for any particular quarter are not necessarily a meaningful indication of future results.

Our exposure to exchange rate fluctuations could adversely affect our results of operations.

Our contracts with our clients are sometimes denominated in currencies other than the currency in which we incur expenses related to such contracts. Where expenses are incurred in currencies other than those in which contracts are priced, fluctuations in the relative value of those currencies could have a material adverse effect on our results of operations. This risk is partially mitigated by clauses in certain of our contracts which allow for price renegotiation with our clients if changes in the relative value of those currencies exceed predetermined tolerances.

In addition, we are also subject to translation exposures as our consolidated financial results are presented in U.S. dollars, while the local results of certain of our subsidiaries are prepared in currencies other than U.S. dollars, including, amongst others, the pound sterling and the euro. Accordingly, changes in exchange rates between the U.S. dollar and those other currencies will affect the translation of a subsidiary's financial results into U.S. dollars for purposes of reporting our consolidated financial results.

Our effective tax rate may fluctuate from quarter-to-quarter, which may affect our results of operations.

Our quarterly effective tax rate has depended and will continue to depend on the geographic distribution of our revenue and earnings amongst the multiple tax jurisdictions in which we operate. Changes in the geographic mix of our results of operations amongst these jurisdictions may have a significant impact on our effective tax rate from quarter to quarter. In addition, as we operate in multiple tax jurisdictions, we may be subject to audits in certain jurisdictions. These audits may involve complex issues which could require an extended period of time for resolution. While we believe that adequate provisions for income taxes have been made in our financial statements, the resolution of audit issues may lead to differences which could have a significant impact on our effective tax rate.

Our backlog may not convert to net revenue and the rate of conversion may slow

Our backlog at any date is not necessarily a meaningful predictor of future results, due to the potential for the cancellation or delay of projects underlying the backlog. No assurances can be given that we will be able to realize this backlog as net revenue. A failure to realize backlog as net revenue could have a material adverse impact on our results of operations. In addition, as the length and complexity of projects underlying our backlog increases, the rate at which backlog converts to net revenue may be slower than in the past. A significant reduction in the rate at which backlog converts to net revenue could have a material impact on our results of operations.

Risk Related to Political, Legal or Regulatory Environment

We may lose business opportunities as a result of health care reform and the expansion of managed care organizations.

Numerous governments, including the U.S. government and governments outside of the U.S., have undertaken efforts to control growing health care costs through legislation, regulation and voluntary agreements with medical care providers and drug companies. If these efforts are successful, pharmaceutical, biotechnology and medical device companies may react by spending less on research and development and therefore this could have a material adverse effect on our business.

In addition to healthcare reform proposals, the expansion of managed care organizations in the healthcare market may result in reduced spending on research and development. Managed care organizations' efforts to cut costs by limiting expenditures on pharmaceuticals and medical devices could result in pharmaceutical, biotechnology and medical device companies spending less on research and development. If this were to occur, we would have fewer business opportunities and our revenues could decrease, possibly materially.

Failure to comply with the regulations of the U.S. Food and Drug Administration and other regulatory authorities could result in substantial penalties and/or loss of business.

The U.S. Food and Drug Administration, or FDA, and other regulatory authorities inspect us from time to time to ensure that we comply with their regulations and guidelines, including environmental and health and safety matters. In addition, we must comply with the applicable regulatory requirements governing the conduct of clinical trials in all countries in which we operate. If we fail to comply with any of these requirements we could suffer:

- termination of any research;
- disqualification of data;
- denial of the right to conduct business;
- criminal penalties;
- other enforcement actions.
- loss of clients or business.
- litigation from clients if clinical trials have not been conducted in accordance with best practice.

In December 2009, we received a warning letter from the U.S. Food and Drug Administration (FDA) regarding clinical study management services provided by the company to one of its clients in relation to two studies conducted between 2004 and 2006. These studies related to the development of an antibiotic for the treatment of complicated skin and skin-structure infections. The FDA letter arose from its inspections of the company's client and selected clinical sites and follows a similar letter issued to that client. On January 13, 2010 we submitted a response to the FDA and received a letter from the FDA on September 27, 2010 acknowledging receipt of our response and requesting further clarification around some details set out in our letter of January 13, 2010. We made a further submission to the FDA on November 22, 2010 addressing matters from the September 27, 2010 letter from the FDA. We remain committed to working cooperatively and expeditiously with the FDA to address the matters raised in the warning letter. We are unable to predict at this time the financial consequences, if any, of the issues raised by the letter.

We may lose business as a result of changes in the regulatory environment

Various regulatory bodies throughout the world may enact legislation which could introduce changes to the regulatory environment for drug development and research. The adoption and implementation of such legislation is difficult to predict and therefore could have a material adverse effect on our business.

Liability claims brought against us could result in payment of substantial damages to plaintiffs and decrease our profitability.

We contract with physicians who serve as investigators in conducting clinical trials to test new drugs on their patients. This testing creates the risk of liability for personal injury to or death of the patients. Although investigators are generally required by law to maintain their own liability insurance, we could be named in lawsuits and incur expenses arising from any professional malpractice actions against the investigators with whom we contract. To date, we have not been subject to any liability claims that are expected to have a material effect on us.

Indemnifications provided by our clients against the risk of liability for personal injury to or death of the patients vary from client to client and from trial to trial and may not be sufficient in scope or amount or the providers may not have the financial ability to fulfill their indemnification obligations. Furthermore, we would be liable for our own negligence and negligence of our employees and such negligence could lead to litigation from clients.

In addition, we maintain what we believe is an appropriate level of worldwide Professional Liability/Error and Omissions Insurance. The amount of coverage we maintain depends upon the nature of the trial. We may in the future be unable to maintain or continue our current insurance coverage on the same or similar terms. If we are liable for a claim that is beyond the level of insurance coverage, we may be responsible for paying all or part of any award.

We are subject to political, regulatory and legal risks associated with our international operations.

We are one of a small group of organizations with the capability and expertise to conduct clinical trials on a global basis. We believe that this capability to provide our services globally in most major and developing pharmaceutical markets enhances our ability to compete for new business from large multinational pharmaceutical, biotechnology and medical device companies. We have expanded geographically and operate from 73 locations in 39 countries and intend to continue expanding in regions that have the potential to increase our client base or increase our investigator and patient populations. We expect that revenues earned in emerging markets will continue to account for an increasing portion of our total revenues. However, emerging market operations may present several risks, including civil disturbances, health concerns, cultural differences such as employment and business practices, volatility in gross domestic product, economic and governmental instability, the potential for nationalization of private assets and the imposition of exchange controls.

Changes in the political and regulatory environment in the international markets in which we operate such as price or exchange controls could impact our revenue and profitability, and could lead to penalties, sanctions and reputational damages if we are not compliant with those regulations. Political uncertainty and a lack of institutional continuity in some of the emerging and developing countries in which we operate could affect the orderly operation of markets in these economies. In addition, in countries with a large and complicated structure of government and administration, national, regional, local and other governmental bodies may issue inconsistent decisions and opinions that could increase our cost of regulatory compliance.

Uncertainty of the legal environment in some emerging countries could also limit our ability to enforce our rights. In certain emerging and developing countries we enjoy less comprehensive protection for some of our rights, including intellectual property rights, which could undermine our competitive position.

Finally, we operate in some countries where national laws may require not only accurate books and records, but also sufficient controls, policies and processes to ensure business is conducted without the influence of bribery and corruption. Given the high level of complexity of these laws, however, there is a risk that some provisions may be inadvertently breached, for example through negligent behavior of individual employees, or failure to comply with certain formal documentation requirements or otherwise. Any violation of these laws or allegations of such violations, whether merited or not, could have a material adverse effect on our reputation and could cause the trading price of our common stock to decline.

If any of the above risks or similar risks associated with our international operations were to materialize, our results of operations and financial condition could be materially adversely affected.

Risk Related to Our Common Stock

Volatility in the market price of our common stock could lead to losses by investors

The market price of our common stock has experienced and may experience volatility in the future which could lead to losses for investors. Factors impacting volatility in the market price of our common stock include, amongst others, our results of operations, analyst expectations, developments impacting the industry or our competitors and general market and economic conditions. In addition, stock markets have from time to time experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. Future fluctuations in stock markets may lead to volatility in the market price of our common stock which could lead to losses by investors.

Item 4. Information on the Company.

Business

We are a contract research organization (“CRO”), providing outsourced development services on a global basis to the pharmaceutical, biotechnology and medical device industries. We specialize in the strategic development, management and analysis of programs that support Clinical Development - from compound selection to Phase I-IV clinical studies.

We believe that we are one of a select group of CRO’s with the capability and expertise to conduct clinical trials in most major therapeutic areas on a global basis. At December 31, 2010, we had 7,735 employees, in 73 locations in 39 countries, providing Phase I-IV Clinical Trial Management, Drug Development Support Services, Data Management and Biostatistical, Central Laboratory, Imaging and Contract Staffing services. We have the operational flexibility to provide development services on a stand-alone basis or as part of an integrated “full service” solution.

Headquartered in Dublin, Ireland, we began operations in 1990 and have expanded our business through internal growth and strategic acquisitions. ICON plc’s principal executive office is located at: South County Business Park, Leopardstown, Dublin 18, Republic of Ireland. The contact telephone number of this office is 353 (1) 291 2000. For the year ended December 31, 2010 we derived approximately 42.3%, 46.9 % and 10.8% of our net revenue in the United States, Europe and Rest of World respectively.

On January 14, 2011 the Company acquired Oxford Outcomes, a leading international health outcomes consultancy, headquartered in Oxford, UK, and with offices in the USA and Canada. Oxford Outcomes provides specialist services in the areas of patient reported outcomes (PRO), health economics, epidemiology and translation and linguistic validation.

On May 17, 2010 the Company acquired Timaq Medical Imaging, a European provider of advanced imaging services to the pharmaceutical and biotechnology industry, headquartered in Zurich, Switzerland.

Industry Overview

The CRO industry provides independent product development services for the pharmaceutical, biotechnology and medical device industries. Companies in these industries outsource product development services to CROs in order to manage the drug development process more efficiently and to cost-effectively maximize the profit potential of both patent-protected and generic products. The CRO industry has evolved since the 1970s from a small number of companies that provided limited clinical services to a larger number of CROs that offer a range of services that encompass the entire research and development process, including pre-clinical development, clinical trials management, clinical data management, study design, biostatistical analysis, post marketing surveillance, central laboratory and regulatory affairs services. CROs are required to provide these services in accordance with good clinical and laboratory practices, as governed by the applicable regulatory authorities.

The CRO industry is highly fragmented, consisting of several hundred small, limited-service providers and a limited number of medium-sized and large CROs with global operations. Although there are few barriers to entry for small, limited-service providers, we believe there are significant barriers to becoming a CRO with global capabilities. Some of these barriers include the infrastructure and experience necessary to serve the global demands of clients, the ability to manage simultaneously complex clinical trials in numerous countries, broad therapeutic expertise and the development and maintenance of the complex information technology systems required to integrate these capabilities. In recent years, the CRO industry has experienced consolidation, resulting in the emergence of a select group of CROs that have the capital, technical resources, integrated global capabilities and expertise to conduct multiple phases of clinical trials on behalf of pharmaceutical, biotechnology and medical device companies. We believe that some large pharmaceutical companies, rather than utilizing many CRO service providers, are selecting a limited number of CROs who are invited to bid for projects. We believe that this trend will further concentrate the market share among CROs with a track record of quality, speed, flexibility, responsiveness, global capabilities and overall development experience and expertise.

New Drug Development – Ethical Pharmaceuticals and Biologics - An Overview

Before a new drug or biologic may be marketed, it must undergo extensive testing and regulatory review in order to determine that it is safe and effective. The following discussion primarily relates to the FDA approval process for such products. Similar procedures must be followed for product development with other global regulatory agencies. The stages of this development process are as follows:

Preclinical Research (approximately 1 to 3.5 years). “In vitro” (test tube) and animal studies must be conducted in accordance with applicable regulations to establish the relative toxicity of the drug over a wide range of doses and to detect any potential to cause birth defects or cancer. If results warrant continuing development of the drug or biologic, the manufacturer will file for an Investigational New Drug Application, or IND, which must become effective by the FDA before starting the proposed clinical studies.

Clinical Trials (approximately 3.5 to 6 years).

Phase I (6 months to 1 year). Consists of basic safety and pharmacology testing in 20 to 80 human subjects, usually healthy volunteers, and includes studies to determine how the drug works, if it is safe, how it is affected by other drugs, where it goes in the body, how long it remains active and how it is broken down and eliminated from the body.

Phase II (1 to 2 years). Includes basic efficacy (effectiveness) and dose-range testing in a limited patient population (usually) 100 to 200 patients to help determine the best effective dose, confirm that the drug works as expected, and provide additional safety data. If the Phase II results are satisfactory and no clinical hold is enforced by the FDA, the Sponsor may proceed to Phase III studies.

Phase III (2 to 3 years). Efficacy and safety studies in hundreds or thousands of patients at many investigational sites (hospitals and clinics). These studies can be placebo-controlled trials, in which the new drug is compared with a “sugar pill”, or studies comparing the new drug with one or more drugs with established safety and efficacy profiles in the same therapeutic category.

TIND (may span late Phase II, Phase III, and FDA review). When results from Phase II or Phase III show special promise in the treatment of a serious condition for which existing therapeutic options are limited or of minimal value, the FDA may allow the Sponsor to make the new drug or biologic available to a larger number of patients through the regulated provision of a Treatment Investigational New Drug, or TIND. Although less scientifically rigorous than a controlled clinical trial, a TIND may enroll and collect a substantial amount of data from tens of thousands of patients.

NDA or BLA Preparation and Submission. Upon completion of Phase III trials, the Sponsor assembles the statistically analyzed data from all phases of development into a single large submission along with the Chemistry and Manufacturing and preclinical data and the proposed labeling into the New Drug Application (NDA), or Biologics License Application (BLA) which today comprises, on average, approximately 100,000 pages.

FDA Review & Approval of NDA or BLA (1 to 1.5 years). Data from all phases of development (including a TIND) is scrutinized to confirm that the manufacturer has complied with all applicable regulations and that the drug or biologic is safe and effective for the specific use (or “indication”) under study. The FDA may refuse to accept the NDA or BLA if the Sponsor’s application has certain administrative or content criteria which do not meet FDA standards. The FDA may also deny approval of the drug or biologic product if applicable regulatory requirements are not satisfied.

Post-Marketing Surveillance and Phase IV Studies. Federal regulation requires the Sponsor to collect and periodically report to the FDA additional safety and efficacy data on the drug or biologic for as long as the Sponsor markets it (post-marketing surveillance). If the product is marketed outside the U.S., these reports must include data from all countries in which the drug is sold. Additional studies (Phase IV) may be undertaken after initial approval to find new uses for the drug, to test new dosage formulations, or to confirm selected non-clinical benefits, e.g. increased cost-effectiveness or improved quality of life. Additionally, the FDA and other regulatory agencies are requiring Sponsors of marketed drugs or biologics to prepare Risk Management plans which are aimed at assessing areas of product risk and plans for managing such risk should they occur. The FDA Amendment Act of 2007 has imposed additional regulatory requirements on Sponsors which address product safety, to conduct post-marketing surveillance studies and to submit the clinical trial information, including clinical study results, of investigational and marketed products to a databank managed and maintained by the National Institutes of Health. The information is accessible to the public via the worldwide web. This action was taken as a result to increase “public transparency” of Sponsor’s clinical studies and respective clinical results.

Key Trends Affecting the CRO Industry

CROs derive substantially all of their revenue from the research and development expenditures of pharmaceutical, biotechnology and medical device companies. Based on industry surveys and investment analyst research, we estimate that clinical development expenditures outsourced by pharmaceutical and biotechnology companies worldwide in 2009 was approximately \$23.5 billion. We believe that the following trends create further growth opportunities for global CROs, although there is no assurance that growth will materialize.

Innovation driving new Drug Development activity.

Technologies such as combinational chemistry and high throughput screening, together with improved understanding of disease pathology (driven by scientific advances such as the mapping of the human genome) have greatly increased the number of new drug candidates being investigated in early development and greatly broadened the number of biological mechanisms being targeted by such candidates. This has led to significant increased activity in both Preclinical and Phase I development which we believe will lead to more treatments in Phase II-III clinical trials. As the number of trials that need to be performed increases, we believe that drug developers will increasingly rely on CROs to manage these trials in order to continue to focus on drug discovery.

Declining productivity within Research and Development programs.

Whilst the total number of compounds that have entered clinical development has risen over the last few years, the number of novel drugs that have successfully been approved for marketing has remained relatively stable. Pharmaceutical and biotechnology companies have responded in a number of ways including looking to extend the product life cycle of existing drugs and initiating programs to drive efficiency in the development process. One example of this has been the efforts to achieve a more seamless transition across development phases, particularly Phase I-III. In parallel regulatory initiatives such as the FDA’s “Critical Path” and the emergence of techniques such as adaptive trial design are focused on ensuring unsafe or ineffective drugs are eliminated from the development process earlier, allowing effective treatments to get to patients quicker at potentially reduced development costs.

Pressure to Accelerate Time to Markets; Globalization of the Marketplace.

Reducing product development time maximizes the client's potential period of patent exclusivity, which in turn maximizes potential economic returns. We believe that clients are increasingly using CROs that have the appropriate expertise to improve the speed of product development to assist them in improving economic returns. In addition, applying for regulatory approval in multiple markets and for multiple indications simultaneously, rather than sequentially, reduces product development time and thereby maximizes economic returns. We believe that CROs with global operations and experience in a broad range of therapeutic areas are a key resource to support a global regulatory approval strategy. Alongside this, the increasing need to access pools of new patients is leading to the conduct of clinical trials in new "emerging regions" such as Eastern Europe, Latin America, Asia-Pacific, South America and India. We believe that having access to both traditional and emerging clinical research markets gives global CROs a competitive advantage.

Emergence of the Biotechnology Sector.

The nature of the drugs being developed is changing. Biotechnology is enabling the development of targeted drugs with diagnostic tests to determine whether a drug will be effective given a patient's genomic profile. An increasing proportion of research and development ("R&D") expenditure is being spent on the development of highly technical drugs to treat very specific therapeutic areas. Much of this discovery expertise is found in smaller biotechnology firms. We believe that it is to these organizations that the large pharmaceutical companies will look for an increasing proportion of their new drug pipelines. Whether it is through licensing agreements, joint ventures or equity investment, we believe we will see the emergence of more strategic relationships between small discovery firms and the larger pharmaceutical groups. As the majority of these biotechnology companies do not have a clinical development infrastructure, we believe that the services offered by CROs will continue to be in demand from such companies.

Funding of Research and Development Activities of the Biotechnology Sector.

The emergence of the Biotechnology sector and the increasing number of highly technical drugs being developed by these companies has resulted in increased funding for research and development in recent years. Much of this funding was aimed at small biotechnology companies who do not derive revenues from the sale of other product lines and are dependent on external funding and investment to support their research activities. The current global downturn has reduced the availability of funding to support research and development activities which may reduce the number of treatments in Phase II-III clinical trials in future years. As many of these companies are dependent on the CRO industry to manage their trials the reduction in funding may impact demand for such activities.

Cost Containment Pressures.

Over the past several years, drug companies have sought more efficient ways of conducting business due to margin pressures stemming from patent expirations, greater acceptance of generic drugs, pricing pressures caused by the impact of managed care, purchasing alliances and regulatory consideration of the economic benefit of new drugs. Consequently, drug companies are centralizing research and development, streamlining their internal structures and outsourcing certain functions to CROs, thereby converting previously fixed costs to variable costs. The CRO industry, by specializing in clinical trials management, is often able to perform the needed services with greater focus and at a lower cost than the client could perform internally, although the CRO industry is itself facing increased cost containment pressures as drug companies seek to further reduce their cost base.

Increasing Number of Large Long-Term Studies.

We believe that to establish competitive claims, to obtain reimbursement authorization from bodies such as the National Institute for Health and Clinical Excellence in the UK, and to encourage drug prescription by physicians in some large and competitive categories, more clients need to conduct outcome studies to demonstrate, for example, that mortality rates are reduced by certain drugs. To verify such outcomes, very large patient numbers are required and they must be monitored over long time periods. We believe that as these types of studies increase there will be a commensurate increase in demand for the services of CROs who have the ability to quickly assemble large patient populations, globally if necessary, and manage this complex process throughout its duration.

A focus on long-term product safety

In the wake of a number of high profile recalls of previously approved drugs, regulatory authorities, such as the FDA and the European Medicines Agency (“EMA”), are increasingly demanding that sponsors make arrangements to track the long-term safety of their products. The clinical trial approval process can only detect major and common adverse side effects of drugs; less common but no less serious effects may only become apparent after many years of use. As a result, there is an increase in the number of drugs given “conditional approvals” where further ‘post-approval’ studies are being mandated. In addition, prudent sponsors undertake similar studies to detect early warning signs of any potential problems with their products. Such studies may take the form of prospective long-term safety studies, simpler observational studies or registries where patients meeting specific criteria for disease or drug use are followed for long periods to detect any safety issues. CROs are well positioned to perform these studies on behalf of sponsors. Furthermore, a variety of healthcare databases containing medical and prescribing records can be “data mined” to collect patient data from very large populations in support of on-going safety and efficacy assessments. Again, this sort of data management and biostatistical activity is well performed by CROs.

Increasing Regulatory Demands.

We believe that regulatory agencies are becoming more demanding with regard to the data required to support new drug approvals and are seeking more evidence that new drugs are safer and more effective than existing products. As a result, the complexity of clinical trials and the size of regulatory submissions are driving the demand for services provided by CROs.

The ICON Strategy

The Company’s mission is to provide flexible, superior quality, global pharmaceutical development services, that enable clients to expedite development, reduce costs and establish the benefits of treatments that enhance people’s lives.

The Company has achieved exceptional growth since its founding in 1990. The impact of the International Conference on Harmonisation, and the globalization of clinical research that followed was a key driver, while at the same time there was acceleration in the understanding of human/molecular biology, which has led to many new treatment paths being explored.

However, despite the increase in development activity, the number of compounds actually reaching the market has declined in recent years, putting pressure on pharmaceutical companies’ revenues and costs. This has been generally positive for CROs as outsourcing has been adopted to make costs more flexible. Regulatory conservatism, health budget constraints, and extraordinary economic and financial conditions are now putting even more pressure on the industry, and may conspire to create market volatility for CROs over the next couple of years, although we expect the increasing adoption of outsourcing as a core strategy by our customers to create further growth opportunities in the near-term. In addition, advances in molecular biology, we believe, will drive further growth in innovation in the long term which in turn will create further growth opportunities for the Company.

One consequence of the above pressures will be even more emphasis on early stage development, as companies seek to filter compounds early to lower attrition rates, and therefore costs, in later phases. Regulatory pressures will also increase the emphasis on late stage (post marketing) surveillance.

As outsourcing penetration increases, we believe clients will seek a greater level of integration (although some will continue to purchase piecemeal). Therefore, creating greater connectivity and “seamlessness” between our services and divisions will be an important goal.

The Company will continue to grow by increasing our market share with our existing client base and adding new clients within the Phase I-IV outsourced development services market; the aim being to ensure we will be considered for all major Phase I-IV projects.

We plan to do this by the following core strategies :

Building deep strategic relationships with large clients.

These will be clients that can contribute significant revenues per annum. To support this objective we are developing an expanded relationship management programme. We are also focused on developing closer data integration across our service lines and enhancing our project management capabilities.

Creating stronger differentiation across our services.

No one “silver bullet” exists to drive differentiation, rather we need to continue to focus our efforts on driving better project execution; develop process and systems which can better integrate services; deepen our scientific expertise and innovate using technology

Maintaining our company culture is also an important element toward differentiation, hence developing a pool of talent that will be the future leaders of the organization and guardians of this culture is critical to our success.

Retaining a flexible business model to respond to differing client outsourcing strategies.

Strategic client relationships will manifest themselves in many different forms. Hence we need the flexibility to offer both standalone and “full service” solutions through innovative commercial agreements. Many of these relationships will require new forms of collaboration across ICON divisions and departments.

Build Scale in Early Phase Development

The Company has historically been sub-scale relative to our competition in Phase 1. Recent acquisitions and investments have addressed this scale issue and in parallel we have been building our scientific base in areas such as biomarker and large molecule bioanalysis. This scientific knowledge will be important as increasingly clients will be looking to their partners for advice and guidance on how to identify promising drug candidates (and kill off others) earlier in the development process. Having the right blend of scientific and commercial leadership in this area will be important as it grows.

Building scale in our post approval business.

We continue to build additional expertise in this area (epidemiological, outcomes and regulatory), as evident from our recent acquisition of Oxford Outcomes, and may make further acquisitions to accelerate growth in this field.

Entering new / growing positions in selected markets.

We continue to build our position in emerging markets and have expanded our presence in Asia Pacific in places such as China and Japan. Additionally we are taking steps to address new and emerging markets such as the market for biosimilars and government sponsored research programmes.

Underpinning all the above strategies is the need to grow and retain talent within the organization. The Company’s talent review and succession planning processes are core to this objective.

Services

ICON specializes in the strategic development, management and analysis of programs that support Clinical Development - from compound selection to Phase I-IV clinical studies.

Our core Clinical Research business specializes in the planning, management, execution and analysis of Phase I – IV clinical trials, ranging from small studies to complex, multinational projects. Specific clinical research services offered include:

- o Investigator Recruitment
- o Study Monitoring and Data Collection
- o Case Report Form ("CRF") Preparation
- o Patient Safety Monitoring
- o Clinical Data Management
- o IVR (Interactive Voice Response)
- o Electronic Patient Reported Outcomes
- o Medical Reporting
- o Patient Registries
- o Outcomes Research
- o Health Economics
- o Strategic Analysis and Data Operations
- o Clinical Pharmacology
- o Bioanalysis
- o Immunoassay development
- o Pharmacokinetic and Pharmacodynamic analysis
- o Study Protocol Preparation
- o Regulatory Consulting
- o Product Development Planning
- o Strategic Consulting
- o Medical Imaging
- o Contract Staffing
- o Electronic Endpoint Adjudication

An important element in monitoring patient safety during a clinical trial is the conduct of various laboratory tests on the patient's blood, urine and other bodily fluids at appropriate intervals during the trial. The analysis of these samples must be standardized and the results must be promptly transmitted to the investigator. ICON Central Laboratories provides global central laboratory services dedicated exclusively to clinical trials. Specific services offered by ICON Central Laboratories include:

- o Sample analyses
- o Safety testing
- o Microbiology
- o Custom flow cytometry
- o Electronic transmission of test results
- o Biomarker Development

Sales and Marketing

Our global sales and marketing strategy is to focus our business development efforts on pharmaceutical, biotechnology and medical device companies whose development projects are advancing. By developing and maintaining strategic relationships with our clients, we gain repeat business, can leverage a full service portfolio and achieve lateral penetration into other therapeutic indications where applicable. Simultaneously, we are actively establishing new client relationships.

While our sales and marketing activities are carried out locally by executives in each of the major locations, the sales and marketing process is coordinated centrally to ensure a consistent and differentiated market positioning for ICON and ongoing development of the ICON brand. In addition, all our business development professionals, senior executives and project team leaders share responsibility for the maintenance of key client relationships and business development activities.

Information Systems

Our information technology strategy is built around deploying IT systems to enable the delivery of our business services in a global environment. The focus is to provide ease of access to information for our staff and clients globally. Our current information systems are built on open standards and leading commercial business applications from vendors including Microsoft, Oracle, EMC, SAS, Phase Forward and Medidata. IT expenditure is authorized by strict IT Governance policies requiring senior level approval of all strategic IT expenditure. All critical business systems are formally delivered following a structured project management and systems delivery life cycle approach. Critical clinical information systems, which manage clinical data, are validated in accordance with FDA regulations and those of other equivalent regulatory bodies throughout the world.

In Clinical Operations, we have deployed a suite of software applications that assist in the management and tracking of our clinical trial activities. These software applications are both internally developed and commercially available applications from leading vendors in the industry. These include a clinical trial management application that tracks all relevant data in a trial and automates all management and reporting processes. In our Data Management function, we have deployed leading clinical data management solutions including Electronic Data Capture (EDC) and Clinical Data Warehouse solutions from leading industry vendors. This allows us to guarantee the integrity of client data and provide consolidated information across client studies.

Our state of the art workflow technology allows us to process clinical trial data seamlessly throughout the Company. We have also developed an interactive voice response system to increase the efficiency of clinical trials. This system provides features such as centralized patient randomization, drug inventory management, patient diary collection and provides our clients with a fully flexible data retrieval solution which can be utilized via telephone, internet browser or a WAP enabled device. In our central laboratory, we utilize a comprehensive suite of software, including a laboratory information management system (LIMS), a kit/sample management system and a web interface system to allow clients to review results online.

Recognizing that each client has its own requirements and systems, we seek to ensure an entirely flexible approach to client needs. An example of this flexibility is in the provision of portal solutions that allow clients access to study related information via a secure web based environment. We also provide secure remote access to client systems for clients who require us to utilize their internal platforms.

The majority of the Company's global finance operations utilize the Oracle ebusiness suite to serve the organization's financial and project accounting requirements.

The Company's strategy of using technology to enhance our global processes can be seen from our deployment of a global SOP Document Management system and a WEB based training delivery solution.

Our IT systems are operated from two centralized hubs in Philadelphia, Pennsylvania and Dublin, Ireland. Other offices are linked to these hubs through a resilient network that is managed by a tier one global telecommunications provider. Traveling staff can also access all systems via secure remote access facilities. A global corporate intranet portal provides access to all authorized data and applications for our internal staff as well as providing an internal platform for company wide communication.

Contractual Arrangements

We are generally awarded contracts based upon our response to requests for proposals received from companies in the pharmaceutical, biotechnology and medical device industries or work orders received under strategic partnership agreements.

Our revenues are earned from contracts which are generally either fixed price or units-based, based on certain activities and performance specifications. Payment terms usually provide either for payments based on the achievement of certain identified milestones or units delivered or monthly payments according to a fixed payment schedule over the life of the contract. Where clients request changes in the scope of a trial or in the services to be provided by us, a change order or amendment is issued which may result either in an increase or decrease in the contract value. We also contract on a "fee-for-service," or "time and materials" basis, but this accounts for a small portion of overall project activities.

Contract terms may range from several weeks to several years depending on the nature of the work to be performed. In most cases, a portion of the contract fee, typically 10% to 20%, is paid at the time the study or trial is started. The balance of the contract fee is generally payable in installments over the study or trial duration and may be based on the achievement of certain performance targets or "milestones" or, based on units delivered, or on a fixed monthly payment schedule. For instance, installment payments may be based on patient enrollment or delivery of the database. During the course of the study, the Company will generally incur reimbursable expenses. Reimbursable expenses are typically estimated and budgeted within the contract and invoiced on a monthly basis. Reimbursable expenses include payments to investigators, travel and accommodation costs and various other direct costs incurred in the course of the clinical trial which are fully reimbursable by the client.

As the currency in which contracts are priced can be different from the currencies in which costs relating to those contracts are incurred, we usually negotiate currency fluctuation clauses in our contracts which allow for price negotiation if changes in the relative value of those currencies exceed predetermined tolerances.

Most of our contracts are terminable immediately by the client with justifiable cause or with 30 to 90 days notice without cause. In the event of termination, we are entitled to all sums owed for work performed through the notice of termination and certain costs associated with termination of the study. Termination or delay in the performance of a contract occurs for various reasons, including, but not limited to, unexpected or undesired results, production problems resulting in shortages of the drug, adverse patient reactions to the drug, the client's decision to de-emphasize a particular trial or inadequate patient enrollment or investigator recruitment.

Clients

Our clients included all of the top 20 pharmaceutical companies as ranked by 2009 global revenues. During the year ended December 31, 2010 revenue was earned from over 640 clients.

We have in the past and may in the future derive a significant portion of our net revenue from a relatively limited number of major projects or clients. During the years ended December 31, 2010, December 31, 2009 and December 31, 2008, 33%, 27% and 29% respectively of our net revenues were derived from our top five clients. No one client contributed more than 10% of net revenues during the years ended December 31, 2010, December 31, 2009 and December 31, 2008. We believe that the importance of certain clients reflects our success in penetrating our client base. The loss of, or a significant decrease in business from one or more of these key clients could result in a material adverse effect.

Backlog

Our backlog consists of potential net revenue yet to be earned from projects awarded by clients. At December 31, 2010 we had a backlog of approximately \$1.9 billion, compared with approximately \$1.8 billion at December 31, 2009. We believe that our backlog as of any date is not necessarily a meaningful predictor of future results, due to the potential for cancellation or delay of the projects underlying the backlog, and no assurances can be given that we will be able to realize this backlog as net revenue.

Competition

The CRO industry is highly fragmented, consisting of several hundred small, limited-service providers and a limited number of medium-sized and large CROs with global operations. We compete against in-house departments of pharmaceutical companies and other CROs with global operations. Some of these competitors have substantially greater capital, technical and other resources than us. CROs generally compete on the basis of previous experience, the quality of contract research, the ability to organize and manage large-scale trials on a global basis, the ability to manage large and complex medical databases, the ability to provide statistical and regulatory services, the ability to recruit suitable investigators and patients, the ability to integrate information technology with systems to improve the efficiency of contract research, an international presence with strategically located facilities, financial viability, medical and scientific expertise in specific therapeutic areas and price. We believe that we compete favorably in these areas. Our principal CRO competitors are Covance Inc., PAREXEL International Corporation, Pharmaceutical Product Development Inc., and Quintiles Transnational Corporation. Globalization is driving market share to global CRO's while the trend toward CRO industry consolidation has resulted in heightened competition among the larger CROs for clients and acquisition candidates.

Potential Liability and Insurance

We contract with physicians who serve as investigators in conducting clinical trials to test new drugs on their patients. Such testing creates a risk of liability for personal injury to or death of the patients resulting from adverse reactions to the drugs administered. In addition, although we do not believe that we are legally accountable for the medical care rendered by third party investigators, it is possible that we could be subject to claims and expenses arising from any professional malpractice of the investigators with whom we contract.

We also could be liable for errors and/or omissions in connection with the services we perform and this could result in us being liable to make large payments to sponsor(s) or other parties.

From time to time, we are asked to act as the legal representative of a client in certain jurisdictions where the client does not itself have a legal entity but where legislation requires it to do so. As we believe that acting as legal representative of clients might expose us to a higher risk of liability, there is an entity within the ICON Group designated to provide this service in relevant jurisdictions subject to certain preconditions being met. The preconditions relate to obtaining protections such as specific insurance and indemnities from the client to cover the nature of the exposure.

We believe that the risk of liability to patients in clinical trials is mitigated by various regulatory requirements, including the role of institutional review boards and the need to obtain each patient's informed consent. The FDA requires each human clinical trial to be reviewed and approved by the institutional review board at each study site. An institutional review board is an independent committee that includes both medical and non-medical personnel and is obligated to protect the interests of patients enrolled in the trial. After the trial begins, the institutional review board monitors the protocol and measures designed to protect patients, such as the requirement to obtain informed consent.

We further attempt to reduce our risks through seeking contractual indemnification provisions with clients and through insurance maintained by clients, investigators and us. However, the contractual indemnifications from our clients generally do not protect us in certain circumstances or against our own actions such as our negligence or poor performance. The terms and scope of such indemnification vary from client to client and from trial to trial, and the financial performance of these indemnities is not secured. Therefore, we bear the risk that the indemnity may not be sufficient or that the indemnifying party may not have the financial ability to fulfill its indemnification obligations. In addition, we also indemnify our clients where our performance does not reach the required contractual standard, such as our negligence or poor performance. We maintain worldwide professional liability insurance and while we believe that our insurance coverage is adequate there can be no assurance that we will continue to be able to maintain such insurance coverage on terms acceptable to us, if at all. We could be materially adversely affected if we were required to pay damages or bear the costs of defending any claim outside the scope of or in excess of a contractual indemnification provision or beyond the level of insurance coverage or in the event that an indemnifying party does not fulfill its indemnification obligations.

Government Regulation

Regulation of Clinical Trials

The clinical investigation of new drugs is highly regulated by government agencies. The standard for the conduct of clinical research and development studies is Good Clinical Practice, which stipulates procedures designed to ensure the quality and integrity of data obtained from clinical testing and to protect the rights and safety of clinical subjects.

Regulatory authorities, including the FDA, have promulgated regulations and guidelines that pertain to applications to initiate trials of products, the approval and conduct of studies, report and record retention, informed consent, applications for the approval of drugs and post-marketing requirements. Pursuant to these regulations and guidelines, service providers that assume the obligations of a drug sponsor are required to comply with applicable regulations and are subject to regulatory action for failure to comply with such regulations and guidelines. In the United States and Europe, the trend has been in the direction of increased regulation and enforcement by the applicable regulatory authority.

In providing our services in the United States, we are obligated to comply with FDA requirements governing such activities. These include ensuring that the study is approved by an appropriate independent review board (“IRB”)/Ethics Committee, obtaining patient informed consents, verifying qualifications of investigators, reporting patients’ adverse reactions to drugs and maintaining thorough and accurate records. We must maintain critical documents for each study for specified periods, and such documents may be reviewed by the study sponsor and the FDA during audits.

The services we provide outside the United States are ultimately subject to similar regulation by the relevant regulatory authority, including the Medicines Control Agency in the United Kingdom and the Bundesinstitut für Arzneimittel und Medizinprodukte in Germany. In addition, our activities in Europe are affected by the European Medicines Evaluation Agency, which is based in London, England.

We must retain records for each study for specified periods for inspection by the client and by the applicable regulatory authority during audits. If such audits document that we have failed to comply adequately with applicable regulations and guidelines, it could result in a material adverse effect. In addition, our failure to comply with applicable regulation and guidelines, depending on the extent of the failure, could result in fines, debarment, termination or suspension of ongoing research, the disqualification of data or litigation by clients, any of which could also result in a material adverse effect.

In December 2009, we received a warning letter from the U.S. Food and Drug Administration (FDA) regarding clinical study management services provided by the company to one of its clients in relation to two studies conducted between 2004 and 2006. These studies related to the development of an antibiotic for the treatment of complicated skin and skin-structure infections. The FDA letter arose from its inspections of the company’s client and selected clinical sites and follows a similar letter issued to that client. On January 13, 2010 we submitted a response to the FDA and received a letter from the FDA on September 27, 2010 acknowledging receipt of our response and requesting further clarification around some details set out in our letter of January 13, 2010. We made a further submission to the FDA on November 22, 2010, addressing matters from the September 27, 2010 letter from the FDA. We remain committed to working cooperatively and expeditiously with the FDA to address the matters raised in the warning letter. We are unable to predict at this time the financial consequences, if any, of the issues raised by the letter.

Organizational Structure

<i>Name</i>	<i>Country of incorporation</i>	<i>Group ownership*</i>
ICON Clinical Research Limited	Republic of Ireland	100%
ICON Clinical Research Inc.	USA	100%
ICON Clinical Research (UK) Limited	United Kingdom	100%
ICON Clinical Research GmbH	Germany	100%
ICON Clinical Research SARL	France	100%
ICON Clinical Research Israel Limited	Israel	100%
ICON Clinical Research Espana S.L.	Spain	100%
ICON Clinical Research Kft	Hungary	100%
ICON Clinical Research S.R.L.	Romania	100%
ICON Clinical Research LLC	Ukraine	100%
ICON Holdings	Republic of Ireland	100%
ICON Holdings Clinical Research International Limited	Republic of Ireland	100%
ICON Clinical Research S.R.O.	Czech Republic	100%
ICON Clinical Research (Canada) Inc.	Canada	100%
ICON Clinical Research Pty Limited	Australia	100%
ICON Clinical Research (New Zealand) Limited	New Zealand	100%
ICON Japan K.K.	Japan	100%
ICON Clinical Research Pte. Limited	Singapore	100%
ICON Clinical Research Korea Yuhan Hoesa	Korea	100%
ICON Clinical Research India Private Limited	India	100%
ICON Clinical Research S.A.	Argentina	100%
ICON Pesquisas Clinicas LTDA	Brazil	100%
ICON Clinical Research México, S.A. de C.V.	Mexico	100%
ICON Chile Limitada	Chile	100%
ICON Clinical Research Peru SA	Peru	100%
ICON Clinical Research Sucursal Colombia	Colombia	100%
ICON Development Solutions Limited	UK	100%

ICON Contracting Solutions, Inc.	USA	100%
DOCS International BV	Netherlands	100%
ICON Development Solutions Inc.	USA	100%
ICON Central Laboratories Inc.	USA	100%
Beacon Bioscience, Inc.	USA	100%
Healthcare Discoveries Inc	USA	100%
Prevalere Life Sciences Inc	USA	100%
Timaq Medical Imaging AG	Switzerland	100%

* All shareholdings comprise ordinary shares.

Description of Property

Our principal executive offices are located in South County Business Park, Leopardstown, Dublin, Republic of Ireland, where we own an office facility of approximately 16,000 square meters. We lease all other properties under operating leases.

We maintain three offices in New York and Pennsylvania, two offices in each of the following US cities: Chicago and San Antonio, and one office in each of the following U.S. cities: San Francisco, Nashville, Wilmington, Raleigh, Baltimore, San Diego, Omaha and Houston.

Our European operations maintain two offices in Amsterdam, Frankfurt and Stockholm and one office in each of the following cities: Southampton, Marlow, Manchester, Edinburgh, Munich, Helsinki, Milan, Barcelona, Riga, Budapest, Vilnius, Prague, Kiev, Bucharest, Moscow, Novosibirsk, Tel Aviv, Paris, Warsaw, Zurich and Madrid.

We also maintain two offices in Singapore and Bangalore and one office in each of the following cities: Auckland, Sydney, Tokyo, Osaka, Seoul, Beijing, Taipei, Hong Kong, Bangkok, Chennai, Tianjin, Shanghai, Manila, Trivandrum, New Delhi, Johannesburg, Montreal, Mexico City, Sao Paolo, Lima, Buenos Aires, Bogota and Santiago.

Unresolved Staff Comments

Not applicable.

Item 5. Operating and Financial Review and Prospects

The following discussion and analysis should be read in conjunction with our Consolidated Financial Statements, accompanying notes and other financial information, appearing in Item 18. The Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States.

Overview

We are a contract research organization ("CRO"), providing outsourced development services on a global basis to the pharmaceutical, biotechnology and medical device industries. We specialize in the strategic development, management and analysis of programs that support Clinical Development - from compound selection to Phase I-IV clinical studies. We have the operational flexibility to provide development services on a stand-alone basis or as part of an integrated "full service" solution. We can implement a range of resourcing models to suit client requirements, and increasingly our teams are flexibly applied to minimize costs for our clients.

In a highly fragmented industry, we are one of a small number of companies with the capability and expertise to conduct clinical trials in all major therapeutic areas on a global basis. Currently, we have 7,735 employees, in 73 locations in 39 countries, providing Phase I-IV Clinical Trial Management, Drug Development Support Services, Data Management, Biostatistics, Central Laboratory, Imaging and Contract Staffing services.

Revenue consists primarily of fees earned under contracts with third-party clients. In most cases, a portion of the contract fee is paid at the time the study or trial is started, with the balance of the contract fee generally payable in installments over the study or trial duration, based on the achievement of certain performance targets or "milestones". Revenue from contracts is recognized on a proportional performance method based on the relationship between time incurred and the total estimated duration of the trial or on a fee-for-service basis according to the particular circumstances of the contract. As is customary in the CRO industry, we contract with third party investigators in connection with clinical trials. All investigator fees and certain other costs, where reimbursed by clients, are, in accordance with industry practice, deducted from gross revenue to arrive at net revenue. As these costs vary from contract to contract, we view net revenue as our primary measure of revenue growth.

Our backlog consists of potential net revenue yet to be earned from projects awarded by clients. At December 31, 2010 we had a backlog of approximately \$1.9 billion, compared with approximately \$1.8 billion at December 31, 2009. We believe that our backlog as of any date is not necessarily a meaningful predictor of future results, due to the potential for cancellation or delay of the projects underlying the backlog, and no assurances can be given that we will be able to realize this backlog as net revenue.

As the nature of our business involves the management of projects having a typical duration of one to four years, the commencement or completion of projects in a fiscal year can have a material impact on revenues earned with the relevant clients in such years. In addition, as we typically work with some, but not all, divisions of a client, fluctuations in the number and status of available projects within such divisions can also have a material impact on revenues earned from such clients from year to year.

Although we are domiciled in Ireland, we report our results in U.S. dollars. As a consequence the results of our non-U.S. based operations, when translated into U.S. dollars, could be materially affected by fluctuations in exchange rates between the U.S. dollar and the currencies of those operations.

In addition to translation exposures, we are also subject to transaction exposures because the currency in which contracts are priced can be different from the currencies in which costs relating to those contracts are incurred. We have 17 operations operating in U.S. dollars, 11 trading in Euros, 5 in Indian Rupee, 4 in pounds Sterling, 3 in Chinese Yuan Renminbi, 2 each in Russian Rouble, Japanese Yen, Swedish Krona and Singapore dollars and 1 each in Polish Zloty, Israeli New Shekels, Latvian Lats, Hungarian Forint, Czech Koruna, Ukraine Hryvnia, Romanian New Leu, Lithuanian Litas, South African Rand, Australian dollars, Hong Kong dollar, Taiwan dollar, South Korean Won, Thai Baht, New Zealand dollars, Argentine Peso, Mexican Peso, Brazilian Real, Chilean Peso, Colombian Peso, Peruvian Nuevo Sol, Swiss Franc, Philippines Peso, and Canadian dollar. Our operations in the United States are not materially exposed to such currency differences as the majority of our revenues and costs are in U.S. dollars. However, outside the United States the multinational nature of our activities means that contracts are usually priced in a single currency, most often U.S. dollars, Euros or pounds Sterling, while costs arise in a number of currencies, depending, among other things, on which of our offices provide staff for the contract, and the location of investigator sites. Although many such contracts benefit from some degree of natural hedging due to the matching of contract revenues and costs in the same currency, where costs are incurred in currencies other than those in which contracts are priced, fluctuations in the relative value of those currencies could have a material effect on our results of operations. We regularly review our currency exposures and usually negotiate currency fluctuation clauses in our contracts which allow for price negotiation if changes in the relative value of those currencies exceed predetermined tolerances.

As we conduct operations on a global basis, our effective tax rate has depended and will depend on the geographic distribution of our revenue and earnings among locations with varying tax rates. Our results of operations therefore may be affected by changes in the tax rates of the various jurisdictions. In particular, as the geographic mix of our results of operations among various tax jurisdictions changes, our effective tax rate may vary significantly from period to period.

Operating Results

The following table sets forth for the periods indicated certain financial data as a percentage of net revenue and the percentage change in these items compared to the prior comparable period. The trends illustrated in the following table may not be indicative of future results.

	Year Ended December 31,			
	2009 Percentage of Net Revenue	2010	2009 Percentage Increase/(Decrease)	2010
Net revenue	100%	100%	2.6%	1.4%
Costs and expenses:				
Direct costs	57.2%	60.1%	3.8%	6.6%
Selling, general and administrative	26.0%	25.9%	(7.2%)	0.8%
Depreciation and amortization	3.7%	3.8%	17.8%	3.7%
One-time net charges	1.0%	-	100%	(100%)
Income from operations	12.1%	10.2%	8.0%	(14.3%)

Year ended December 31, 2010 compared to year ended December 31, 2009

Net revenue for the year increased by \$12.4 million, or 1.4%, from \$887.6 million for the year ended December 31, 2009 to \$900.0 million for the year ended December 31, 2010. Net revenue in our clinical research segment increased by 2.4% from \$816.9 million for the year ended December 31, 2009 to \$836.2 million for the year ended December 31, 2010. In our central laboratory business net revenue decreased by 9.8% from \$70.7 million for the year ended December 31, 2009 to \$63.8 million for the year ended December 31, 2010. This decrease was primarily attributable to a slower rate of conversion on central laboratory business awards, due to both a delay in study start-ups and an increase in the average duration of central laboratory studies. For the year ended December 31, 2010 we derived approximately 42.3%, 46.9% and 10.8% of our net revenue in the United States, Europe and Rest of World, respectively.

Direct costs for the year increased by \$33.6 million, or 6.6%, from \$507.8 million for the year ended December 31, 2009 to \$541.4 million for the year ended December 31, 2010. Direct costs comprise compensation, associated fringe benefits and share based compensation expense for project related employees, together with other direct project driven costs. The increase in direct costs during the year was primarily attributable to an increase in compensation costs for project related employees of \$32.5 million. Travel costs for project-related employees increased by \$6.5 million while other direct project-related expenses decreased by \$5.4 million. In our clinical research segment, direct costs increased by 6.1 % or \$28.5 million during the year. The Company has entered a number of strategic relationships with sponsors and expanded operations in certain territories, requiring significant upfront investment in personnel and a corresponding increase in direct costs. In our central laboratory business, direct costs increased by 12.0% or \$5.0 million during the year, primarily attributable to increased investment in personnel and systems in this business. As a percentage of net revenue, direct costs have increased from 57.2% for the year ended December 31, 2009 to 60.1% for the year ended December 31, 2010.

Selling, general and administrative expenses for the year increased by \$1.8 million, or 0.8%, from \$230.9 million for the year ended December 31, 2009 to \$232.7 million for the year ended December 31, 2010. Selling, general and administrative expenses comprise compensation, related fringe benefits and share based compensation expense for non-project related employees, professional service costs, recruitment expenditure, advertising costs and all costs related to facilities and information systems. Compensation, related fringe benefits and share-based compensation expense increased by \$3.0 million during the year, travel costs increased by \$2.1 million, while recruitment expenditure, for both project and non-project related employees, increased by \$2.6 million. These increases were offset by decreases in facilities related expenditure of \$2.3 million and decreases in other general overheads of \$3.6 million. In our clinical research segment, selling, general and administrative expenses decreased by \$3.3 million or 1.6% during the year. This was offset by an increase in our central laboratory business, where selling general and administrative expenses increased by \$5.1 million or 25.6%, a result of our significant investment in personnel and systems in this business during the year. As a percentage of net revenue, selling, general and administrative expenses, decreased from 26.0% for the year ended December 31, 2009 to 25.9% for the year ended December 31, 2010.

Total share based compensation expense recognized during the years ended December 31, 2010 and December 31, 2009 amounted to \$7.4 million.

Depreciation and amortization expense for the year increased by \$1.2 million, or 3.7%, from \$32.7 million for the year ended December 31, 2009 to \$33.9 million for the year ended December 31, 2010. As a percentage of net revenue, depreciation and amortization increased from 3.7% of net revenues for the year ended December 31, 2009 to 3.8% for the year ended December 31, 2010. This increase relates primarily to our continued investment in facilities and equipment to support the Company's growth.

One-time net charges of \$8.8 million were recognized during the year ended December 31, 2009. In response to the globalization of clinical studies and its attendant impact on resources in existing and emerging markets, the Company conducted a review of its existing infrastructure during the early months of 2009 to better align its resources with the needs of its clients. This realignment resulted in resource rationalizations in certain more mature markets and the recognition of a restructuring charge of \$13.3 million in the second quarter of 2009. This was offset by research and development incentives of \$4.5 million received by the Company in certain European Union jurisdictions in which it operates.

Income from operations for the year decreased by \$15.4 million, or 14.3%, from \$107.5 million for the year ended December 31, 2009 to \$92.1 million for the year ended December 31, 2010. As a percentage of net revenue, income from operations decreased from 12.1% of net revenues for the year ended December 31, 2009 to 10.2% of net revenues for the year ended December 31, 2010. In our clinical research segment, income from operations for the year increased by \$2.4 million, or 2.4%, from \$102.4 million for the year ended December 31, 2009 to \$104.8 million for the year ended December 31, 2010. As a percentage of net revenue income from operations was 12.5% of net revenues in both years. In our central laboratory business, income/(loss) from operations for the year decreased by \$17.8 million, from income of \$5.0 million for the year ended December 31, 2009 to a loss of \$12.8 million for the year ended December 31, 2010. As a percentage of net revenue income/(loss) from operations decreased from 7.1% for the year ended December 31, 2009 to (20.0)% for the year ended December 31, 2010. The Company's significant investment in personnel and systems, together with the slower than expected conversion of business awards, has negatively impacted the central laboratory's operating margin during the year ended December 31, 2010. During the year ended December 31, 2009 the Company's income from operations, excluding the impact of one-time net charges, was 13.1%, being 13.6% for our clinical research segment and 7.6% for our central laboratory business.

Net interest income for the year ended December 31, 2010 was \$0.6 million, compared with net interest expense of \$2.8 million for the year ended December 31, 2009. Interest income for the period increased from \$0.8 million for the year ended December 31, 2009 to \$1.8 million for the year ended December 31, 2010. This increase arose from an increase in cash balances during the year, together with an increase in the rate of return earned on those balances. Interest expense for the period decreased from \$3.5 million for the year ended December 31, 2009 to \$1.1 million for the year ended December 31, 2010. During the year ended December 31, 2009 the Company repaid amounts previously drawn under negotiated facilities.

Provision for income taxes decreased from \$10.4 million for the year ended December 31, 2009 to \$5.7 million for the year ended December 31, 2010. During the year ended December 31, 2010 the Company recognized \$9.7 million in unrecognized tax benefits for uncertain tax positions, arising from both the settlement of positions with the relevant tax authorities and the expiration of the relevant statute of limitations in certain jurisdictions, thereby allowing for the recognition of these benefits during the current year. During the year ended December 31, 2009 corporation tax refunds related to research and development tax credits were received by the Company in certain European Union jurisdictions. The Company recognized a net benefit of \$10.6 million in its provision for income taxes for the year ended December 31, 2009 for research and development tax credits related to prior years but received during 2009. The Company's effective tax rate for the year ended December 31, 2010 was 6.1% compared with 9.9% for the year ended December 31, 2009. Excluding the impact of the release of uncertain tax provisions during the year ended December 31, 2010 and the impact of research and development tax credits recognized during the year ended December 31, 2009, the Company would have had an effective tax rate of 17.0% for the year ended December 31, 2010, compared to an effective tax rate of 20.0% for the year ended December 31, 2009.

Year ended December 31, 2009 compared to year ended December 31, 2008

Net revenue for the year increased by \$22.4 million, or 2.6%, from \$865.2 million for the year ended December 31, 2008 to \$887.6 million for the year ended December 31, 2009. Net revenue in our central research segment increased by 2.9% from \$794.1 million for the year ended December 31, 2008 to \$816.9 million for the year ended December 31, 2009. In our central laboratory business, net revenue decreased by 0.6% from \$71.1 million for the year ended December 31, 2008 to \$70.7 million for the year ended December 31, 2009. For the year ended December 31, 2009 we derived approximately 46.0%, 45.4% and 8.6% of our net revenue in the United States, Europe and Rest of World, respectively. The rate of increase in net revenue has reduced over prior periods as a result of the global economic downturn, its impact on market confidence and the availability of funding for drug development.

Direct costs for the year increased by \$18.6 million, or 3.8%, from \$489.2 million for the year ended December 31, 2008 to \$507.8 million for the year ended December 31, 2009. Direct costs consist primarily of compensation, associated fringe benefits and share based compensation expense for project-related employees and other direct project driven costs. This increase was primarily due to increased compensation costs for project related employees of \$15.7 million, increased laboratory expenses of \$1.6 million and an increase in other direct project related costs of \$6.5 million. These increases were offset by a reduction in travel costs for project related employees of \$5.2 million. Direct costs as a percentage of net revenue increased to 57.2% in the year ended December 31, 2009 compared to 56.5% in the year ended December 31, 2008.

Selling, general and administrative expenses for the year reduced by \$17.8 million, or 7.2%, from \$248.8 million for the year ended December 31, 2008 to \$231.0 million for the year ended December 31, 2009. Selling, general and administrative expenses consist of compensation, related fringe benefits and share based compensation expense for selling and administrative employees, professional service costs, recruitment costs, advertising costs and all costs related to facilities and information systems. The decrease in selling, general and administrative expenses arises principally from decreases of \$7.0 million in personnel related costs, comprising salary and travel costs for non project-related employees and recruitment expenditure. Facility and information system costs decreased by \$2.1 million, principally as a result of a reduction in utility costs and support and maintenance costs. The remainder of the decrease arises from a decrease in other general overhead costs. As a percentage of net revenue, selling, general and administrative expenses, decreased from 28.8% for the year ended December 31, 2008 to 26.0% for the year ended December 31, 2009.

Total share based compensation expense recognized during the year ended December 31, 2009 amounted to \$7.4 million compared to \$6.1 million during the year ended December 31, 2008.

Depreciation and amortization expense for the year increased by \$5.0 million, or 17.8%, from \$27.7 million for the year ended December 31, 2008 to \$32.7 million for the year ended December 31, 2009. As a percentage of net revenue, depreciation and amortization expense increased from 3.2% of net revenues for the year ended December 31, 2008 to 3.7% for the year ended December 31, 2009. This increase relates primarily from our continued investment in facilities and equipment to support the Company's growth.

One-time net charges of \$8.8 million were recognized during the year ended December 31, 2009. In response to the globalization of clinical studies and its attendant impact on resources in existing and emerging markets, the Company conducted a review of its existing infrastructure during the early months of 2009 to better align its resources with the needs of its clients. This realignment resulted in resource rationalizations in certain more mature markets and the recognition of a restructuring charge of \$13.3 million in the second quarter of 2009. This was partially offset by research and development incentives of \$4.5 million received by the Company in certain European Union jurisdictions in which it operates.

Income from operations for the year increased by \$8.0 million, or 8.0%, from \$99.5 million for the year ended December 31, 2008 to \$107.5 million for the year ended December 31, 2009. As a percentage of net revenue, income from operations increased from 11.5% of net revenues for the year ended December 31, 2008 to 12.1% for the year ended December 31, 2009. Excluding the impact of one-time net charges recognized during the period, income from operations as a percentage of net revenue increased from 11.5% for the year ended December 31, 2008 to 13.1% for the year ended December 31, 2009.

Net interest expense for the year ended December 31, 2009 was \$2.8 million, compared with net interest expense of \$1.2 million for the year ended December 31, 2008. Interest expense for the period decreased from \$4.1 million for the year ended December 31, 2008 to \$3.5 million for the year ended December 31, 2009. Interest income for the period decreased from \$2.9 million for the year ended December 31, 2008 to \$0.8 million for the year ended December 31, 2009.

Provision for income taxes decreased from \$20.0 million for the year ended December 31, 2008 to \$10.4 million for the year ended December 31, 2009. The Company's effective tax rate for the year ended December 31, 2009 was 9.9% compared with 20.3% for the year ended December 31, 2008. The decrease in the effective tax rate during the period arose principally from corporation tax refunds relating to research and development tax credits received in certain European Union jurisdictions. The Company recognized a net benefit of \$10.6 million in its 2009 tax charge for research and development tax credits relating to previous years, but received in 2009. Excluding the impact of these research and development tax credits recognized during the period, the Company's effective tax rate decreased from 20.3% for the year ended December 31, 2008 to 20.0% for the year ended December 31, 2009.

Liquidity and Capital Resources

The CRO industry is generally not capital intensive. The Company's principal operating cash needs are payment of salaries, office rents, travel expenditures and payments to investigators. Investing activities primarily reflect capital expenditures for facilities, information systems enhancements, the purchase of short term investments and acquisitions.

Our clinical research and development contracts are generally fixed price with some variable components and range in duration from a few weeks to several years. Revenue from contracts is generally recognized as income on the basis of the relationship between time incurred and the total estimated contract duration or on a fee-for-service basis. The cash flow from contracts typically consists of a down payment of between 10% and 20% paid at the time the contract is entered into, with the balance paid in installments over the contract's duration, in some cases on the achievement of certain milestones. Accordingly, cash receipts do not correspond to costs incurred and revenue recognized on contracts.

The Company's total cash balances at December 31, 2010 amounted to \$255.7 million compared with total cash balances of \$194.0 million at December 31, 2009. Cash balances at December 31, 2010 comprised cash and cash equivalents of \$255.7 million. Cash balances at December 31, 2009 comprised cash and cash equivalents of \$144.8 million and short term investments of \$49.2 million. Working capital, comprising total current assets less total current liabilities, increased by \$93.5 million during the year from \$235.9 million at December 31, 2009 to \$329.4 million at December 31, 2010. This increase arose primarily from an increase in cash and cash equivalents. Additional borrowings available to the Group under negotiated facilities at December 31, 2010 amounted to \$55.9 million compared with \$162.5 million at December 31, 2009.

Net cash provided by operating activities amounted to \$87.4 million for the year ended December 31, 2010 compared with net cash provided by operating activities of \$255.1 million for the year ended December 31, 2009. The most significant influence on our operating cash flow is revenue outstanding, which comprises accounts receivable and unbilled revenue, less payments on account. The dollar values of these amounts and the related days revenue outstanding can vary due to the achievement of contractual milestones, including contract signing, and the timing of cash receipts. Improved working capital management during the year ended December 31, 2009 resulted in a significant increase in cash inflows from operating activities and a corresponding decrease in the number of days revenue outstanding, from 70 days at December 31, 2008 to 33 days at December 31, 2009. The number of days revenue outstanding at December 31, 2010 was 37 days.

Net cash provided by investing activities amounted to \$14.6 million for the year ended December 31, 2010 compared to net cash used in investing activities of \$65.7 million for the year ended December 31, 2009. Cash flows from investing activities during the year ended December 31, 2010 arose principally from the sale of short term investments offset by capital expenditure and cash paid to acquire subsidiary undertakings. During the year ended December 31, 2010 the Company received a net \$49.2 million from the sale of its short term investments. The Company actively manages its available cash resources to try to ensure optimum returns. Amounts received from the sale of short term investments during the year were reinvested in cash and cash equivalents. Capital expenditure for the year ended December 31, 2010 amounted to \$30.9 million, and was comprised mainly of expenditure on global infrastructure and information technology systems to support the Company's growth. Cash paid on acquisitions during the year ended December 31, 2010 amounted to \$3.7 million. \$1.5 million was paid by the Company during the year ended December 31, 2010 in respect of the acquisition of Timaq Medical Imaging. In addition, \$2.2 million was paid to the former shareholders of Healthcare Discoveries in full and final settlement of certain performance milestones payable.

Net cash provided by financing activities during the year ended December 31, 2010 amounted to \$15.3 million compared with net cash used of \$105.1 million for the year ended December 31, 2009. Cash provided by financing activities during the year ended December 31, 2010 comprised mainly of proceeds received from the exercise of share options. During the year ended December 31, 2009 the Company repaid \$109.6 million, net, in respect of amounts previously drawn under negotiated facilities.

As a result of these cash flows, cash and cash equivalents increased by \$110.9 million for the year ended December 31, 2010 compared to \$86.4 million for the year ended December 31, 2009.

On July 9, 2007 the Company entered into a five year committed multi-currency facility agreement for €35 million (\$46.8 million) with Bank of Ireland. The facility bears interest at an annual rate equal to EURIBOR plus a margin and is secured by certain composite guarantees, indemnities and pledges in favor of the bank. Amounts available to be drawn reduce over the life of this facility in accordance with agreed payment terms. At December 31, 2010 €17.5 million (\$23.4 million) was available to be drawn under this facility.

On December 22, 2008 a committed three year US dollar credit facility was negotiated with Allied Irish Bank plc for \$50 million. On April 21, 2010 the Company reduced this facility to \$25 million. On December 9, 2010 the Company further reduced this facility to \$12.5 million. The facility bears interest at LIBOR plus a margin and is secured by certain composite guarantees and pledges in favor of the bank. At December 31, 2010 \$12.5 million was available to be drawn under this facility.

On January 2, 2009 an additional four year committed credit facility was negotiated with Bank of Ireland for \$25 million. The facility bore interest at LIBOR plus a margin and was secured by certain composite guarantees, indemnities and pledges in favor of the bank. On December 2, 2010 the Company terminated this facility.

On May 29, 2009 a 364 day committed credit facility of \$10 million was negotiated with Citibank Europe. This facility lapsed during 2010 and was not renewed by the Company. On May 29, 2009 a three year committed credit facility was also negotiated with Citibank Europe for \$10 million. The facility bears interest at LIBOR plus a margin and is secured by certain composite guarantees and pledges in favor of the bank. At December 31, 2010 \$10.0 million was available to be drawn under the facility.

On May 29, 2009 a committed 364 day credit facility of \$30 million was negotiated with JP Morgan for \$30 million. On September 3, 2010 a committed 364 day credit facility was negotiated with J.P. Morgan for \$10 million, partially replacing the 2009 facility. The facility bears interest at LIBOR plus a margin and is secured by certain composite guarantees and pledges in favor of the bank. At December 31, 2010 \$10.0 million was available to be drawn under the facility.

On May 17, 2010 the Company acquired Timaq Medical Imaging, a European provider of advanced imaging services to the pharmaceutical and biotechnology industry, headquartered in Zurich, Switzerland for an initial cash consideration of CHF 1.3 million (\$1.2 million). Certain performance milestones were built into the acquisition agreement requiring potential additional consideration of up to CHF 2.9 million (\$3.1 million) if these milestones are achieved during the years ended December 31, 2010 to December 31, 2013. On December 31, 2010 CHF 0.3 million (\$0.3 million) was paid to the former shareholders in respect of certain milestones for the year ended December 31, 2010.

Contractual obligations table

The following table represents our contractual obligations and commercial commitments as of December 31, 2010:

	Total	Payments due by period			
		Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
		(U.S. \$ in millions)			
Operating lease obligations	184.1	39.4	64.5	44.3	35.9
Capital lease obligations	0.2	0.2	-	-	-
Non-current tax liabilities	10.2	3.2	6.8	-	0.2
Total (U.S.\$ in millions)	\$ 194.5	\$ 42.8	\$ 71.3	\$ 44.3	\$ 36.1

We expect to spend approximately \$47.5 million in the next twelve months on further investments in information technology, the expansion of existing facilities and the addition of new offices. We believe that we will be able to fund our additional foreseeable cash needs for the next twelve months from cash flow from operations and existing cash balances. In the future, we may consider acquiring businesses to enhance our service offerings and global presence. Any such acquisitions could require additional external financing and we may from time to time seek to obtain funds from public or private issues of equity or debt securities. There can be no assurance that such financing will be available on terms acceptable to us.

Critical Accounting Policies

The preparation of consolidated financial statements in accordance with generally accepted accounting principles in the United States requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

We base our estimates and judgments on historical experience and on the other factors that we believe are reasonable under current circumstances. Actual results may differ from these estimates if these assumptions prove to be incorrect or if conditions develop other than as assumed for the purposes of such estimates. The following is a discussion of the accounting policies used by us, which we believe are critical in that they require estimates and judgments by management.

Revenue Recognition

Significant management judgments and estimates must be made and used in connection with the recognition of revenue in any accounting period. Material differences in the amount of revenue in any given period may result if these judgments or estimates prove to be incorrect or if management's estimates change on the basis of development of the business or market conditions. To date there have been no material differences arising from these judgments and estimates.

We earn revenues by providing a number of different services to our clients. These services include clinical trials management, biometric activities, consulting, laboratory, imaging and contract staffing services. Revenue for services, as rendered, are recognized only after persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectability is reasonably assured.

Clinical trials management revenue is recognized on a proportional performance method. Depending on the contractual terms, revenue is either recognized on the percentage of completion method, based on the relationship between hours incurred and the total estimated hours of the trial, or on the unit of delivery method. Contract costs equate to the product of labor hours incurred and compensation rates. For the percentage of completion method, the input (effort expended) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Contract revenue is the product of the aggregated labor hours required to complete the specified contract tasks at the agreed contract rates. Where revenue is recognized on the unit of delivery method, the basis applied is the number of units completed as a percentage of the total number of contractual units.

We recognize biometric revenues on a fee-for-service basis as each unit of data is prepared. Imaging revenue is recognized on a fee-for-service basis recognizing revenue for each image completed. Consulting revenue is recognized on a fee-for-service basis recognizing revenue as each hour of the related service is performed. Contract staffing revenue is recognized on a fee-for-service basis, over the time the related service is performed, or in the case of permanent placement, once the candidate has been placed with the client.

Laboratory service revenue is recognised on a fee-for-service basis. The Company accounts for laboratory service contracts as multiple element arrangements, with contractual elements comprising laboratory kits and laboratory testing, each of which can be sold separately. Sales prices for contractual elements are determined by reference to objective and reliable evidence of their sales price. Revenues for contractual elements are recognised on the basis of the number of deliverable units completed in the period.

We invoice our customers upon achievement of specified contractual milestones. This mechanism, which allows us to receive payment from our customers throughout the duration of the contract, is not reflective of revenue earned. We recognize revenues over the period from the awarding of the customer's contract to study completion and acceptance. This requires us to estimate total expected revenue, time inputs, contract costs, profitability and expected duration of the clinical trial. The Company regularly reviews the estimate of total contract time to ensure such estimates remain appropriate taking into account actual contract stage of completion, remaining time to complete and any identified changes to the contract scope. Remaining time to complete depends on the specific contract tasks and the complexity of the contract and can include geographical site selection and initiation, patient enrolment, patient testing and level of results analysis required. While we may routinely adjust time estimates, estimates and assumptions historically have been accurate in all material respects in the aggregate.

If we do not accurately estimate the resources required or the scope of the work to be performed, or do not manage our projects properly within the planned cost or satisfy our obligations under the contracts, then future results may be significantly and negatively affected.

Goodwill

We review our goodwill for impairment annually, or more frequently if facts or circumstances warrant such a review. We evaluate goodwill for impairment by comparing the fair value of each reporting segment to its carrying value. Fair value is determined using the market approach, by assessing the market value of each reporting unit, and the income approach, based on estimated discounted future cash flows. Estimates and judgments used include those relating to commercial risk, revenue and cost projections, our intention with respect to the acquired goodwill, the impact of competition, the impact of any reorganization or change of our business focus, the level of third party interest in our operations and market conditions.

If the implied fair value of reporting unit goodwill is lower than its carrying amount, goodwill is impaired and written down to its implied fair value. If we were to use different estimates or judgments, particularly with respect to expected revenue and cost projections or the impact of any reorganization or change of business focus, a material impairment charge to the statement of operations could arise. We believe that we have used reasonable estimates and judgments in assessing the carrying value of our goodwill.

Taxation

Given the global nature of our business and the multiple taxing jurisdictions in which we operate, the determination of the Company's provision for income taxes requires significant judgments and estimates, the ultimate tax outcome of which may not be certain. Although we believe our estimates are reasonable, the final outcome of these matters may be different than those reflected in our historical income tax provisions and accruals. Such differences could have a material effect on our income tax provision and results in the period during which such determination is made.

Deferred tax assets and liabilities are determined using enacted tax rates for the effects of net operating losses and temporary differences between the book and tax bases of assets and liabilities. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. While management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment, there can be no assurance that these deferred tax assets may be realizable.

In addition, we may also be subject to audits in the multiple taxing jurisdictions in which we operate. These audits can involve complex issues which may require an extended period of time for resolution. Management believe that adequate provisions for income taxes have been made in the financial statements.

Impact of New Accounting Pronouncements

In December 2010 the FASB issued ASU No. 2010-29 Business Combinations (Topic 805): *Disclosure of supplementary pro-forma information for Business Combinations*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-29 requires that the pro forma information be presented at if the business combination occurred at the beginning of the prior annual reporting period for purposes of calculating both the current reporting period and the prior reporting period pro-forma financial information. The ASU also requires that this disclosure be accompanied by a narrative description of the amount and nature of material nonrecurring pro forma adjustments. The amendments in the ASU are effective for fiscal years beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-09 to have a material impact on the financial statements.

In December 2010 the FASB issued ASU No. 2010-28 Intangibles – Goodwill and Other (Topic 350): *When to perform Step 2 of the Goodwill Impairment test for reporting units with zero or negative carrying amounts*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-28 modifies Step 1 of the goodwill impairment test for reporting units with zero or negative carrying amounts. For those reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. ASU 2010-28 is effective for fiscal years beginning after December 15, 2010. The Company does not expect the adoption of ASU 2010-28 to have a material impact on the financial statements.

In April 2010 the FASB issued ASU No. 2010-13 Compensation-Stock Compensation (Topic 718): *Effect of denominating exercise price of a share-based payment award in the currency of the market in which the underlying equity security trades*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-13 amends FASB ASC Topic 718, Compensation-Stock Compensation, to clarify that an employee share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity would not classify an award with such a feature as a liability if it otherwise qualifies as equity. The amendments should be applied by recording a cumulative effect adjustment to the opening balance of retained earnings. The amendments in the ASU are effective for fiscal years beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-13 to have a material impact on the financial statements.

In January 2010 the FASB issued ASU No. 2010-06 Fair Value Measurements and Disclosures (Topic 820): *Improving disclosures about Fair Value Measurements*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-06 amends FASB ASC Topic 820 to require new disclosures and to clarify certain existing disclosures relating to fair value measurements. The new disclosures about purchases, sales, issuances, and settlements in the roll forward activity for Level 3 fair-value measurements are effective for fiscal years beginning after December 15, 2010.

In October 2009, the FASB issued ASU No. 2009-13 Revenue Recognition (Topic 605): *Multiple-Deliverable Revenue Arrangements* – a consensus of the FASB Emerging Issues Task Force, which amends the revenue recognition guidance for arrangements with multiple deliverables. The amendments to FASB ASC 605-25 allow vendors to account for products and services separately rather than as a combined unit. ASU 2009-13 is effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. The Company does not expect the adoption of ASU 2009-13 to have a material impact on the financial statements.

Inflation

We believe that the effects of inflation generally do not have a material adverse impact on our operations or financial conditions.

Item 6. Directors, Senior Management and Employees.

Directors and Senior Management

The following table and accompanying biographies set forth certain information concerning each of ICON plc's directors, officers and other key employees as of March 22, 2011.

Name	Age	Position
Dr. Bruce Given (2) (4) (5)	56	Chairman of the Board, Director
Peter Gray (1) (5)	56	Chief Executive Officer, Director
Ciaran Murray (1) (5)	48	Chief Financial Officer
Dr. John Climax	58	Director
Dr. Ronan Lambe (6)	71	Director
Thomas Lynch (2) (3) (4)	54	Director
Professor Dermot Kelleher (3) (6)	55	Director
Dr. Anthony Murphy (2) (4)	60	Director
Declan McKeon (3)	59	Director
Cathrin Petty (3)	37	Director
Alan Morgan	46	Group President Clinical Research Services

- (1) Executive Officer of the Company.
- (2) Member of Compensation and Organization Committee.
- (3) Member of Audit Committee.
- (4) Member of Nominating and Governance Committee.
- (5) Member of Execution Committee.
- (6) Member of Quality Committee

Dr. Bruce Given was appointed Chairman of the Board of the Company in January 2010. He has served as an outside director of the Company since September 2004. From March 2002 until June 2007 he served as President and Chief Executive Officer of Encysive Pharmaceuticals Inc. Dr. Given previously held various positions in Johnson & Johnson group companies. Dr. Given obtained his doctorate from the University of Chicago in 1980.

Peter Gray has served as the Chief Executive Officer of the Company since November 2002. He served as the Group Chief Operating Officer from June 2001 to November 2002, and was Chief Financial Officer from June 1997 to June 2001. He has been a director of the Company since June 1997. Mr. Gray has over 20 years experience in the pharmaceutical services industry and has also worked in the engineering and food sectors. Mr. Gray received a degree in Law from Trinity College Dublin in 1977 and became a chartered accountant in 1980.

Ciaran Murray has served as Chief Financial Officer of the Company since October 2005. Mr. Murray developed his experience working in senior financial positions in Ireland, Italy and the United Kingdom, in the food sector with Kraft Foods Inc, Cantrell and Cochrane plc and Northern Foods plc, and in the technology sector with Novell Inc and Codec Systems. Mr. Murray obtained a Bachelor of Commerce degree from University College Dublin in 1982. He qualified as a Chartered Accountant with PwC and is a Fellow of the Institute of Chartered Accountants in Ireland.

Dr. John Climax, one of the Company's co-founders, served as Chairman of the Board of the Company from November 2002 to December 2009, and Chief Executive Officer from June 1990 to October 2002. From January 2010 he has held a position as an outside director of the Company. Dr. Climax has over 25 years of experience in the contract research industry. Dr. Climax received his primary degree in pharmacy in 1977 from the University of Singapore, his masters in applied pharmacology in 1979 from the University of Wales and his PhD. in pharmacology from the National University of Ireland in 1982. He has authored a significant number of papers and presentations, and holds adjunct professorship at the Royal College of Surgeons of Ireland.

Dr. Ronan Lambe, one of the Company's co-founders, served as Chairman of the Board of the Company from June 1990 to November 2002. He has served as an outside director of the Company since January 2008. Dr. Lambe has over 30 years of experience in the contract research industry. Dr. Lambe attended the National University of Ireland where he received his Bachelor of Science degree in chemistry in 1959, his masters in biochemistry in 1962 and his PhD. in pharmacology in 1976.

Thomas Lynch has served as an outside director of the Company since January 1996. Mr. Lynch served as Chairman of Amarin Corporation plc from 2000 to 2009 and as its Chief Executive Officer from 2007 to 2009. Between 1993 and 2004, he held a number of senior management positions in Elan Corporation plc. Mr Lynch is an investor in, and serves on the board of, a number of biotechnology companies. He has also served as a board member of IDA Ireland (an agency of the Irish Government) since 2000.

Professor Dermot Kelleher has served as an outside director of the Company since May 2008. Professor Kelleher is currently Head of the School of Medicine at Trinity College, Dublin, Ireland and Director of the Institute of Molecular Medicine in Dublin. His research interests are broad ranging in the fields of Gastroenterology, Immunology and Molecular Biology and over a distinguished thirty year career he has led significant research projects in this field. Alongside his notable academic appointments he has served as a visiting research scientist with a major pharmaceutical company and has been a founder of a number of biotechnology companies.

Dr. Anthony Murphy has served as an outside director of the Company since April 2009. Dr. Murphy was the Senior Vice President of Human Resources for Eli Lilly & Co., prior to his retirement in May 2009. Born in Cardiff, Wales, Mr. Murphy received a bachelor's degree in psychology from University College Dublin in 1970 and a doctorate in psychology from the University of Wales in 1975. Dr. Murphy joined Lilly (in the United Kingdom) in 1980, and held increasingly senior positions in HR with the company until his retirement. Prior to joining Lilly he had lectured in industrial relations and worked as a consultant and researcher at the University of Bath, England. Mr. Murphy is a fellow of the Institute of Personnel and Development (U.K.) and a Chartered Psychologist.

Declan McKeon has served as an outside director of the Company since April 2010. Mr. McKeon was a partner in PricewaterhouseCoopers (PwC) from 1986 to 2007. His roles included leadership of the audit and business advisory team for PwC Ireland, membership on the PwC Europe audit and business advisory services executive and market sector lead for consumer and industrial products. Mr. McKeon is a non-executive director of Ryanair plc, remains a consultant to PwC and sits on the audit committee of the Royal College of Surgeons in Ireland. Mr. McKeon holds a Bachelor of Commerce and Masters in Business Studies from University College Dublin and is a Fellow of The Institute of Chartered Accountants in Ireland.

Cathrin Petty has served as an outside director of the Company since October 2010. Ms. Petty is a Special Partner at Vitruvian Partners LLP and is an outside director for Circassia Ltd. Ms. Petty is an advisor to the pharmaceutical industry and formerly served as an outside director for the NHS (Strategic Health Authority for Greater London). Between 2000 and 2010, Ms. Petty was a Healthcare Partner in Apax Partners LLP with responsibility for originating, executing, monitoring and exiting healthcare private equity investments. Her early career included Senior Associate and Research Analyst roles at Schroder Ventures Life Sciences and Schroders Investment Management.

Alan Morgan was appointed Group President Clinical Research Services in August 2010. Since joining the Company in August 2006, he has held positions of increasing responsibility, including Vice President of Process Development, President ICON Clinical Europe, and Chief Operating Officer of the global Clinical Research Division. In January 2010 he was appointed Group President Early Clinical Research and Laboratories Services, responsible for oversight of the Central Laboratory and Development Services divisions. Prior to joining the Company Mr. Morgan worked for MDS Pharma Services where he held positions of increasing responsibility since joining the company in 2002, including Global General Manager and Vice President of their Phase II-IV business. Mr. Morgan started his career in clinical research organizations with Covance, where he held a number of leadership positions from 1998 including General Manager of their Phase II/IV business in Europe, Asia, and Latin America. His initial career was in pharma, including seven years with Glaxo Wellcome and two years with ICI Pharmaceuticals in various business and financial roles. He is a graduate of the City University Business School in London, and a Fellow of the Chartered Association of Certified Accountants.

Executive Officers and Directors Remuneration Compensation Discussion & Analysis

Remuneration policy

The Compensation and Organization Committee seeks to achieve the following goals with the Company's executive compensation programs: to attract, motivate and retain key executives and to reward executives for value creation. The Committee seeks to foster a performance-oriented environment by ensuring that a significant portion of each executive's cash and equity compensation is based on the achievement of performance targets that are important to the Company and its shareholders.

The Company's executive compensation program has three elements: base salary, a bonus plan and equity incentives in the form of stock related awards granted under the Company's equity incentive plans. All elements of key executives compensation are determined by the Committee based on the achievement of the Group's objectives.

Outside Directors' remuneration

Outside directors are remunerated by way of Directors' fees and in addition are also eligible for participation in the share option scheme. Non-Executive Directors are not eligible for performance related bonuses and no pension contributions are made on their behalf. The Board of Directors as a whole sets outside directors' remuneration.

Executive Directors' and Key Executive Officers' remuneration

Total cash compensation is divided into a base salary portion and a bonus incentive portion. Base salary is established based on peer group and is adjusted based on individual performance and experience. The Committee targets total cash compensation at the peer group median of comparable Irish companies and peer CRO companies, adjusted upward or downward based on individual performance and experience. The Committee believes that the higher the executive's level of responsibility within the Company, the greater the percentage of the executive's compensation that should be tied to the Company's performance. Target bonus incentive for executive officers is up to 80% of base salary.

The Company's executives are eligible to receive equity incentives, including stock options and restricted share units, granted under the Company's equity incentive plans. If executives receive equity incentive grants, they are normally approved annually at the first regularly scheduled meeting of the Committee in the fiscal year and awarded at the closing price on the second full day following the release of the Company's prior year results. Newly hired executives may receive sign-on grants, if approved by the Committee. In addition, the Committee may, in its discretion, issue additional equity incentive awards to executives if the Committee determines such awards are necessary to ensure appropriate incentives are in place. The number of equity awards granted to each participant is determined primarily based on an award range determined by the Committee at the start of each year. The extent of existing options is not generally considered in granting equity awards, except that the Company occasionally grants an initial round of equity awards to newly recruited executives to provide them a stake in the Company's success from the commencement of their employment. The Company granted equity incentive awards, in the form of share options, to executive officers in its fiscal years ended December 31, 2009 and December 31, 2010. All executive officers are eligible to participate in a defined contribution pension plan. The Company's contributions are generally a fixed percentage of their annual compensation, supplementing contributions by the executive. The Company has the discretion to make additional contributions if deemed appropriate by the Committee. Contributions to this plan are recorded as an expense in the Statement of Operations.

Executive Compensation**Summary compensation table - Year ended December 31, 2010**

Name & principal position	Year	Salary	Bonus	Pension contribution	All other compensation	Subtotal	Subtotal	Share-based compensation	Total compensation
		€'000	€'000	€'000	€'000	€'000	\$'000	\$'000	\$'000
Peter Gray, Chief Executive Officer	2010	525	105	53	37	720	958	460	1,418
Ciaran Murray, Chief Financial Officer	2010	400	100	38	18	556	740	158	898
Total	2010	925	205	91	55	1,276	1,698	618	2,316

Summary compensation table - Year ended December 31, 2009

Name & principal position	Year	Salary	Bonus	Pension contribution	All other compensation	Subtotal	Subtotal	Share-based compensation	Total compensation
		€'000	€'000	€'000	€'000	€'000	\$'000	\$'000	\$'000
Peter Gray, Chief Executive Officer	2009	500	388	49	38	975	1,358	112	1,470
Ciaran Murray, Chief Financial Officer	2009	309	208	27	18	562	785	118	903
John Climax*, Chairman	2009	600	350	440	954	2,344	3,352	527	3,879
Total	2009	1,409	946	516	1,010	3,881	5,495	757	6,252

* Further information is set out in the *Disclosure of Compensation Agreements* section on pages 39 and 40 of this report.

Director Compensation

Summary compensation table - Year ended December 31, 2010

Name	Year	Company			Subtotal €'000	Subtotal \$'000	Share-based compensation \$'000	Director's fees \$'000	Total compensation \$'000
		Salary €'000	contribution €'000	All other compensation €'000					
Bruce Given	2010	-	-	-	-	-	26	317	343
Peter Gray	2010	525	53	142	720	958	460	-	1,418
John Climax*	2010	-	-	53	53	68	3	48	119
Ronan Lambe	2010	-	-	-	-	-	20	52	72
Thomas Lynch	2010	-	-	-	-	-	23	78	101
Edward Roberts	2010	-	-	-	-	-	68	18	86
Dermot Kelleher	2010	-	-	-	-	-	25	65	90
Anthony Murphy	2010	-	-	-	-	-	7	75	82
Declan McKeon	2010	-	-	-	-	-	4	40	44
Cathrin Petty	2010	-	-	-	-	-	1	12	13
Total		525	53	195	773	1,026	637	705	2,368

Summary compensation table - Year ended December 31, 2009

Name	Year	Company			Subtotal €'000	Subtotal \$'000	Share-based compensation \$'000	Director's fees \$'000	Total compensation \$'000
		Salary €'000	contribution €'000	All other compensation €'000					
John Climax*	2009	600	440	1,304	2,344	3,352	527	-	3,879
Peter Gray	2009	500	49	426	975	1,358	112	-	1,470
Ronan Lambe	2009	-	-	-	-	-	19	48	67
Thomas Lynch	2009	-	-	-	-	-	23	78	101
Edward Roberts	2009	-	-	-	-	-	23	78	101
Bruce Given	2009	-	-	-	-	-	23	66	89
Dermot Kelleher	2009	-	-	-	-	-	22	52	74
Anthony Murphy	2009	-	-	-	-	-	2	42	44
Shuji Higuchi	2009	-	-	-	-	-	21	-	21
Total		1,100	489	1,730	3,319	4,710	772	364	5,846

* Further information is set out in the *Disclosure of Compensation Agreements* section on pages 39 and 40 of this report.

Disclosure of Compensation Agreements

Employment Contracts, Termination of Employment and Change in Control Arrangements

The Company does not have any termination or change of control agreements with its named executive officers.

Directors' and Executive Officers' service agreements and letters of engagement

Dr. Bruce Given

Dr. Bruce Given was appointed Chairman of the Board of the Company in January 2010. He has served as an outside director of the Company since September 2004. The arrangements with Dr. Given provide for the payment to him of annual fees of \$316,932 per annum plus reasonable expenses properly incurred in carrying out his duties for the Company. He was previously granted and held at March 22, 2011 24,000 ordinary share options at exercise prices ranging from \$8.60 to \$35.33.

Mr. Peter Gray

Mr. Peter Gray has served as the Chief Executive Officer since November 2002. He served as the Chief Operating Officer of the Company from June 2001 to November 2002 and as an Executive Director of the Company since June 1997. The service agreement with Mr. Gray is terminable on 12 months notice by either party. He is entitled to receive a bonus to be agreed by the Compensation and Organization Committee. He is also entitled to receive a pension contribution, company car and medical insurance cover for himself and his dependants. He was previously granted and held at March 22, 2011 288,000 ordinary share options at exercise prices ranging from \$11.00 to \$35.33 per share. His service agreement requires him to devote his full time and attention to his duties for the Company excepting certain outside director positions authorized by the Board. The agreement includes certain post termination clauses including non-disclosure, non-competition and non-solicitation provisions.

Mr. Ciaran Murray

Mr. Ciaran Murray has served as the Chief Financial Officer since October 2005. The service agreement with Mr. Murray is terminable on 12 months notice by either party. He is entitled to receive a bonus to be agreed by the Compensation and Organization Committee. He is also entitled to receive a pension contribution, a company car and medical insurance cover for himself and his dependants. He was previously granted and held at March 22, 2011 145,000 ordinary share options at exercise prices ranging from \$10.42 to \$35.33 per share. His service agreement requires him to devote his full time and attention to his duties for the Company excepting certain outside director positions authorized by the Board. The agreement includes certain post-termination clauses including non-disclosure, non-competition and non-solicitation provisions.

Dr. John Climax

Dr. John Climax, one of the Company's co-founders, served as Chairman of the Board of the Company from November 2002 to December 2009. He also served as Chief Executive Officer of the Company from June 1990 to October 2002 and as an Executive Director from June 1990 to December 2009. On December 31, 2009 Dr. Climax retired as Chairman of the Board of the Company and his service agreement with the Company (the "Dr. Climax Service Agreement") ended. Since January 2010 he has held a position as an outside director of the Company.

The Dr. Climax Service Agreement provided for a bonus, a pension contribution, a twelve month notice period, two company cars and medical insurance cover for himself and his dependants. The new arrangements with Dr. Climax, in his position as an outside director provide for the payment to him of director fees of \$48,000 per annum plus reasonable expenses properly incurred in carrying out his duties for the Company. He was previously granted and held at March 22, 2011 108,000 ordinary share options at exercise prices ranging from \$8.88 to \$35.33 per share.

The arrangements relating to Dr. Climax's retirement were set out in an agreement entered into between the Company and Dr. Climax in December 2009 (the "December Agreement"). Pursuant to the December Agreement, Dr. Climax received, having regard to the Dr. Climax Service Agreement (which terminated pursuant to the December agreement), a payment of €830,000 (\$1,200,620) and a pension contribution of €170,000 (\$252,620). In addition, and also pursuant to the December Agreement, he received an ex-gratia pension contribution for past service of €220,308 (\$327,378), the acceleration of vesting of unvested share options and the transfer of two company cars at a cost to the Company of €52,706 (\$68,063).

The Company has also entered a three year agreement with Rotrua Limited, a company controlled by Dr. Climax, for the provision of consultancy services at an agreed fee of €262,500 (\$348,968) per annum. Pursuant to the consultancy agreement, Dr. Climax also agreed to certain restrictions that will apply to him after the termination of the consultancy agreement including non-disclosure, non-competition and non-solicitation. The consultancy agreement provides that the Company will provide, during the term of the agreement, permanent disability and life insurance cover for Dr. Climax and medical insurance cover for himself and his dependants.

Dr. Ronan Lambe

Dr. Ronan Lambe, one of the Company's co-founders, served as Chairman of the Board of the Company from June 1990 to November 2002 and is currently an outside director of the Company. The arrangements with Dr. Lambe provide for the payment to him of director fees of \$52,000 per annum plus reasonable expenses properly incurred in carrying out his duties for the Company. He was previously granted and held at March 22, 2011 24,000 ordinary share options at exercise prices ranging from \$8.60 to \$35.33 per share.

Mr. Thomas Lynch

Mr. Thomas Lynch has served as an outside director of the Company since January 1996. The arrangements with Mr. Lynch provide for the payment to him of director fees of \$78,000 per annum plus reasonable expenses properly incurred in carrying out his duties for the Company. He was previously granted and held at March 22, 2011 20,000 ordinary share options at exercise prices ranging from \$8.60 to \$35.33 per share.

Professor Dermot Kelleher

Professor Dermot Kelleher has served as an outside director of the Company since May 2008. The arrangements with Professor Kelleher provide for the payment to him of director fees of \$73,000 per annum (pre February 23, 2010: \$53,000 per annum). He was previously granted and held at March 22, 2011 12,000 ordinary share options at an exercise price ranging from \$22.26 to \$36.04.

Dr. Anthony Murphy

Dr. Anthony Murphy has served as an outside director of the Company since April 2009. The arrangements with Dr. Murphy provide for the payment to him of directors fees of \$78,000 per annum (pre February 23, 2010: \$53,000 per annum). He was previously granted and held at March 22, 2011 7,000 ordinary share options at exercise prices ranging from \$15.84 to \$24.46.

Mr. Declan McKeon

Mr. Declan McKeon has served as an outside director of the Company since April 2010. The arrangements with Mr. McKeon provide for the payment to him of directors fees of \$53,000 per annum. He was previously granted and held at March 22, 2011 5,000 ordinary share options at exercise prices ranging from \$20.28 to \$29.45.

Ms Cathrin Petty

Ms. Cathrin Petty has served as an outside director of the Company since October 2010. The arrangements with Ms. Petty provide for the payment to her of directors fees of \$53,000 per annum. She was previously granted and held at March 22, 2011 5,000 ordinary share options at exercise prices ranging from \$19.45 to \$20.28.

Board Practices

Board of Directors

The Company's Articles of Association provide that, unless otherwise determined by the Company at a general meeting, the number of directors shall not be more than 15 nor less than 3. At each annual general meeting, one third of the directors who are subject to retirement by rotation, rounded down to the next whole number if it is a fractional number, shall retire from office. The directors to retire shall be those who have been longest in office, but as between persons who became or were last re-appointed on the same day, those to retire shall be determined, unless otherwise agreed, by lot. Any additional director appointed by the Company shall hold office until the next annual general meeting and will be subject to re-election at that meeting. Accordingly, at the annual general meeting of the Company to be held in 2011, it is anticipated that two directors will retire by rotation and offer themselves for re-election. In addition, Catherin Petty, having been appointed a Director by the Company in October 2010, will also offer herself for re-election.

The Board comprises one executive and eight outside directors at the date of this report. The outside directors bring independent judgment to bear on issues of strategy, performance, resources, key appointments and standards. The Company considers all of its outside directors to be of complementary expertise. The Board meets regularly throughout the year and all Directors have full and timely access to the information necessary for them to discharge their duties. There is a formal schedule of matters reserved to the Board for consideration and decision including approval of strategic plans, financial statements, acquisitions, material capital expenditures and review of the effectiveness of the Company's system of internal controls, thereby maintaining control of the Company and its future direction. The Directors have access to the advice and services of the Company Secretary and may seek external independent professional advice where required.

Certain other matters are delegated to Board Committees, as detailed below. The Company maintains an appropriate level of insurance cover in respect of legal action against its Directors. All Board Committees report to the Board. The Board, through the Nomination and Governance Committee, engages in succession planning and in so doing considers the strength and depth, and levels of knowledge, skills and experience necessary to achieve its objectives. The Board normally meets at least four times each year. During the year ended December 31, 2010 the Board met on four occasions. Additional meetings, to consider specific issues, are held as and when required.

Board committees

The Board has delegated some of its responsibilities to Board Committees. There are five permanent Committees. These are the Audit Committee, the Compensation and Organization Committee, the Nominating and Governance Committee, the Execution Committee and the Quality Committee, which was established in February 2010. Each Committee has been charged with specific responsibilities and each has written terms of reference that are reviewed periodically. Minutes of Committee meetings are circulated to all members of the Board. The Company Secretary is available to act as secretary to each of the Board Committees if required.

Audit Committee

The Audit Committee meets a minimum of four times a year. It reviews the quarterly and annual financial statements, the effectiveness of the system of internal control and approves the appointment and removal of the external auditors. It monitors the adequacy of internal accounting practices and addresses all issues raised and recommendations made by the external auditors. It pre-approves on an annual basis, the audit and non-audit services provided to the Company by its external auditors. Such annual pre-approval is given with respect to particular services. The Audit Committee, on a case by case basis, may approve additional services not covered by the annual pre-approval, as the need for such services arises. The Audit Committee reviews all services which are provided by the external auditors regularly to review the independence and objectivity of the external auditors taking into consideration relevant professional and regulatory requirements so that these are not impaired by the provisions of permissible non-audit services. The Chief Financial Officer and the external auditors normally attend all meetings of the Audit Committee and have direct access to the Committee Chairman at all times.

At the Company's Board meeting on February 23, 2010 the composition of the Audit Committee was amended to comprise Thomas Lynch (Chairman), Edward Roberts, and Professor Dermot Kelleher, having previously comprised Edward Roberts (Chairman), Thomas Lynch, Bruce Given and Professor Dermot Kelleher. On April 19, 2010 Edward Roberts resigned as a member of the Audit Committee and was replaced by Declan McKeon. On October 18, 2010 Cathrin Petty was appointed as a member of the Audit Committee.

Compensation and Organization Committee

The Compensation and Organization Committee is responsible for senior executive remuneration. The committee aims to ensure that remuneration packages are competitive so that individuals are appropriately rewarded relative to their responsibility, experience and value to the Group. Annual bonuses for executive directors are determined by the committee based on the achievement of the Company's objectives.

At the Company's Board meeting on February 23, 2010 composition of the Compensation and Organization Committee was amended to comprise Dr Anthony Murphy (Chairman), Dr. Bruce Given and Thomas Lynch, having previously comprised Dr. Anthony Murphy (Chairman), Edward Roberts, Dr. Bruce Given and Thomas Lynch.

Nominating and Governance Committee

The Nominating and Governance Committee reviews the membership of the board of directors and board committees on an ongoing basis. It identifies and recommends individuals to fill any vacancy that is anticipated or arises on the board of directors. It reviews and recommends the corporate governance principles of the Company.

At the Company's Board meeting on February 23, 2010 composition of the Nominating and Governance Committee was amended to comprise Dr. Anthony Murphy (Chairman), Dr. Bruce Given and Thomas Lynch, having previously comprised Thomas Lynch (Chairman), Dr. Bruce Given and Dr. Anthony Murphy.

Execution Committee

The Execution Committee is responsible for the management of the Company in intervals between meetings of the Board and exercises business judgment to act in what the Committee members reasonably believe to be in the best interest of the Company and its shareholders. All powers exercised by the Execution Committee are ratified at board meetings. This Committee convenes as often as it determines to be necessary or appropriate.

At the Company's Board meeting on February 23, 2010 composition of the Execution Committee was amended to comprise Peter Gray (Chairman), Dr. Bruce Given and Ciaran Murray, having previously comprised Peter Gray (Chairman), Dr. John Climax and Ciaran Murray.

Quality Committee

On February 23, 2010 the Company established a Quality Committee. The purpose of this committee is to oversee compliance with the Company's quality initiatives. The committee comprises Professor Dermot Kelleher (Chairman) and Dr. Ronan Lambe.

Employees

We employed 7,735, 7,170 and 6,975 people for the years ended December 31, 2010, December 31, 2009 and December 31, 2008 respectively. Our employees are not unionized and we believe we have a satisfactory relationship with our employees.

Share Ownership

The following table sets forth certain information regarding beneficial ownership of our ordinary shares (including American Depositary Securities, ADS's) as of February 23, 2011 by all of our current directors and executive officers. Unless otherwise indicated below, to our knowledge, all persons listed below have sole voting and investment power with respect to their ordinary shares, except to the extent authority is shared by spouses under applicable law.

Name of Owner or Identity of Group	No. of Shares (1)	% of total Shares	No. of Options (2)	Exercise price	Expiration Date
Dr. Bruce Given	500	-	4,000	\$ 8.60	February 24, 2013
			4,000	\$ 11.00	February 3, 2014
			4,000	\$ 21.25	February 16, 2015
			2,000	\$ 35.33	February 26, 2016
			2,000	\$ 22.26	February 25, 2017
			4,000	\$ 24.46	March 4, 2018
			4,000	\$ 20.28	March 3, 2019
Mr. Peter Gray	376,288	0.6%	12,000	\$ 11.00	February 3, 2014
			12,000	\$ 21.25	February 16, 2015
			14,000	\$ 35.33	February 26, 2016
			50,000	\$ 15.84	April 30, 2017
			50,000	\$ 24.25	March 8, 2018
			100,000	\$ 24.25	March 8, 2018
			50,000	\$ 20.28	March 3, 2019
Mr. Ciaran Murray	-	-	20,000	\$ 10.42	January 17, 2014
			18,000	\$ 11.00	February 3, 2014
			16,000	\$ 21.25	February 16, 2015
			14,000	\$ 35.33	February 26, 2016
			17,000	\$ 22.26	February 25, 2017
			30,000	\$ 24.46	March 4, 2018
			30,000	\$ 20.28	March 3, 2019
Dr. John Climax	1,607,568	2.7%	20,000	\$ 8.88	February 4, 2012
			12,000	\$ 11.00	February 3, 2014
			12,000	\$ 21.25	February 16, 2015
			10,000	\$ 35.33	February 26, 2016
			50,000	\$ 15.84	April 30, 2017
			2,000	\$ 24.46	March 4, 2018
			2,000	\$ 20.28	March 3, 2019
Dr. Ronan Lambe	400	-	6,000	\$ 8.88	February 4, 2012
			4,000	\$ 8.60	February 24, 2013
			4,000	\$ 11.00	February 3, 2014
			2,000	\$ 21.25	February 16, 2015
			2,000	\$ 35.33	February 26, 2016
			2,000	\$ 22.26	February 25, 2017
			2,000	\$ 24.46	March 4, 2018
			2,000	\$ 20.28	March 3, 2019
Mr. Thomas Lynch	1,204	-	2,400	\$ 8.88	February 4, 2012
			2,400	\$ 8.60	February 24, 2013
			3,200	\$ 11.00	February 3, 2014
			4,000	\$ 21.25	February 16, 2015
			2,000	\$ 35.33	February 26, 2016
			2,000	\$ 22.26	February 25, 2017
			2,000	\$ 24.46	March 4, 2018
			2,000	\$ 20.28	March, 3, 2019

Name of Owner or Identity of Group	No. of Shares (1)	% of total Shares	No. of Options (2)	Exercise price	Expiration Date
Professor Dermot Kelleher	-	-	6,000	\$ 36.04	May 27, 2016
			2,000	\$ 22.26	February 25, 2017
			2,000	\$ 24.46	March 4, 2018
			2,000	\$ 20.28	March 3, 2019
Dr. Tony Murphy	200	-	3,000	\$ 15.84	April 30, 2017
			2,000	\$ 24.46	March 4, 2018
			2,000	\$ 20.28	March 3, 2019
Mr. Declan McKeon	-	-	3,000	\$ 29.45	April 29, 2018
			2,000	\$ 20.28	March 3, 2019
Ms. Cathrin Petty	-	-	3,000	\$ 19.45	October 26, 2018
			2,000	\$ 20.28	March 3, 2019

(1) As used in this table, each person has the sole or shared power to vote or direct the voting of a security, or the sole or shared investment power with respect to a security (*i.e.* the power to dispose, or direct the disposition, of a security). A person is deemed as of any date to have "beneficial ownership" of any security if that such person has the right to acquire such security within 60 days after such date.

(2) The title of securities covered by all of the above options are non-revenue qualified.

Employee Share Option Schemes

On July 21, 2008 the Company adopted the Employee Share Option Plan 2008 (the "2008 Employee Plan") pursuant to which the Compensation and Organization Committee of the Company's Board of Directors may grant options to any employee, or any director holding a salaried office or employment with the Company or a Subsidiary for the purchase of ordinary shares. On the same date, the Company also adopted the Consultants Share Option Plan 2008 (the "2008 Consultants Plan"), pursuant to which the Compensation and Organization Committee of the Company's Board of Directors may grant options to any consultant, adviser or non-executive director retained by the Company or any Subsidiary for the purchase of ordinary shares. Each option granted under the 2008 Employee Plan or the 2008 Consultants Plan (together the "2008 Option plans") will be an employee stock option, or NSO. Each grant of an option under the 2008 Option Plans will be evidenced by a Stock Option Agreement between the optionee and the Company. The exercise price will be specified in each Stock Option Agreement. An aggregate of 6.0 million ordinary shares have been reserved under the 2008 Employee Plan as reduced by any shares issued or to be issued pursuant to options granted under the 2008 Consultants Plan under which a limit of 400,000 shares applies. Further, the maximum number of ordinary shares with respect to which options may be granted under the 2008 Employee Plan during any calendar year to any employee shall be 400,000 ordinary shares. There is no individual limit under the 2008 Consultants Plan. No options may be granted under the plans after July 21, 2018.

On July 21, 2008 the Company adopted the the 2008 Employees Restricted Share Unit Plan (the "2008 RSU Plan") pursuant to which the Compensation and Organization Committee of the Company's Board of Directors may select any employee, or any director holding a salaried office or employment with the Company or a Subsidiary to receive an award under the plan. An aggregate of 1.0 million ordinary shares have been reserved for issuance under the 2008 RSU Plan. Awards under the 2008 RSU may be settled in cash or shares.

On January 17, 2003 the Company adopted the Share Option Plan 2003, ("the 2003 Plan"), pursuant to which the Compensation and Organization Committee of the Company's Board of Directors may grant options to employees of the Company or its subsidiaries for the purchase of ordinary shares. Each option will be an employee stock option, or NSO. Each grant of an option under the 2003 Plan will be evidenced by a Stock Option Agreement between the optionee and the Company. The exercise price will be specified in each Stock Option Agreement. An aggregate of 6.0 million ordinary shares have been reserved under the 2003 Plan and, in no event will the number of ordinary shares that may be issued pursuant to options awarded under the 2003 Plan exceed 10% of the outstanding shares, as defined in the 2003 Plan, at the time of the grant. Further, the maximum number of ordinary shares with respect to which options may be granted under the 2003 Plan during any calendar year to any employee shall be 400,000 ordinary shares. No options can be granted under the 2003 Plan after January 17, 2013.

Item 7. Major Shareholders and Related Party Transactions.

The following table sets forth certain information regarding beneficial ownership of ICON's ordinary shares (including ADSs) as of March 22, 2011 (i) by each person that beneficially owns more than 5% of the outstanding ordinary shares, based upon publicly available information; and (ii) by all of our current directors and executive officers as a group. Unless otherwise indicated below, to our knowledge, all persons listed below have sole voting and investment power with respect to their ordinary shares, except to the extent authority is shared by spouses under applicable law.

Name of Owner or Identity of Group	No. of Shares (1)	Percent of Class
Fidelity Group Companies (2)	7,503,978	12.4%
Neurberger Berman LLC (2)	5,354,480	8.9%
Wasatch Advisors, Inc. (2)	3,166,273	5.2%
All directors and officers as a group (3)	2,624,160	4.4%

(1) As used in this table, each person has the sole or shared power to vote or direct the voting of a security, or the sole or shared investment power with respect to a security (i.e., the power to dispose, or direct the disposition, of a security). A person is deemed as of any date to have "beneficial ownership" of any security if that such person has the right to acquire such security within 60 days after such date. Note that all figures have been amended to reflect the Bonus Issues which took place with an effective date of October 13, 2006 and August 8, 2008.

(2) Neither the Company nor any of its officers, directors or affiliates holds any voting power in this entity.

(3) Includes 638,000 ordinary shares issuable upon the exercise of stock options granted by the Company. ICON plc, is not directly or indirectly, owned or controlled by another corporation or by any government.

Given that certain of the ordinary shares and American Depositary Shares ("ADRs") are held by brokers or other nominees, the number of holders of record or registered holders in the United States is not representative of the number of beneficial holders or of the residence of beneficial holders. Based on management's review of relevant filings with the Securities and Exchange Commission and other publicly available information, the Company believes that the number of ordinary shares (including ADSs) held by holders of record that are residents of the United States is below 50% and may include Fidelity Group Companies, Neurberger Berman LLC and Wellington Management Co LLC. The Company notes that of a total of 60,317,660 ordinary shares (including ADSs) of the Company which were issued and outstanding at March 22, 2010 16,024,731 ordinary shares (including ADSs) were held by holders of record in the United States.

Related Party Transactions

Year ended December 31, 2010

On December 31, 2009 Dr. John Climax retired as Chairman of the Board of the Company. From January 2010 he has held the position as an outside director of the Company. The Company has entered into a three year agreement with Rotrua Limited, a company controlled by Dr. Climax, for the provision of consultancy services at an agreed fee of €262,500 (\$348,968) per annum. The consultancy agreement provides that the Company will provide during the term of the agreement permanent disability and life insurance cover for Dr. Climax and medical insurance cover for himself and his dependants.

Year ended December 31, 2009

Mr Edward Roberts, who resigned as a Director of the Company in April 2010, previously served as Chairman of Merz GmbH. Merz is an independent German pharmaceutical company focused on the development of drugs for the treatment of illnesses in the fields of neurology and psychiatry. ICON Clinical Research Limited, a wholly owned subsidiary of the Company, has entered into a number of contracts with Merz for the provision of consulting and clinical trial related activities. The total potential value of these contracts is \$43.5 million. During the year ended December 31, 2009 the Company recognized a total of \$9.8 million of revenue in relation to these activities. At December 31, 2009 \$1.2 million was outstanding to be received from Merz GmbH.

Dr. Bruce Given previously served as Acting Chief Medical Officer of Sembiosys Genetics Inc. (“Sembiosys”). Sembiosys is a plant biotechnology company specializing in the production of high-value pharmaceutical and non-pharmaceutical products. During the year ending December 31, 2008 Sembiosys engaged ICON Development Solutions, a wholly owned subsidiary of ICON, in consulting and clinical trial related activities. The total potential value of this study was \$0.8 million. During the year ending December 31, 2009 ICON recognized a total of \$0.3 million of revenue in relation to these activities. There were no amounts outstanding as at December 31, 2009.

Item 8. Financial Information.

Financial Statements

See Item 18.

Legal Proceedings

The Company is not party to any litigation or other legal proceedings that we believe could reasonably be expected to have a material adverse effect on our business, results of operations and financial condition.

Dividends

We have not paid cash dividends on our ordinary shares and do not intend to pay cash dividends on our ordinary shares in the foreseeable future.

Item 9. The Offer and the Listing

The Company's ADSs are traded on the NASDAQ National Market under the symbol "ICLR". Our Depository for the ADSs is The Bank of New York Mellon. The Company also has a secondary listing on the Official List of the Irish Stock Exchange. No securities of the Company are traded in any other market. The following table sets forth the trading price for the dates indicated for the Company's ADSs as reported by NASDAQ.

Year Ending	High Sales Price During Period	Low Sales Price During Period
December 31, 2006	\$ 20.18	\$ 10.25
December 31, 2007	\$ 32.40	\$ 18.34
December 31, 2008	\$ 44.78	\$ 15.64
December 31, 2009	\$ 26.85	\$ 12.17
December 31, 2010	\$ 30.31	\$ 18.93
Quarter Ending	High Sales Price During Period	Low Sales Price During Period
Mar 31, 2009	\$ 24.77	\$ 15.07
June 30, 2009	\$ 22.46	\$ 12.17
Sept 30, 2009	\$ 25.35	\$ 20.25
Dec 31, 2009	\$ 26.85	\$ 21.00
Mar 31, 2010	\$ 27.56	\$ 21.20
June 30, 2010	\$ 30.31	\$ 25.29
Sept 30, 2010	\$ 28.90	\$ 20.33
Dec 31, 2010	\$ 22.28	\$ 18.93
Month Ending	High Sales Price During Period	Low Sales Price During Period
July 31, 2010	\$ 28.90	\$ 22.71
Aug 31, 2010	\$ 24.71	\$ 21.22
Sept 30, 2010	\$ 24.10	\$ 20.33
Oct 31, 2010	\$ 22.18	\$ 18.93
Nov 30, 2010	\$ 20.79	\$ 19.11
Dec 31, 2010	\$ 22.28	\$ 19.07

Item 10. Additional Information

Memorandum and Articles of Association

We hereby incorporate by reference the description of our Memorandum and Articles of Association located under the heading “Description of the Memorandum and Articles of Association of the Company” in exhibit 3.1.

On July 19, 2010 at the Company’s Annual General Meeting, the Articles of Association of ICON plc were amended as follows:

- to clarify and extend the provisions in relation to the holding of board meetings by amending provisions in the Articles of Association which permit Directors to attend board meetings by telephone, video-conference or other electronic means;
- to allow for the fixing of the record date and time which shall determine the eligibility of members to participate and vote at the AGM;
- to require that any request by a Member to table a draft resolution under section 133B(1)(b) of the Companies Act, 1963 must be received by the Company in hard copy form or in electronic form at least 14 clear days before the meeting to which it relates;
- to incorporate procedures for the appointment of proxies electronically, and to allow the Directors to implement procedures for shareholders voting electronically;
- to permit members to appoint more than one proxy or corporate representative and, in doing so, to designate the shares which relate to such an appointment;
- to clarify the provisions in relation to the eligibility requirements for the appointment of Directors, and to make the provisions relating to the right to propose resolutions to appoint Directors at general meetings consistent with the other provisions of the Articles of Association of the Company relating to tabling resolutions at such meetings;
- to clarify and extend the provisions in relation to the service of notices and other documents; and
- to update legislative citations and cross-references.

Material Contracts

On August 13, 2001 the Company’s subsidiary, ICON Clinical Research (UK) Limited, entered into a lease agreement with Capital Business Parks Globeside Limited. The lease is for office space at an initial annual rate of £988,350, subject to adjustment every five years. The term of the lease is 16 years.

On November 29, 2002 the Company’s subsidiary, ICON Laboratories Inc., entered into a lease agreement with MSM Reality Co., LLC, Davrick, LLC and Sholom Blau Co., LLC. The lease is for office and laboratory space at an annual rate of approximately \$2,220,000. The term of the lease is 15 years and ICON Laboratories Inc. has the option to extend the term of the lease for an additional 10 year term upon notice to the landlord at least 24 months prior to the expiration date.

On February 17, 2003 the Company’s subsidiary, ICON Clinical Research Inc. (“ICLR”), entered into a lease agreement with Highwoods Reality Limited Partnership. The lease is for office space at a monthly rate of approximately \$155,000 for the term of the lease. The term of the lease is 10 years and ICLR has the option to extend the lease for up to two additional five year terms upon notice to the landlord at least 12 months prior to the then current expiration date. This lease was amended on October 22, 2009 to reduce the size of the leased property, effective January 1, 2011 and to correspondingly reduce the monthly rent to approximately \$123,000 for the term of the lease. The amendment also extended the initial term of the lease for an additional 5 years, to 2018. On September 30, 2010 the Company filed the amended lease agreement on a Form 6-K.

On January 11, 2005 ICLR entered into an amended and restated lease agreement with 212 C Associates, L.P. The lease is for office space at a monthly rent of approximately \$175,000 for the term of the lease. The amendment and restatement of the previously existing lease agreement extended the term of the lease for 10 years from the date of the amendment and restatement. ICLR has the right to extend the term of the lease for an additional five years upon notice to the landlord at least 12 months prior to the expiration date. ICLR also has the right to terminate the lease at any time after the seventh anniversary of the amendment and restatement date by paying the landlord a \$1,250,000 termination fee.

On April 20, 2010 the Company's subsidiary, Beacon Bioscience Inc. entered into an amended lease agreement with Stone Manor Partners, L.P. The lease is for office space at a monthly rent of approximately \$114,000 for the term of the lease. The amendment of the previously existing lease agreement extended the term of the lease for 10 years from the date of the amendment.

Exchange Controls and Other Limitations Affecting Security Holders

Irish exchange control regulations ceased to apply from and after December 31, 1992. Except as indicated below, there are no restrictions on non-residents of Ireland dealing in domestic securities, which includes shares or depository receipts of Irish companies. Except as indicated below, dividends and redemption proceeds also continue to be freely transferable to non-resident holders of such securities.

The Financial Transfers Act, 1992 gives power to the Minister for Finance of Ireland to make provision for the restriction of financial transfers between Ireland and other countries and persons. Financial transfers are broadly defined, and include all transfers which would be movements of capital or payments within the meaning of the treaties governing the European Communities. The acquisition or disposal of ADSs or ADRs representing shares issued by an Irish incorporated company and associated payments may fall within this definition. In addition, dividends or payments on redemption or purchase of shares and payments on a liquidation of an Irish incorporated company would fall within this definition. At present, the Financial Transfers Act, 1992 prohibits financial transfers involving certain persons connected with the former regime in Iraq, certain persons indicted by the International Criminal Tribunal for the former Yugoslavia and certain associated persons, Zimbabwe, the Islamic Republic of Iran, the Democratic Peoples Republic of Korea, the Republic of Lebanon, the Taliban of Afghanistan, Osama bin Laden and Al-Qaeda, Liberia, Burma/Myanmar, Uzbekistan, Sudan, Somalia, Cote D'Ivoire, the Democratic Republic of Congo, President Lukashenko and certain other officials of Belarus, and countries that harbor certain terrorist groups, without the prior permission of the Central Bank of Ireland.

Any transfer of, or payment in respect of an ADS involving the government of any country or any person which is currently the subject of United Nations sanctions, any person or body controlled by any of the foregoing, or by any person acting on behalf of the foregoing, may be subject to restrictions pursuant to such sanctions as implemented into Irish law. The following countries and persons are currently the subject of such sanctions: Somalia, Sierra Leone, Sudan, Cote D'Ivoire, Democratic Republic of Congo, Liberia, individuals designated by the international independent investigation Commission or the Government of Lebanon, Democratic Peoples Republic of Korea, the Islamic Republic of Iran, Iraq, the Taliban of Afghanistan, Osama bin Laden and Al-Qaeda. There are no restrictions under the Company's Articles of Association or under Irish Law that limit the right of non-residents or foreign owners to hold or vote the Company's ordinary shares or ADSs.

Taxation

General

The following discussion is based on existing Irish tax law, Irish court decisions and the practice of the Revenue Commissioners of Ireland, and the convention between the United States and Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to income and capital gains (the "Treaty"). This discussion does not purport to deal with the tax consequences of owning the ordinary shares for all categories of investors, some of which may be subject to special rules. Prospective purchasers of ordinary shares are advised to consult their own tax advisors concerning the overall tax consequences arising in their own particular situations under Irish law. Each prospective investor should understand that future legislative, administrative and judicial changes could modify the tax consequences described below, possibly with retroactive effect.

As used herein, the term "U.S. Holder" means a beneficial owner of ordinary shares that (i) owns the ordinary shares as capital assets; (ii) is a U.S. citizen or resident, a U.S. corporation, an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust that meets the following two tests: (A) a U.S. court is able to exercise primary supervision over the administration of the trust, and (B) one or more U.S. persons have the authority to control all substantial decisions of the trust; and for the purpose of the discussion under Irish Taxation of U.S. Holders (A) is not a resident of, or ordinarily resident in, Ireland for the purposes of Irish tax; and (B) is not engaged in trade or business in Ireland through a permanent establishment.

AS USED HEREIN, REFERENCES TO THE ORDINARY SHARES SHALL INCLUDE ADSs REPRESENTING SUCH ORDINARY SHARES AND ADRs EVIDENCING OWNERSHIP OF SUCH ADSs.

Irish Taxation

Irish corporation tax on income

ICON is a public limited company incorporated and resident for tax purposes in Ireland.

For Irish tax purposes, the residence of a company is generally in the jurisdiction where the central management and control of the company is located. Subject to certain exceptions, all Irish incorporated companies are deemed to be Irish tax resident. Companies which are resident in the Republic of Ireland are subject to Irish corporation tax on their total profits (wherever arising and, generally, whether or not remitted to the Republic of Ireland). The question of residence, by virtue of management and control, is essentially one of fact. It is the present intention of the Company's management to continue to manage and control the Company from the Republic of Ireland, so that the Company will continue to be resident in the Republic of Ireland.

The standard rate of Irish corporation tax on trading income (with certain exceptions) is currently 12.5%.

The exemption from Irish corporation tax which was available to Irish resident companies whose income was derived from qualifying royalties or license fees paid in respect of qualifying patents, no longer applies to payments received on or after November, 24 2010.

A research and development tax credit is available in Ireland where an Irish resident company incurs qualifying expenditure on research and development activities and this expenditure exceeds the qualifying expenditure spent by the company in 2003. The qualifying excess expenditure results in a tax credit of 25% of that excess.

Corporation tax is charged at the rate of 25% on a company's non-trading income and certain types of trading income not eligible for the lower rates discussed above.

Capital gains arising to an Irish resident company are liable to tax at 25% (22% for disposals made in 2009 on or before April 7, 2009). However, a capital gains tax exemption is available in Ireland in respect of disposals of certain qualifying shareholdings.

The exemption from capital gains tax on the disposal of shares by an Irish resident company will apply where certain conditions are met. These conditions principally are:

- The company claiming the exemption must hold (directly or indirectly) at least 5% of the ordinary share capital of the company in which the interest is being disposed of, throughout the period of at least one year, within the two year period prior to disposal.
- The shares being disposed of must be in a company, which at the date of disposal, is resident in a Member State of the European Communities or in a country with which Ireland has signed or made specific arrangements to sign a double tax agreement (together a “Relevant Territory”)
- The shares must be in a company which is primarily a trading company or the company making the disposal together with its “5% plus subsidiaries” should be primarily a trading group.
- The shares must not derive the greater part of their value from land or mineral rights in the State.

Taxation of Dividends - Withholding Tax

Unless exempted, all dividends paid by ICON, other than dividends paid before November 24, 2010 entirely out of exempt patent income received before 24 November 2010 (subject to conditions), will be subject to Irish withholding tax at the standard rate of income tax in force at the time the dividend is paid, currently 20%.

An individual shareholder who is neither resident nor ordinarily resident for tax purposes in Ireland, but is resident in a Relevant Territory, will be exempt from withholding tax provided he or she makes the requisite declaration.

No dividend withholding tax will apply on the payment of a dividend from an Irish resident company to its Irish resident 51% parent company. Where the Irish company receiving the dividend does not hold at least 51% of the shares of the paying company, the dividend will be exempt from withholding tax provided the Irish corporate shareholder makes the requisite declaration.

Non-Irish resident corporate shareholders that:

- are ultimately controlled by residents of a Relevant Territory;
- are resident in a Relevant Territory and are not controlled by Irish residents;
- have the principal class of their shares, or shares of a 75% parent, substantially and regularly traded on one or more recognized stock exchanges in a Relevant Territory (including Ireland) or Territories; or
- are wholly owned by two or more companies, each of whose principal class of shares is substantially and regularly traded on one or more recognized stock exchanges in a Relevant Territory (including Ireland) or Territories;

will be exempt from withholding tax on the production of the appropriate certificates and declarations.

U.S. Holders of ordinary shares (as opposed to ADSs: see below) should note, however, that these documentation requirements may be burdensome. As described below, these documentation requirements do not apply in the case of ADSs.

Special arrangements are available in the case of an interest in shares held in Irish companies through American depository banks using ADSs. The depository bank will be allowed to receive and pass on a dividend from the Irish company without any deduction for withholding tax in the following circumstances:

- the depository has been authorized by the Irish Revenue Commissioners as a qualifying intermediary and such authorization has not expired or been revoked; and either
- the depository bank's ADS register shows that the beneficial owner has a U.S. address on the register; or
- if there is a further intermediary between the depository bank and the beneficial owner, where the depository bank receives confirmation from the intermediary that the beneficial owner's address in the intermediary's records is in the U.S.

Taxation of dividends - Income Tax

Irish resident or ordinarily resident shareholders will generally be liable to Irish income tax on dividend income at their marginal rate of tax. This income may also be liable to Pay Related Social Insurance (PRSI), and an additional Universal Social Charge ("USC") (which applies from January 1, 2011 and replaces the health levy and income levy) of up to 14% in total.

Under certain circumstances, non-Irish resident shareholders will be subject to Irish income tax on dividend income. This liability is limited to tax at the standard rate of 20% and therefore, where withholding tax has been deducted, this will satisfy the tax liability. No PRSI or USC should apply in these circumstances.

However, a non-Irish resident shareholder will not have an Irish income tax liability on dividends from the Company if the holder is neither resident nor ordinarily resident in the Republic of Ireland and the holder is:

- an individual resident in the U.S. or in a Relevant Territory;
- a corporation that is ultimately controlled by persons resident in the U.S. or in a Relevant Territory;
- a corporation whose principal class of shares (or its 75% or greater parent's principal class of shares) is substantially and regularly traded on a recognized stock exchange in an EU country or in a Relevant Territory;
- a corporation resident in another EU member state or in a Relevant Territory, which is not controlled directly or indirectly by Irish residents; or
- a corporation that is wholly owned by two or more corporations each of whose principal class of shares is substantially and regularly traded on a recognized stock exchange in an EU country or in a Relevant Territory.

U.S. Holders that do not fulfill the documentation requirements or otherwise do not qualify for the withholding tax exemption may be able to claim treaty benefits under the treaty. U.S. Holders that are entitled to benefits under the treaty will be able to claim a partial refund of the 20% withholding tax from the Irish Revenue Commissioners.

Certain non-Irish resident individuals that are either domiciled in Ireland or Irish nationals will be subject to an annual levy of €200,000 if their Irish-located capital exceeds €5,000,000, their worldwide annual income exceeds €1,000,000 and their liability to Irish Income Tax in that year is less than €200,000.

Taxation of Capital Gains

Irish resident or ordinarily resident shareholders will be liable to capital gains tax at 25% on gains arising from the disposal or part disposal of their shareholding.

A person who is not resident or ordinarily resident in Ireland, has not been an Irish resident within the past five years and who does not carry on a trade in Ireland through a branch or agency will not be subject to Irish capital gains tax on the disposal of ordinary shares or ADSs, so long as the ordinary shares or ADSs, as the case may be, are either quoted on a stock exchange or do not derive the greater part of their value from Irish land or mineral rights.

There are provisions to subject a person who disposes of an interest in a company while temporarily being non-Irish resident, to Irish capital gains tax. This treatment will apply to Irish domiciled individuals -:

- who cease to be Irish resident;
- who own the shares when they cease to be resident;
- if there are not more than 5 years of assessment between the last year of Irish tax residence prior to becoming temporarily non-resident and the tax year that he/she resumes Irish tax residency;
- who dispose of an interest in a company during this temporary non-residence; and
- the interest disposed of represents 5% or greater of the issued share capital of the company or is worth at least €500,000.

In these circumstances the person will be deemed, for Irish capital gains tax purposes, to have sold and immediately reacquired the interest in the company on the date of his or her departure and will be subject to tax at 25% of the taxable gain.

Irish Capital Acquisitions Tax

Irish capital acquisitions tax (referred to as CAT) applies to gifts and inheritances. Subject to certain tax – free thresholds, gifts and inheritances are liable to tax at 25%.

Where a gift or inheritance is taken under a disposition made after December 1, 1999, it will be within the charge to CAT:

- to the extent that the property of which the gift or inheritance consists is situated in the Republic of Ireland at the date of the gift or inheritance;
- where the person making the gift or inheritance is or was resident or ordinarily resident in the Republic of Ireland at the date of the disposition under which the gift or inheritance is taken;
- in the case of a gift taken under a discretionary trust where the person from whom the gift is taken was resident or ordinarily resident in the Republic of Ireland at the date he made the settlement, or at the date of the gift or, if he is dead at the date of the gift, at his death; or
- where the person receiving the gift or inheritance is resident or ordinarily resident in the Republic of Ireland at the date of the gift or inheritance.

For these purposes a non-Irish domiciled individual will not be regarded as resident or ordinarily resident in the Republic of Ireland on a particular date unless they are resident or ordinarily resident in the Republic of Ireland on that date and have been resident for the 5 consecutive tax years immediately preceding the year of assessment in which the date falls.

The person who receives the gift or inheritance (“the beneficiary”) is primarily liable for CAT. In the case of an inheritance, where a beneficiary and personal representative of the deceased are both non-residents, a solicitor must be appointed to be responsible for paying inheritance tax. Taxable gifts or inheritances received by an individual since December 5, 1991 from donors in the same threshold class are aggregated and only the excess over a specified tax-free threshold is taxed. The tax-free threshold is dependent on the relationship between the donor and the donees and the aggregation since December 5, 1991 of all previous gifts and inheritances, within the same tax threshold.

The tax-free threshold amounts that apply with effect from December 8, 2010 are:

- €16,604 ((2010: €20,740 pre December 8, 2010/€16,604 post December 8, 2010) in the case of persons who are not related to one another;

- €33,208 (2010: €41,481 pre December 8, 2010/€33,208 post December 8, 2010) in the case of gifts or inheritances received from inter alia a brother or sister or from a brother or sister of a parent or from a grandparent; and
- €332,084 (2010: €414,799 pre December 8, 2010/€332,084 post December 8, 2010) in the case of gifts and inheritances received from a parent (or from a grandparent by a minor child of a deceased child) and specified inheritances received by a parent from a child.

Gifts and inheritances passing between spouses are exempt from CAT.

A gift or inheritance of ordinary shares or ADSs will be within the charge to Irish capital acquisitions tax, notwithstanding that the person from whom or by whom the gift or inheritance is received is domiciled or resident outside Ireland.

The Estate Tax Convention between Ireland and the United States generally provides for Irish capital acquisitions tax paid on inheritances in Ireland to be credited against U.S. federal estate tax payable in the United States and for tax paid in the United States to be credited against tax payable in Ireland, based on priority rules set forth in the Estate Tax Convention. The Estate Tax Convention does not apply to Irish capital acquisitions tax paid on gifts.

Irish Stamp Duty - Ordinary Shares

Irish stamp duty, which is a tax on certain documents, is payable on all transfers of ordinary shares (other than between spouses) whenever a document of transfer is executed. Where the transfer is attributable to a sale, stamp duty will be charged at a rate of 1%, rounded to the nearest Euro. The stamp duty is calculated on the amount or value of the consideration (i.e. purchase price) or, if the transfer is by way of a gift (subject to certain exceptions) or for consideration less than the market value, on the market value of the shares. Where the consideration for the sale is expressed in a currency other than Euro, the duty will be charged on the Euro equivalent calculated at the rate of exchange prevailing on the date of the transfer. No stamp duty shall arise on the transfer of ordinary shares where the consideration for the transfer does not exceed €1,000, provided the instrument contains a statement certifying that the transaction does not form part of a larger transaction or a series of larger transactions, in respect of which the amount of the total consideration attributable to the shares would exceed €1,000.

Transfers of ordinary shares between associated companies (broadly, companies within a 90% group relationship, and subject to the satisfaction of certain conditions) are exempt from stamp duty in the Republic of Ireland. In the case of transfers of ordinary shares where no beneficial interest passes (e.g. a transfer of shares from a beneficial owner to his nominee), no stamp duty arises.

Irish Stamp Duty - ADSs Representing Ordinary Shares

A transfer by a shareholder to the depositary or custodian of ordinary shares for deposit under the deposit agreement in return for ADSs and a transfer of ordinary shares from the depositary or the custodian upon surrender of ADSs for the purposes of the withdrawal of the underlying ordinary shares in accordance with the terms of the deposit agreement will be stampable at the ad valorem rate if the transfer relates to a sale or contemplated sale or any other change in the beneficial ownership of such ordinary shares. However, it is not certain whether the mere withdrawal of ordinary shares in exchange for ADSs or ADSs for ordinary shares would be deemed to be a transfer of or change in the beneficial ownership which would be subject to stamp duty at the ad valorem rate. Where the transfer merely relates to a transfer where no change in the beneficial ownership in the underlying ordinary shares is effected or contemplated, no stamp duty should arise.

Transfers of ADSs are exempt from Irish stamp duty if the ADSs are dealt in on the NASDAQ National Market or any recognized stock exchange in the United States or Canada.

The person accountable for payment of stamp duty is the transferee or, in the case of a transfer by way of gift, or for a consideration less than the market value, all parties to the transfer. A late or inadequate payment of stamp duty will result in a liability to pay interest, penalties and fines.

Documents on Display

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) and file reports and other information with the SEC. You may read and copy any of our reports and other information at, and obtain copies upon payment of prescribed fees from, the Public Reference Room maintained by the SEC at 100 F Street N.E., Washington, D.C. 20549. In addition, the SEC maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC at <http://www.sec.gov>. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

We “incorporate by reference” information that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this report and more recent information automatically updates and supersedes more dated information contained or incorporated by reference in this report. Our SEC file number for Exchange Act reports is 333-08704.

As a foreign private issuer, we are exempt from certain rules under the Exchange Act, prescribing the furnishing and content of proxy statements to shareholders.

We will provide without charge to each person, including any beneficial owner, on the written or oral request of such person, a copy of any or all documents referred to above which have been or may be incorporated by reference in this report (not including exhibits to such incorporated information that are not specifically incorporated by reference into such information). Requests for such copies should be directed to us at the following address: ICON plc, South County Business Park, Leopardstown, Dublin 18, Ireland, Attention: Ciaran Murray, telephone number: (353) 1 291 2000.

Exemptions From Corporate Governance Listing Requirements Under the NASDAQ Marketplace Rules

NASDAQ may provide exemptions from the NASDAQ corporate governance standards to a foreign private issuer when those standards are contrary to a law, rule or regulation of any public authority exercising jurisdiction over such issuer or contrary to generally accepted business practices in the issuer’s country of domicile, except to the extent that such exemptions would be contrary to United States federal securities laws. The Company, as a foreign private issuer, was granted an exemption in 1998 from provisions set forth in NASDAQ Rule 4350(f), which requires each issuer to provide for a quorum in its by-laws for any meeting of the holders of common stock, which shall in no case be less than 33.33% of the outstanding shares of the issuer’s outstanding voting stock. The Company’s Articles of Association require that only 3 members be present, in person or by proxy, at a shareholder meeting to constitute a quorum. This quorum requirement is in accordance with Irish law and generally accepted business practices in Ireland.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

Qualitative Disclosure of Market Risk. The principal market risks (i.e. risk of loss arising from adverse changes in market rates and prices) to which we are exposed are:

- Interest rate changes on cash and cash equivalents,
- Foreign currency risk on non-U.S. dollar denominated cash.

We use derivative financial instruments solely to hedge exposure to these market risks and we do not enter into these instruments for trading or speculative purposes. The Company had no interest rate instruments or derivatives during the year ended December 31, 2010.

Our primary foreign currency exchange risk relates to movements in rates between the U.S. dollar, Sterling and the Euro. At December 31, 2010 we had cash denominated in non-U.S. dollar denominated currencies. In order to reduce the foreign currency exchange risk, we may enter into certain derivative instruments to reduce our exposure to adverse changes in exchange rates. We held no foreign exchange forward contracts during the year ended December 31, 2010.

Quantitative disclosure of Market Risk. The analysis below presents the sensitivity of the market value, or fair value of our financial instruments to selected changes in market rates and prices. The changes chosen represent our view of changes that are reasonable over a one year period.

The hypothetical changes in fair value are estimated based on the same methodology used by the third party financial institutions to calculate the fair value of the original instruments, keeping all variables constant except the relevant exchange rate, as the case may be, which has been adjusted to reflect the hypothetical change. Fair value estimates by their nature are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined precisely.

Foreign Currency Exchange Risk

The sensitivity analysis below represents the hypothetical change in fair value based on an immediate 10% movement in the exchange rates.

	Fair value at December 31, 2010 (in thousands)	Fair value Change +10% movement in foreign exchange rate (in thousands)	Fair value Change -10% movement in foreign exchange rate (in thousands)
Non-U.S. Dollar denominated cash	\$65,144	\$6,514	(\$6,514)

Interest Rate Risk

The sensitivity analysis below represents the hypothetical change in our interest income based on an immediate 1% movement in market interest rates.

	Interest Income for the year ended December 31, 2010 (in thousands)	Interest Income Change 1% increase in market interest rate (in thousands)	Interest Income Change 1% decrease in market interest rate (in thousands)
Interest Income	\$1,761	\$3,943	\$-

Item 12. *Description of Securities Other than Equity Securities*

Not applicable.

Part II

Item 13. *Defaults, Dividend Arrearages and Delinquencies*

None.

Item 14. *Material Modifications to the Rights of Security Holders and Use of Proceeds*

We hereby incorporate by reference the description of the amendment to our Memorandum and Articles of Association described under the heading "Memorandum and Articles of Association" from Item 10 of this Form 20-F.

Item 15. *Controls and Procedures*

(a) **Evaluation of disclosure controls and procedures**

An evaluation was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), of the effectiveness of our disclosure controls and procedures as at December 31, 2010. Based on that evaluation, the CEO and CFO have concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

(b) **Management's Annual Report**

Reference is made to page 61 of this Form 20-F.

(c) **Report of Independent Registered Public Accounting Firm**

Reference is made to page 62 of this Form 20-F.

(d) **Changes in internal controls**

There were no changes in our internal controls over financial reporting that occurred during the period covered by this Form 20-F that have materially affected or are reasonably likely to materially affect our internal controls over financial reporting.

Item 16. Reserved.

Item 16A. Audit Committee Financial Expert

Mr. Thomas Lynch acts as the Audit Committee financial expert serving on our Audit Committee and Board of Directors. Mr. Lynch is an independent Board member and serves as one of our non-executive directors.

Item 16B. Code of Ethics

Our Board of Directors adopted its code of ethics in 2003, which applies to the Chief Executive Officer, the Chief Financial Officer and any persons performing similar functions, if any, of the Company.

There are no material modifications to, or waivers from, the provisions of such code, which are required to be disclosed.

This code is available on our website at the following address:

<http://www.iconplc.com>

Item 16C. Principal Accountant Fees and Services

Our principal accountants for the years ended December 31, 2010 and December 31, 2009, were KPMG.

The table below summarizes the fees for professional services rendered by KPMG for the audit of our annual financial statements for the years ended December 31, 2010 and December 31, 2009 and fees billed for other services rendered by KPMG.

	12 month period ending December 31, 2009 (in thousands)		12 month period ending December 31, 2010 (in thousands)	
Audit fees (1)	\$1,735	65%	\$1,554	57%
Audit related fees (2)	24	1%	185	7%
Tax fees (3)	928	34%	963	36%
Total	\$2,687	100%	\$2,702	100%

(1) Audit fees include annual audit fees for the Company and its subsidiaries.

(2) Audit related fees principally consisted of fees for financial due diligence services and fees for audit of the financial statements of employee benefit plans.

(3) Tax fees are fees for tax compliance and tax consultation services.

The Audit Committee pre-approves on an annual basis the audit and non-audit services provided to the Company by its auditors.

Such annual pre-approval is given with respect to particular services. The Audit Committee, on a case-by-case basis, may approve additional services not covered by the annual pre-approval, as the need for such services arises.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Not applicable.

Item 16F. Changes in Registrant's Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

See Item 10 "Exemptions from Corporate Governance Listing Requirements under the NASDAQ Marketplace Rules"

Part III

Item 17. Financial Statements

See item 18.

Item 18. Financial Statements

Reference is made to pages 61 to 103 of this Form 20-F.

Item 19. Financial Statements and Exhibits

Financial statements of ICON plc and subsidiaries

Management's Report on Internal Control over Financial Reporting

Reports of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as at December 31, 2009 and December 31, 2010

Consolidated Statements of Operations for the years ended December 31, 2008, December 31, 2009 and December 31, 2010

Consolidated Statements of Shareholders' Equity and Comprehensive Income for the years ended December 31, 2008, December 31, 2009 and December 31, 2010

Consolidated Statements of Cash Flows for the years ended December 31, 2008, December 31, 2009 and December 31, 2010

Notes to the Consolidated Financial Statements

Exhibits of ICON plc and subsidiaries

Exhibit Number	Title
3.1	Description of the Memorandum and Articles of Association of the Company.
10.1(d)	Amendment Number 2 to the Amended and Restated Office Space Lease, dated January 11, 2005, between ICON Clinical Research, Inc. and 212 C Associates, L.P. (incorporated by reference to Exhibit 10.1(d) to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.2	Agreement of Lease, dated August 13, 2001, between ICON Clinical Research (UK) Limited, ICON plc and Capital Business Parks Globeside Limited (incorporated by reference to Exhibit 10.2 to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.3	Agreement of Lease, dated November 29, 2002, between ICON Laboratories, Inc. and MSM Reality Co. LLC, Davrick, LLC and Sholom Blau Co. LLC (together, the "Landlord"). (incorporated by reference to Exhibit 10.3 to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.4	Highwoods Properties Office Lease, dated February 17, 2003, between ICON Clinical Research, Inc. and Highwoods Realty Limited Partnership (incorporated by reference to Exhibit 10.4 to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.5	Amendment Number 4 to the Amended Office Space Lease, dated April 20, 2010 between Beacon Bioscience, Inc. and Stone Manor Partners, L.P.
12.1*	Section 302 certifications.
12.2*	Section 906 certifications.
21.1	List of Subsidiaries (incorporated by reference to Item 4 of Form 20-F filed herewith).
23.1	Consent of KPMG, Independent Registered Public Accounting Firm
101.1	Interactive Data Files (XBRL - Related Documents)

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934.

The Company's internal control over financial reporting is a process designed by, or under the supervision of, the Company's executive and financial officers and effected by the Company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with generally accepted accounting principles.

A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitation due to, for example, the potential for human error or circumvention of control, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2010. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework. Based upon the assessment performed, we determined that, as of December 31, 2010 the Company's internal control over financial reporting was effective. In addition, there have been no changes in the Company's internal control over financial reporting during 2010 that have materially affected, or are reasonably likely to affect materially, the Group's internal control over financial reporting.

KPMG, which has audited the consolidated financial statements of the Company for the year ended December 31, 2010 has also audited the effectiveness of the Company's internal control over financial reporting under Auditing Standard No. 5 of the Public Company Accounting Oversight Board (United States).

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Directors and Shareholders of ICON plc:

We have audited the accompanying consolidated balance sheets of ICON plc and subsidiaries (“the Company”) as of December 31, 2010 and 2009 and the related consolidated statements of operations, shareholders’ equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2010. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ICON plc and subsidiaries as of December 31, 2010 and 2009 and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), ICON plc’s internal control over financial reporting as of December 31, 2010 based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated March 22, 2011 expressed an unqualified opinion on the effectiveness of the Company’s internal control over financial reporting.

KPMG

Dublin, Ireland
March 22, 2011

The Directors and Shareholders of ICON plc:

We have audited ICON plc's internal control over financial reporting as of December 31, 2010 based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). ICON plc's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, ICON plc maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010 based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of ICON plc and subsidiaries as of December 31, 2010 and 2009 and the related consolidated statements of operations, shareholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2010 and our report dated March 22, 2011 expressed an unqualified opinion on those consolidated financial statements.

KPMG

Dublin, Ireland
March 22, 2011

ICON plc
CONSOLIDATED BALANCE SHEETS

	December 31, 2009	December 31, 2010
	(in thousands)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 144,801	\$ 255,706
Short term investments - available for sale (Note 3)	49,227	-
Accounts receivable	191,924	164,907
Unbilled revenue	92,080	101,431
Other receivables	13,016	12,451
Deferred tax asset (Note 12)	9,625	5,623
Prepayments and other current assets	20,126	20,592
Income taxes receivable (Note 12)	14,627	18,966
Total current assets	535,426	579,676
Other Assets:		
Property, plant and equipment, net (Note 6)	178,989	170,861
Goodwill (Note 4)	173,568	175,860
Non-current other assets	3,082	4,353
Non-current income taxes receivable (Note 12)	483	482
Non-current deferred tax asset (Note 12)	6,890	10,028
Intangible assets (Note 5)	9,960	8,278
Total Assets	\$ 908,398	\$ 949,538
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 12,123	\$ 12,314
Payments on account	165,198	134,240
Other liabilities (Note 7)	119,666	100,182
Deferred tax liability (Note 12)	751	956
Income taxes payable (Note 12)	1,782	2,634
Total current liabilities	299,520	250,326
Other Liabilities:		
Non-current other liabilities	2,844	3,676
Non-current government grants (Note 10)	1,750	1,470
Non-current income taxes payable (Note 12)	19,350	10,205
Non-current deferred tax liability (Note 12)	12,688	13,862
Shareholders' Equity:		
Ordinary shares, par value 6 euro cents per share; 100,000,000 shares authorized (Note 11)		
59,007,565 shares issued and outstanding at December 31, 2009 and 60,247,092 shares issued and outstanding at December 31, 2010	4,965	5,063
Additional paid-in capital	174,188	196,960
Accumulated other comprehensive income (Note 18)	12,584	396
Retained earnings	380,509	467,580
Total Shareholders' Equity	572,246	669,999
Total Liabilities and Shareholders' Equity	\$ 908,398	\$ 949,538

The accompanying notes are an integral part of these consolidated financial statements.

ICON plc
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2008	2009	2010
	(in thousands, except share and per share data)		
Revenue:			
Gross revenue	\$ 1,209,451	\$ 1,258,227	\$ 1,263,147
Reimbursable expenses	(344,203)	(370,615)	(363,103)
Net revenue	865,248	887,612	900,044
Costs and expenses:			
Direct costs	489,238	507,783	541,388
Selling, general and administrative	248,778	230,910	232,688
Depreciation and amortization	27,728	32,659	33,873
One-time net charges (Note 13)	-	8,808	-
Total costs and expenses	765,744	780,160	807,949
Income from operations	99,504	107,452	92,095
Interest income	2,881	752	1,761
Interest expense	(4,105)	(3,530)	(1,132)
Income before provision for income taxes	98,280	104,674	92,724
Provision for income taxes (Note 12)	(19,967)	(10,375)	(5,653)
Non-controlling interest	(193)	-	-
Net income	\$ 78,120	\$ 94,299	\$ 87,071
Net income per ordinary share:			
Basic	\$ 1.34	\$ 1.61	\$ 1.46
Diluted	\$ 1.30	\$ 1.57	\$ 1.44
Weighted average number of ordinary shares outstanding:			
Basic (Note 2)	58,245,240	58,636,878	59,718,934
Diluted (Note 2)	60,221,587	59,900,504	60,637,103

The accompanying notes are an integral part of these consolidated financial statements.

*Comparative figures have been amended to reflect the Bonus Issue (Stock Split) which took place with an effective date of August 8, 2008

ICON plc
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(in thousands, except share and per share data)

	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings	Total
Balance at December 31, 2007	57,670,488	\$ 4,843	\$ 143,639	\$ 31,828	\$ 208,090	\$ 388,400
Comprehensive Income:						
Net income	-	-	-	-	78,120	78,120
Currency translation adjustment	-	-	-	(30,582)	-	(30,582)
Currency impact on long-term funding (net of tax)	-	-	-	2,976	-	2,976
Actuarial loss on defined benefit pension plan (net of nil taxation)	-	-	-	(1,044)	-	(1,044)
Total comprehensive income						49,470
Exercise of share options	847,707	78	8,438	-	-	8,516
Share based compensation expense	-	-	6,058	-	-	6,058
Share issue costs	-	-	(138)	-	-	(138)
Tax benefit on exercise of options	-	-	4,060	-	-	4,060
Balance at December 31, 2008	58,518,195	\$ 4,921	\$ 162,057	\$ 3,178	\$ 286,210	\$ 456,366
Comprehensive Income:						
Net income	-	-	-	-	94,299	94,299
Currency translation adjustment	-	-	-	7,797	-	7,797
Currency impact on long-term funding (net of tax)	-	-	-	2,251	-	2,251
Actuarial loss on defined benefit pension plan (net of nil taxation)	-	-	-	(642)	-	(642)
Total comprehensive income						103,705
Exercise of share options	489,370	44	4,375	-	-	4,419
Share based compensation expense	-	-	7,353	-	-	7,353
Share issue costs	-	-	(84)	-	-	(84)
Tax benefit on exercise of options	-	-	487	-	-	487
Balance at December 31, 2009	59,007,565	\$ 4,965	\$ 174,188	\$ 12,584	\$ 380,509	\$ 572,246

ICON plc
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(in thousands, except share and per share data)

	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings	Total
Balance at December 31, 2009	59,007,565	\$ 4,965	\$ 174,188	\$ 12,584	\$ 380,509	\$ 572,246
Comprehensive Income:						
Net income	-	-	-	-	\$ 87,071	\$ 87,071
Currency translation adjustment	-	-	-	(9,701)	-	(9,701)
Currency impact on long-term funding (net of tax)	-	-	-	(1,278)	-	(1,278)
Actuarial loss on defined benefit pension plan (net of nil taxation)	-	-	-	(1,209)	-	(1,209)
Total comprehensive income						74,883
Exercise of share options	1,237,015	98	13,070	-	-	13,168
Issue of restricted share units	2,512	-	-	-	-	-
Share based compensation expense	-	-	7,408	-	-	7,408
Share issue costs	-	-	(51)	-	-	(51)
Tax benefit on exercise of options	-	-	2,345	-	-	2,345
Balance at December 31, 2010	60,247,092	\$ 5,063	\$ 196,960	\$ 396	\$ 467,580	\$ 669,999

The accompanying notes are an integral part of these consolidated financial statements.

*Comparative figures have been amended to reflect the Bonus Issue (Stock Split) which took place with an effective date of August 8, 2008

ICON plc
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2008	Year Ended December 31, 2009	Year Ended December 31 2010
		(in thousands)	
Cash flows from operating activities:			
Net income	\$ 78,120	\$ 94,299	\$ 87,071
Adjustments to reconcile net income to net cash provided by operating activities:			
Loss on disposal of property, plant and equipment	254	264	136
Depreciation and amortization	27,728	32,659	33,873
Amortization of government grants	(126)	(149)	(220)
Stock compensation expense	6,058	7,353	7,408
Deferred taxes	2,909	(3,399)	2,334
Non-controlling interest	193	-	-
Changes in assets and liabilities:			
(Increase)/decrease in accounts receivable	(83,816)	25,804	18,267
Decrease/(increase) in unbilled revenue	2,168	47,898	(4,887)
(Increase)/decrease in other receivables	(10,175)	(1,490)	469
Decrease/(increase) in prepayments and other current assets	(9,444)	5,552	(783)
Increase in other non current assets	(39)	(903)	(1,271)
Increase/(decrease) in payments on account	26,404	43,474	(29,191)
Increase/(decrease) in other current liabilities	41,849	11,924	(13,848)
Increase in other non current liabilities	17	1,261	999
Decrease in income taxes payable	(3,968)	(3,836)	(13,576)
(Decrease)/increase in accounts payable	3,150	(5,641)	647
Net cash provided by operating activities	81,282	255,070	87,428
Cash flows from investing activities:			
Purchase of property, plant and equipment	(67,882)	(33,792)	(30,952)
Purchase of subsidiary undertakings and acquisition costs	(49,540)	(25,932)	(3,693)
Cash acquired with subsidiary undertaking	549	32	-
Grant received	400	501	-
Sale of short term investments	14,026	17,544	79,487
Purchase of short term investments	(15,000)	(24,045)	(30,260)
Net cash (used in)/provided by investing activities	(117,447)	(65,692)	14,582
Cash flows from financing activities:			
Drawdown of bank credit lines and loan facilities	58,925	17,400	-
Repayment of bank credit lines and loan facilities	(48,927)	(126,969)	-
Proceeds from the exercise of share options	8,516	4,419	13,168
Share issuance costs	(138)	(84)	(51)
Tax benefit from the exercise of share options	4,060	487	2,345
Repayment of other liabilities and finance lease obligations	(99)	(311)	(166)
Net cash (used in)/provided by financing activities	22,337	(105,058)	15,296
Effect of exchange rate movements on cash	(4,675)	2,103	(6,401)
Net (decrease)/increase in cash and cash equivalents	(18,503)	86,423	110,905
Cash and cash equivalents at beginning of year	76,881	58,378	144,801
Cash and cash equivalents at end of year	\$ 58,378	\$ 144,801	\$ 255,706

ICON plc
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Description of business

ICON plc and its subsidiaries (“the Company” or “ICON”) is a contract research organization (“CRO”), providing outsourced development services on a global basis 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.

In a highly fragmented industry, we are one of a select group of companies with the capability and expertise to conduct clinical trials in all major therapeutic areas on a global basis. At December 31, 2010 the Company had 7,735 employees, in 73 locations, in 39 countries, providing Phase I - IV Clinical Trial Management, Drug Development Support Services, Data Management, Biostatistics, Central Laboratory, Imaging and Staff Contracting services. The Company has the operational flexibility to provide development services on a stand-alone basis or as part of an integrated “full service” solution.

Headquartered in Dublin, Ireland, we began operations in 1990 and have expanded our business through internal growth and strategic acquisitions. For the year ended December 31, 2010 we derived approximately 42.3%, 46.9 % and 10.8 % of our net revenue in the United States, Europe and Rest of World, respectively.

On July 21, 2008 the Company’s shareholders approved a bonus issue of ordinary shares (the “Bonus Issue”) to shareholders of record as of the close of business on August 8, 2008 (the “Record Date”). The Bonus Issue provided for each shareholder to receive one bonus ordinary share for each ordinary share held as of the Record Date, effecting the equivalent of a 2-for-1 stock split. The Bonus shares were issued on August 11, 2008, to Ordinary Shareholders and on August 12, 2008 to holders of American Depositary Shares (“ADSs”). The trading price of the Company’s ADSs was adjusted on NASDAQ to effect the Bonus Issue prior to the opening of trading on August 13, 2008. All outstanding ordinary share amounts referenced in the consolidated financial statements and the notes thereto have been retrospectively restated to give effect to the Bonus Issue as if it had occurred as of the date referenced.

2. Significant Accounting Policies

The accounting policies noted below were applied in the preparation of the accompanying financial statements of the Company and are in conformity with accounting principles generally accepted in the United States.

(a) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries. All significant intercompany profits, transactions and account balances have been eliminated. The results of subsidiary undertakings acquired in the period are included in the consolidated statement of operations from the date of acquisition.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

(c) Revenue recognition

The Company primarily earns revenues by providing a number of different services to its customers. These services include clinical trials management, biometric activities, consulting, laboratory, imaging and contract staffing services. Contracts range in duration from a number of months to several years.

Revenue for services, as rendered, is recognized only after persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectability is reasonably assured.

Clinical trials management revenue is recognized on a proportional performance method. Depending on the contractual terms revenue is either recognized on the percentage of completion method based on the relationship between hours incurred and the total estimated hours of the trial or on the unit of delivery method. Contract costs equate to the product of labor hours incurred and compensation rates. For the percentage of completion method, the input (effort expended) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Contract revenue is the product of the aggregated labor hours required to complete the specified contract tasks at the agreed contract rates. The Company regularly reviews the estimate of total contract time to ensure such estimates remain appropriate taking into account actual contract stage of completion, remaining time to complete and any identified changes to the contract scope. Remaining time to complete depends on the specific contract tasks and the complexity of the contract and can include geographical site selection and initiation, patient enrolment, patient testing and level of results analysis required. While the Company may routinely adjust time estimates, the Company's estimates and assumptions historically have been accurate in all material respects in the aggregate. Where revenue is recognized on the unit of delivery method, the basis applied is the number of units completed as a percentage of the total number of contractual units.

Biometrics revenue is recognised on a fee-for-service method as each unit of data is prepared recognizing revenue on the basis of the number of units completed in a period as a percentage of the total number of contracted units. Imaging revenue is recognised on a fee-for-service basis recognizing revenue for each image completed. Consulting revenue is recognised on a fee-for-service basis as each hour of the related service is performed. Contract staffing revenue is recognized on a fee-for-service basis, over the time the related service is performed, or in the case of permanent placement, once the candidate has been placed with the client. Laboratory service revenue is recognised on a fee-for-service basis. The Company accounts for laboratory service contracts as multiple element arrangements, with contractual elements comprising laboratory kits and laboratory testing, each of which can be sold separately. Sales prices for contractual elements are determined by reference to objective and reliable evidence of their sales price. Revenues for contractual elements are recognised on the basis of the number of deliverable units completed in the period.

Contracts generally contain provisions for renegotiation in the event of changes in the scope, nature, duration, or volume of services of the contract. Renegotiated amounts are recognised as revenue by revision to the total contract value arising as a result of an authorised customer change order.

The difference between the amount of revenue recognised and the amount billed on a particular contract is included in the balance sheet as unbilled revenue. Normally, amounts become billable upon the achievement of certain milestones, for example, target patient enrollment rates, clinical testing sites initiated or case report forms completed. Once the milestone target is reached, amounts become billable in accordance with pre-agreed payment schedules included in the contract or on submission of appropriate billing detail. Such cash payments are not representative of revenue earned on the contract as revenues are recognised over the period in which the specified contractual obligations are fulfilled. Amounts included in unbilled revenue are expected to be collected within one year and are included within current assets. Advance billings to customers, for which revenue has not been recognised, are recognised as payments on account within current liabilities.

In the event of contract termination, if the value of work performed and recognised as revenue is greater than aggregate milestone billings at the date of termination, cancellation clauses ensure that the Company is paid for all work performed to the termination date.

(d) Reimbursable expenses

Reimbursable expenses comprise investigator payments and certain other costs which are reimbursed by clients under terms specific to each contract and are deducted from gross revenue in arriving at net revenue. Investigator payments are accrued based on patient enrollment over the life of the contract. Investigator payments are made based on predetermined contractual arrangements, which may differ from the accrual of the expense. Payments to investigators in excess of the accrued expense are classified as prepaid expenses and accrued expense in excess of amounts paid are classified as accounts payable.

(e) Direct costs

Direct costs consist of compensation, associated employee benefits and share-based payments for project-related employees and other direct project-related costs.

(f) Advertising costs

All costs associated with advertising and promotion are expensed as incurred. The advertising and promotion expense was \$3,467,000, \$2,548,000 and \$3,431,000 for the years ended December 31, 2008, December 31, 2009 and December 31, 2010 respectively.

(g) Foreign currencies and translation of subsidiaries

The Company's financial statements are prepared in United States dollars. Transactions in currencies other than United States dollars are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities denominated in currencies other than United States dollars are translated into United States dollars at exchange rates prevailing at the balance sheet date. Adjustments resulting from these translations are charged or credited to income. Amounts credited or charged to the statement of operations for the years ended December 31, 2008, December 31, 2009 and December 31, 2010 were as follows:

	2008	Year ended December 31, 2009 (in thousands)	2010
Amounts (credited)/charged	\$ (2,255)	\$ 1,639	\$ 3,731

The financial statements of subsidiaries with other functional currencies are translated at period end rates for the balance sheet and average rates for the statement of operations. Translation gains and losses arising are reported as a movement on accumulated other comprehensive income.

(h) Disclosure about fair value of financial instruments

The following methods and assumptions were used to estimate the fair value of each material class of financial instrument:

Cash, cash equivalents, unbilled revenue, other receivables, short term investments, prepayments and other current assets, accounts receivable, accounts payable, investigator payments, payments received on account, accrued liabilities, accrued bonuses, bank overdraft and taxes payable have carrying amounts that approximate fair value due to the short term maturities of these instruments.

Other liabilities' carrying amounts approximate fair value based on net present value of estimated future cash flows.

(i) Goodwill and Impairment

Goodwill represents the excess of the cost of acquired entities over the net amounts assigned to assets acquired and liabilities assumed. Goodwill primarily comprises acquired workforce in place which does not qualify for recognition as an asset apart from goodwill. Goodwill is stated net of any provision for impairment. The Company tests goodwill annually for any impairments or whenever events occur which may indicate impairment. The first step is to compare the carrying amount of the reporting unit's assets to the fair value of the reporting unit. If the carrying amount exceeds the fair value then a second step is completed which involves the fair value of the reporting unit being allocated to each asset and liability with the excess being implied goodwill. The impairment loss is the amount by which the recorded goodwill exceeds the implied goodwill. No impairment was recognized as a result of the impairment testing carried out for the years ended December 31, 2008, December 31, 2009 and December 31, 2010.

(j) Intangible assets

Intangible assets are amortized on a straight line basis over their estimated useful life.

(k) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with initial maturities of three months or less and are stated at cost, which approximates market value.

(l) Short term investments - available for sale

The Company classifies short-term investments as available for sale in accordance with the terms of FASB ASC 320, *Investments – Debt and Equity Securities*. Realized gains and losses are determined using specific identification. The investments are reported at fair value, with unrealized gains or losses reported in a separate component of shareholders' equity. Any differences between the cost and fair value of the investments are represented by accrued interest.

(m) Inventory

Inventory is valued at the lower of cost and net market value and after provisions for obsolescence. Cost of raw materials comprises the purchase price and attributable costs, less trade discounts. At December 31, 2010 the carrying value of inventory, included within prepayments and other current assets on the balance sheet, was \$3.8 million (2009: \$3.6 million).

(n) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation of property, plant and equipment is computed using the straight line method based on the estimated useful lives of the assets as listed below:

	<u>Years</u>
Building	40
Office furniture and fixtures	8
Laboratory equipment	5
Motor vehicles	5
Computer equipment and software	4-8

Leasehold improvements are amortized using the straight-line method over the estimated useful life of the asset or the lease term, whichever is shorter.

(o) Leased Assets

Costs in respect of operating leases are charged to the statement of operations on a straight line basis over the lease term.

Assets acquired under capital finance leases are included in the balance sheet at the present value of the future minimum lease payments and are depreciated over the shorter of the lease term and their remaining useful lives. The corresponding liabilities are recorded in the balance sheet and the interest element of the capital lease rental is charged to interest expense.

(p) Income taxes

The Company applies FASB ASC 740, *Income Taxes*, which requires the asset and liability method of accounting for income taxes. Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company adopted the provisions of FASB Interpretation No. 48 *Accounting for Uncertain Income Taxes* ("FIN 48"), (included in FASB ASC Topic 740, *Income Taxes*), as of January 1, 2007. FIN 48 requires that the Company recognizes the largest amount of tax benefit that is greater than 50% likely of being realized upon effective settlement when considering uncertain tax positions.

(q) Government grants

Government grants received relating to capital expenditure are shown as deferred income and credited to income on a basis consistent with the depreciation policy of the relevant assets. Grants relating to categories of operating expenditures are credited to income in the period in which the expenditure to which they relate is charged.

Under the grant agreements amounts received may become repayable in full should certain circumstances specified within the grant agreements occur, including downsizing by the Company, disposing of the related assets, ceasing to carry on its business or the appointment of a receiver over any of its assets. The Company has not recognized any loss contingency having assessed as remote the likelihood of these events arising.

(r) Research and development credits

Research and development credits are available to the Company under the tax laws in certain jurisdictions, based on qualifying research and development spend as defined under those tax laws. Research and development credits are generally recognized as a reduction of income tax expense. However, certain tax jurisdictions provide refundable credits that are not wholly dependent on the Company's ongoing income tax status or income tax position. In these circumstances the benefit of these credits is not recorded as a reduction to income tax expense, but rather as a reduction of the operating expenditure to which the credits relate.

(s) Pension costs

The Company contributes to defined contribution plans covering all eligible employees. The Company contributes to these plans based upon various fixed percentages of employee compensation and such contributions are expensed as incurred.

The Company operates, through a subsidiary, a defined benefit plan for certain of its United Kingdom employees. The Company accounts for the costs of this plan using actuarial models required by FASB ASC 715-30 and the plan is presented in accordance with the requirements of FASB ASC 715-60 *Defined Benefit Plans – Other Postretirement*.

(t) Net income per ordinary share

Basic net income per ordinary share has been computed by dividing net income available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted net income per ordinary share is computed by adjusting the weighted average number of ordinary shares outstanding during the period for all potentially dilutive ordinary shares outstanding during the period and adjusting net income for any changes in income or loss that would result from the conversion of such potential ordinary shares.

There is no difference in net income used for basic and diluted net income per ordinary share. The reconciliation of the number of shares used in the computation of basic and diluted net income per ordinary share is as follows:

	Year Ended December 31,		
	2008	2009	2010
Weighted average number of ordinary shares outstanding for basic net income per ordinary share	58,245,240	58,636,878	59,718,934
Effect of dilutive share options outstanding	1,976,347	1,263,626	918,169
Weighted average number of ordinary shares outstanding for diluted net income per ordinary share	60,221,587	59,900,504	60,637,103

(u) Share-based compensation

The Company accounts for its share options in accordance with the provisions of FASB ASC 718, *Compensation – Stock Compensation*. Share-based compensation expense for equity-settled awards made to employees and directors is measured and recognized based on estimated grant date fair values. These awards include employee stock options.

Share-based compensation expense for stock options awarded to employees and directors is estimated at the grant date based on each option's fair value as calculated using the Black-Scholes option-pricing model. The value of awards expected to vest is recognized as an expense over the requisite service periods.

Estimating the fair value of share-based awards as of the grant date using an option-pricing model, such as the Black-Scholes model, is affected by the Company's share price as well as assumptions regarding a number of complex variables. These variables include, but are not limited to, the expected share price volatility over the term of the awards, risk-free interest rates, and the expected term of the awards.

(v) Impairment of long-lived assets

Long lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less selling costs.

(w) Reclassifications

Certain amounts in the consolidated financial statements have been reclassified where necessary to conform to the current year presentation.

3. Short term investments - available for sale

The Company actively manages its available cash resources to try to ensure optimum returns. During the year ended December 31, 2010 the Company reinvested its investment portfolio in cash and cash equivalents. The Company had previously classified its investment portfolio as available for sale. The investments were reported at fair value, with unrealized gains or losses reported in a separate component of shareholders' equity. During the years ended December 31, 2008, December 31, 2009 and December 31, 2010, no unrealized gains or losses arose. Any differences between the cost and fair value of the investments were represented by accrued interest.

4. Goodwill

	December 31, 2009	December 31, 2010
	(in thousands)	
Opening Goodwill	\$ 169,344	\$ 173,568
Current period acquisitions	1,584	3,505
Prior period acquisitions	(836)	2,539
Foreign exchange movement	3,476	(3,752)
Closing Goodwill	\$ 173,568	\$ 175,860

Goodwill represents the excess of the cost of acquired entities over the net amounts assigned to assets acquired and liabilities assumed. Goodwill primarily comprises acquired workforce in place which does not qualify for recognition as an asset apart from goodwill. The Company tests goodwill annually for any impairments or whenever events occur which may indicate impairment. The results of the Company's goodwill impairment testing during the year ended December 31, 2010 indicated the existence of sufficient headroom such that a reasonably possible change to the key assumptions used would be unlikely to result in an impairment of the related goodwill.

(a) Acquisition of Timaq Medical Imaging

On May 17, 2010 the Company acquired Timaq Medical Imaging ("Timaq"), a European provider of advanced imaging services to the pharmaceutical and biotechnology industry, located in Zurich, Switzerland for an initial cash consideration of CHF 1.3 million (\$1.2 million). Certain performance milestones were built into the acquisition agreement requiring potential additional consideration of up to CHF 2.9 million (\$3.1 million) if these milestones are achieved during the years ended December 31, 2010 to December 31, 2013. On December 31, 2010 CHF 0.3 million (\$0.3 million) was paid to the former shareholders in respect of certain milestones for the year ended December 31, 2010. CHF 2.6 million (\$2.7 million) has been accrued in relation to the remaining milestones at December 31, 2010.

The acquisition of Timaq has been accounted for as a business combination in accordance with FASB ASC 805 *Business Combinations*. The following table summarizes the fair values of the assets acquired and the liabilities assumed:

	May 17 2010
	(in thousands)
Property, plant and equipment	\$ 107
Goodwill	3,505
Intangible assets	770
Other current assets	160
Current liabilities	(719)
Purchase price	\$ 3,823

Goodwill represents the acquisition of an established workforce with experience in the provision of advanced imaging services to pharmaceutical and biotechnology customers in the European market.

The proforma effect of the Timaq Medical Imaging acquisition if completed on January 1, 2009 would have resulted in net revenue, net income and earnings per share for the fiscal years ended December 31, 2009 and December 31, 2010 as follows:

	Year Ended December 31, 2009		2010
	(in thousands)		
Net revenue	\$	888,929	\$ 900,370
Net income	\$	93,332	\$ 86,594
Basic earnings per share	\$	1.59	\$ 1.45
Diluted earnings per share	\$	1.56	\$ 1.43

(b) Prior Period Acquisitions - Acquisition of Qualia Clinical Services Inc. and Veeda Laboratories Ltd.

During the year ended December 31, 2009 the Company completed the acquisitions of Qualia Clinical Services, Inc, a provider of Phase I clinical trial services, located in Omaha, Nebraska and Veeda Laboratories Limited, a specialist provider of biomarker laboratory services, located in Oxford, United Kingdom, neither of which were considered individually significant. In aggregate, the total purchase price for these acquisitions was approximately \$2.2 million. The excess of the consideration paid over the carrying value of the assets acquired of \$0.6 million, has been recorded as goodwill of \$1.6 million.

The acquisitions of Qualia Clinical Services Inc. and Veeda Laboratories Ltd. have been accounted for as a business combination in accordance with FASB ASC 805 *Business Combinations* which is effective for all acquisitions which have taken place since January 1, 2009. The following table summarizes the fair values of the assets acquired and the liabilities assumed.

	2009
	(in thousands)
Property, plant and equipment	\$ 361
Intangible assets	352
Goodwill	1,584
Cash	32
Other current assets	404
Current liabilities	(507)
Non current liabilities	(12)
Purchase price	\$ 2,214

Goodwill represents the acquisition of an established workforce with experience in the provision of Phase I clinical trial management and biomarker laboratory services to pharmaceutical and biotechnology companies.

The proforma effect of the Qualia Clinical Services Inc. and Veeda Laboratories Ltd. acquisitions if completed on January 1, 2008 would have resulted in net revenue, net income and earnings per share for the years ended December 31, 2008 and December 31, 2009 as follows:

	Year Ended December 31, 2008		2009
	(in thousands)		
Net revenue	\$	866,763	\$ 888,048
Net income	\$	77,839	\$ 93,887
Basic earnings per share	\$	1.34	\$ 1.60
Diluted earnings per share	\$	1.29	\$ 1.57

(c) *Prior Period Acquisitions - Acquisition of Healthcare Discoveries Inc.*

On February 11, 2008 the Company acquired 100% of the common stock of Healthcare Discoveries Inc. for an initial cash consideration of \$11.1 million, excluding costs of acquisition. Healthcare Discoveries, located in San Antonio, Texas, is engaged in the provision of Phase I clinical trial services. Certain performance milestones were built into the acquisition agreement requiring payment of additional consideration of up to \$10.0 million if these milestones were achieved during the year ended December 31, 2008. On September 3, 2010 \$2.2 million was paid to the former shareholders of Healthcare Discoveries Inc. in full and final settlement of the outstanding consideration payable.

The acquisition of Healthcare Discoveries has been accounted for as a business combination in accordance with FASB Statement No. 141. The following table summarizes the fair values of the assets acquired and the liabilities assumed at the date of acquisition.

	February, 11 2008 (in thousands)
Property, plant and equipment	\$ 327
Intangible assets	2,890
Goodwill	12,424
Cash	5
Other current assets	575
Current liabilities	(1,951)
Purchase price	\$ 14,270

Goodwill represents the acquisition of an established workforce with experience in the provision of Phase I clinical trial management services to pharmaceutical and biotechnology companies.

(d) *Acquisition of Prevalere Life Sciences Inc.*

On November 14, 2008 the Company acquired 100% of the common stock of Prevalere Life Sciences Inc. ("Prevalere"), for an initial cash consideration of \$37.6 million, excluding costs of acquisition. Prevalere, located in Whitesboro, New York, is a leading provider of bioanalytical and immunoassay services to pharmaceutical and biotechnology companies. Certain performance milestones were built into the acquisition agreement requiring potential additional consideration of up to \$8.2 million if these milestones were achieved during the years ended December 31, 2008 and December 31, 2009. On April 30, 2009 \$5.0 million was paid in respect of the milestones for the year ended December 31, 2008. At December 31, 2009 no amounts were accrued in respect of the potential additional consideration, as the milestones were not achieved.

The acquisition of Prevalere has been accounted for as a business combination in accordance with FASB Statement No. 141. The following table summarizes the fair values of the assets acquired and the liabilities assumed at the date of acquisition.

	November 14, 2008 (in thousands)
Property, plant and equipment	\$ 2,614
Intangible assets	7,375
Goodwill	29,244
Cash	270
Other current assets	6,504
Current liabilities	(2,577)
Purchase price	\$ 43,430

Goodwill represents the acquisition of an established workforce with experience in the provision of bioanalytical and immunoassay services to pharmaceutical and biotechnology companies and allows the Company to participate in a growing market for these services.

(e) Acquisition of remaining 30% interest in Beacon Biosciences Inc.

On July 1, 2004 the Company acquired 70% of the common stock of Beacon Biosciences Inc. ("Beacon"), a leading specialist CRO, which provides a range of medical imaging services to the pharmaceutical, biotechnology and medical device industries, for an initial cash consideration of \$9.9 million, excluding costs of acquisition. On December 31, 2008 the remaining 30% of the common stock was acquired by the Company for \$17.4 million, excluding costs of acquisition. Certain performance milestones were built into the acquisition agreement for the remaining 30% of Beacon requiring potential additional consideration of up to \$3.0 million if these milestones were achieved during the year ended December 31, 2009. At December 31, 2009 no amounts were accrued in respect of the additional consideration payable as these milestones were not achieved.

The acquisition of Beacon has been accounted for as a business combination in accordance with FASB Statement No. 141 *Business Combinations* ("SFAS 141"). The following table summarizes the fair values of the assets acquired and the liabilities assumed at the date of acquisition.

	December 31, 2008 (in thousands)
Property, plant and equipment	\$ 704
Intangible assets	1,710
Goodwill	14,569
Cash	1,001
Other current assets	1,685
Current liabilities	(1,689)
Non-current liabilities	(200)
Purchase price	\$ 17,780

5. Intangible Assets

	December 31, 2009	December 31, 2010
	(in thousands)	
Cost		
Customer relationships acquired	\$ 11,567	\$ 12,337
Volunteer list acquired	1,325	1,325
Order backlog	1,470	1,470
Foreign exchange movement	77	(55)
Total cost	14,439	15,077
Accumulated amortization	(4,479)	(6,933)
Foreign exchange movement	-	134
Net book value	\$ 9,960	\$ 8,278

On May 17, 2010 the Company acquired Timaq Medical Imaging, a European provider of advanced imaging services. The value of certain client relationships identified of \$0.8 million is being amortized over approximately 3 years, the estimated period of benefit. \$160,000 has been amortized in the period since the date of acquisition.

During the year ended December 31, 2009 the Company completed the acquisitions of Qualia Clinical Services Inc, a US provider of Phase I clinical trial services and Veeda Laboratories Limited, a specialist provider of biomarker laboratory services. The value of certain client relationships identified of \$0.4 million is being amortized over approximately 3 years, the estimated period of benefit. \$210,000 has been amortized in the period since the date of acquisition.

On July 1, 2004 the Company acquired 70% of the common stock of Beacon Biosciences Inc, a US provider of advanced imaging services. On December 31, 2008 the remaining 30% of the common stock was acquired by the Company. The value of certain customer relationships and order backlog identified of \$0.2 million and \$1.5 million respectively are being amortized over approximately 3 years, the estimated period of benefit. \$1,151,000 has been amortized in the period since the date of acquisition.

On February 11, 2008 the Company acquired Healthcare Discoveries, a US provider of Phase I clinical trial services. The value of certain client relationships identified of \$1.6 million is being amortized over periods ranging from approximately 2 to 9 years, the estimated periods of benefit. The value of certain volunteer lists identified of \$1.3 million is being amortized over approximately 6 years, the estimated period of benefit. \$1,571,000 has been amortized in the period since the date of acquisition.

On November 14, 2008 the Company acquired Prevalere Life Sciences, a US provider of bioanalytical and immunoassay laboratory services. The value of certain customer relationships identified of \$7.4 million is being amortized over periods ranging from approximately 7 to 11 years, the estimated period of the benefit. \$1,717,000 has been amortized in the period since the date of acquisition.

On July 12, 2007 the Company acquired DOCS International, a European based clinical research staffing organization. The value of certain customer relationships identified of \$2.1 million were amortized over approximately 3 years, the estimated period of the benefit.

Future intangible asset amortization expense for the years ended December 31, 2011 to December 31, 2015 is as follows:

	Year ended December 31 (in thousands)
2011	\$ 2,073
2012	1,426
2013	1,237
2014	972
2015	923
	\$ 6,631

6. Property, Plant and Equipment, net

	December 31, 2009	December 31, 2010
	(in thousands)	
Cost		
Land	\$ 3,671	\$ 3,597
Building	100,758	95,895
Computer equipment and software	138,570	155,547
Office furniture and fixtures	57,866	60,000
Laboratory equipment	29,769	31,260
Leasehold improvements	5,951	7,648
Motor vehicles	73	72
	336,658	354,019
Less accumulated depreciation and asset write off	(157,669)	(183,158)
Property, plant and equipment (net)	\$ 178,989	\$ 170,861

Total cost at December 31, 2010 includes \$825,000 (2009: \$907,000) which relates to assets held under capital finance leases. Related accumulated depreciation amounted to \$518,000 (2009: \$357,000).

7. Other Liabilities

	December 31, 2009	December 31, 2010
	(in thousands)	
Personnel related liabilities	\$ 60,441	\$ 54,983
Facility related liabilities	13,540	11,666
General overhead liabilities	35,459	24,052
Other liabilities	6,233	5,202
Short term government grants	159	111
Short term finance leases (note 15)	325	158
Defined benefit pension obligations, net (note 8)	113	983
Restructuring provisions (note 13)	3,396	315
Acquisition consideration payable	-	2,712
	\$ 119,666	\$ 100,182

8. Employee Benefits

Certain Company employees are eligible to participate in a defined contribution plan (the "Plan"). Participants in the Plan may elect to defer a portion of their pre-tax earnings into a pension plan, which is run by an independent party. The Company matches participant's contributions typically at 6% of the participant's annual compensation. Contributions to this plan are recorded, as an expense in the Consolidated Statement of Operations. Contributions for the years ended December 31, 2008, December 31, 2009 and December 31, 2010 were \$10,372,000, \$14,241,000 and \$14,206,000 respectively.

The Company's United States operations maintain a retirement plan (the "U.S. Plan") that qualifies as a deferred salary arrangement under Section 401(k) of the Internal Revenue Code. Participants in the U.S. Plan may elect to defer a portion of their pre-tax earnings, up to the Internal Revenue Service annual contribution limit. The Company matches 50% of each participant's contributions; each participant can contribute up to 6% of their annual compensation. Contributions to this U.S. Plan are recorded, in the year contributed, as an expense in the Consolidated Statement of Operations. Contributions for the years ended December 31, 2008, December 31, 2009 and December 31, 2010 were \$4,499,000, \$5,189,000 and \$6,603,000 respectively.

One of the Company's subsidiaries which was acquired during the 2003 fiscal year, ICON Development Solutions Limited, operates a defined benefit pension plan in the United Kingdom for its employees. The plan is managed externally and the related pension costs and liabilities are assessed in accordance with the advice of a professionally qualified actuary. Plan assets at December 31, 2008, December 31, 2009 and December 31, 2010, consist of units held in independently administered funds. The pension costs of this plan are presented in the following tables in accordance with the requirements of ASC 715-60, *Defined Benefit Plans – Other Postretirement*. The plan has been closed to new entrants with effect from July 1, 2003.

Change in benefit obligation	December 31, 2009	December 31, 2010
	(in thousands)	
Benefit obligation at beginning of year	\$ 10,114	\$ 13,686
Service cost	182	184
Interest cost	673	746
Plan participants' contributions	160	133
Benefits paid	(774)	(54)
Actuarial loss	2,079	2,232
Plan amendments	103	-
Foreign currency exchange rate changes	1,149	(445)
Benefit obligation at end of year	\$ 13,686	\$ 16,482

Change in plan assets	December 31, 2009	December 31, 2010
	(in thousands)	
Fair value of plan assets at beginning of year	\$ 10,392	\$ 13,573
Actual return on plan assets	2,200	2,003
Employer contributions	432	293
Plan participants' contributions	160	133
Benefits paid	(774)	(54)
Foreign currency exchange rate changes	1,163	(449)
Fair value of plan assets at end of year	\$ 13,573	\$ 15,499

The fair values of the assets above do not include any of the Company's own financial instruments, property occupied by, or other assets used by, the Company.

Funded status	December 31, 2009	December 31, 2010
	(in thousands)	
Projected benefit obligation	\$ (13,686)	\$ (16,482)
Fair value of plan assets	13,573	15,499
Funded status	\$ (113)	\$ (983)
Other liabilities	\$ (113)	\$ (983)

Components of net periodic benefit cost/(credit)	December 31, 2008	December 31, 2009	December 31, 2010
	(in thousands)		
Service cost	\$ 437	\$ 182	\$ 184
Interest cost	854	673	746
Expected return on plan assets	(1,063)	(740)	(980)
Plan curtailments	(871)	-	-
Amortization of prior service costs	-	102	-
Amortization of net (gain)/loss	(89)	(23)	-
Net periodic benefit (credit)/cost	\$ (732)	\$ 194	\$ (50)

The following assumptions were used in determining the net periodic pension benefit cost/(credit):

	December 31, 2008	Year ended December 31, 2009	December 31, 2010
Discount rate	5.8%	6.4%	5.7%
Rate of compensation increase	4.5%	4.2%	4.0%
Expected rate of return on plan assets	7.1%	6.8%	7.4%

Accumulated other comprehensive income	December 31, 2008	December 31, 2009	December 31, 2010
	(in thousands)		
Actuarial loss	\$ 955	\$ 619	\$ 1,209
Prior service costs recognized in other comprehensive income	-	102	-
Less actuarial loss recognized in net periodic benefit cost	89	23	-
Prior service costs recognized in net periodic benefit cost	-	(102)	-
Total	\$ 1,044	\$ 642	\$ 1,209

The estimated net gain and prior service cost for the defined benefit pension plan that will be amortized from accumulated other comprehensive income into net periodic benefit cost over the next year are \$nil and \$nil respectively

Amounts recognized in accumulated other comprehensive income that has not yet been recognized as components of net periodic benefit cost are as follows:

	December 31, 2008	December 31, 2009	December 31, 2010
	(in thousands)		
Net actuarial gain	\$ (2,156)	\$ (1,514)	\$ (305)
Total	\$ (2,156)	\$ (1,514)	\$ (305)

Benefit Obligation

The following assumptions were used in determining the benefit obligation at December 31, 2010:

	December 31, 2009	December 31, 2010
Discount rate	5.7%	5.4%
Rate of compensation increase	4.0%	4.0%

The discount rate is determined by reference to UK long dated government and corporate bond yields at the balance sheet date. This is represented by the iboxx AA 15 year plus return.

Plan Assets

The assets of the scheme are invested in the Legal and General Global Equity and Fixed Index Fund. The aim of this fund is to capture the returns on UK and overseas equity markets with a more even investment in UK and overseas equities than would be provided by reference to market capitalization or consensus weights.

The expected long-term rate of return on assets at December 31, 2010 of 7.1% was calculated as the value of the fund after application of a market value reduction factor.

At December 31, 2010 UK gilts were yielding around 4.2% per annum. This is often referred to as the risk free rate of return as UK gilts have a negligible risk of default and the income payments and capital on redemption are guaranteed by the UK Government. The long-term expected return on equities has been determined by setting appropriate risk premiums above the yield on UK gilts. A long term equity "risk-premium" of 3.1% per annum has been assumed, this being the expected long-term out-performance of equities over UK gilts. The long-term expected return on bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date. This is represented by the iboxx AA 15 year plus return.

The expected long term rates of return on different asset classes over the long term are as follows:

Asset Category	Expected long-term return per annum
Equity	7.3%
Bonds	5.4%

The underlying asset split of the fund is shown below.

Asset Category	December 31, 2009	December 31, 2010
Equity	90%	90%
Bonds	10%	10%
	100%	100%

Applying the above expected long term rates of return to the asset distribution at December 31, 2010 gives rise to an expected overall rate of return of scheme assets of approximately 7.1% per annum.

Plan Asset Fair Value Measurements

	Quoted Prices in Active Markets for Identical Assets Level 1 (in thousands)
<u>Cash</u>	\$ 37
<u>Equity Securities</u>	
Legal and General UK Equity Index	5,549
Legal and General North America Equity Index	2,733
Legal and General Europe (ex UK) Equity Index	2,742
Legal and General Japan Equity Index	1,437
Legal and General Asia Pac (ex Japan) Equity Index	1,427
<u>Fixed Income Securities</u>	
Legal and General over 15 year Gilts Index	521
Legal and General AAA-AA-A Bonds Over 15 year Index	532
Legal and General over 5 year Index-Linked Gilts Index	521
	\$ 15,499

Cash Flows

The Company expects to contribute \$0.3 million to its pension fund in the year ending December 31, 2011.

The following annual benefit payments, which reflect expected future service, as appropriate, are expected to be paid.

	(in thousands)
2011	\$ 47
2012	78
2013	78
2014	78
2015	78
Years 2016 - 2020	\$ 390

The expected cash flows are estimated figures based on the members expected to retire over the next 10 years assuming no early retirements plus an additional amount in respect of recent average withdrawal experience. At the present time it is not clear whether annuities will be purchased when members reach retirement or whether pensions will be paid each month out of scheme assets. The cash flows above have been estimated on the assumption that pensions will be paid monthly out of scheme assets. If annuities are purchased, then the expected benefit payments will be significantly different from those shown above.

9. Share Options and Stock Compensation Charges

On July 21, 2008 the Company adopted the Employee Share Option Plan 2008 (the “2008 Employee Plan”) pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may grant options to any employee, or any director holding a salaried office or employment with the Company or a Subsidiary for the purchase of ordinary shares. On the same date, the Company also adopted the Consultants Share Option Plan 2008 (the “2008 Consultants Plan”), pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may grant options to any consultant, adviser or non-executive director retained by the Company or any Subsidiary for the purchase of ordinary shares.

Each option granted under the 2008 Employees Plan or the 2008 Consultants Plan (together the “2008 Option Plans”) will be an employee stock option, or NSO, as described in Section 422 or 423 of the Internal Revenue Code. Each grant of an option under the 2008 Options Plans will be evidenced by a Stock Option Agreement between the optionee and the Company. The exercise price will be specified in each Stock Option Agreement, however option prices will not be less than 100% of the fair market value of an ordinary share on the date the option is granted.

An aggregate of 6.0 million ordinary shares have been reserved under the 2008 Employee Plan as reduced by any shares issued or to be issued pursuant to options granted under the 2008 Consultants Plan, under which a limit of 400,000 shares applies. Further, the maximum number of ordinary shares with respect to which options may be granted under the 2008 Employee Option Plan, during any calendar year to any employee shall be 400,000 ordinary shares. There is no individual limit under the 2008 Consultants Option Plan. No options may be granted under the plans after July 21, 2018.

On July 21, 2008 the Company adopted the 2008 Employees Restricted Share Unit Plan (the “2008 RSU Plan”) pursuant to which the Compensation and Organization Committee of the Company’s Board of Directors may select any employee, or any director holding a salaried office or employment with the Company or a Subsidiary to receive an award under the plan. An aggregate of 1.0 million ordinary shares have been reserved for issuance under the 2008 RSU Plan. Awards under the 2008 RSU may be settled in cash or shares.

On January 17, 2003 the Company adopted the Share Option Plan 2003 (the “2003 Plan”) pursuant to which the Compensation and Organization Committee of the Board may grant options to officers and other employees of the Company or its subsidiaries for the purchase of ordinary shares. Each grant of an option under the 2003 Plan will be evidenced by a Stock Option Agreement between the employee and the Company. The exercise price will be specified in each Stock Option Agreement.

An aggregate of 6.0 million ordinary shares have been reserved under the 2003 Plan; and, in no event will the number of ordinary shares that may be issued pursuant to options awarded under the 2003 Plan exceed 10% of the outstanding shares, as defined in the 2003 Plan, at the time of the grant, unless the Board expressly determines otherwise. Further, the maximum number of ordinary shares with respect to which options may be granted under the 2003 Plan during any calendar year to any employee shall be 400,000 ordinary shares. No options can be granted after January 17, 2013.

Share option awards are granted with an exercise price equal to the market price of the Company’s shares at date of grant. Share options typically vest over a period of five years from date of grant and expire eight years from date of grant. The maximum contractual term of options outstanding at December 31, 2010 is eight years.

The following table summarizes the transactions for the Company's share option plans for the years ended December 31, 2008, December 31, 2009 and December 31, 2010:

	Options Granted Under Plans *	Number of Shares *	Weighted Average Exercise Price *	Weighted Average Grant Date Fair Value *
Outstanding at December 31, 2007	4,976,126	4,976,126	\$ 12.27	\$ 5.35
Granted	1,282,190	1,282,190	\$ 35.25	\$ 12.85
Exercised	(847,707)	(847,707)	\$ 10.05	\$ 4.45
Cancelled	(188,346)	(188,346)	\$ 20.45	\$ 8.13
Outstanding at December 31, 2008	5,222,263	5,222,263	\$ 17.98	\$ 7.24
Granted	932,133	932,133	\$ 21.54	\$ 8.47
Exercised	(489,370)	(489,370)	\$ 9.03	\$ 4.07
Cancelled	(256,804)	(256,804)	\$ 26.60	\$ 10.09
Outstanding at December 31, 2009	5,408,222	5,408,222	\$ 18.99	\$ 7.60
Granted	1,038,327	1,038,327	\$ 24.34	\$ 9.08
Exercised	(1,237,015)	(1,237,015)	\$ 10.64	\$ 4.69
Cancelled	(410,857)	(410,857)	\$ 25.86	\$ 9.91
Outstanding at December 31, 2010	4,798,677	4,798,677	\$ 21.71	\$ 8.47
Vested and exercisable at December 31, 2010	2,125,003	2,125,003	\$ 17.88	\$ 7.21

* Comparative figures have been amended to reflect the Bonus Issue, (Stock Split) which took place with an effective date August 8, 2008.

The weighted average remaining contractual life of options outstanding and options exercisable at December 31, 2010, was 4.84 years and 3.53 years respectively. 962,069 options are expected to vest during the year ended December 31, 2011.

The intrinsic value of options exercised during the year ended December 31, 2010 amounted to \$13.9 million. The intrinsic value of options outstanding and options exercisable at December 31, 2010 amounted to \$16.5 million and \$13.8 million respectively. Intrinsic value is calculated based on the market value of the Company's shares at December 31, 2010.

Non vested shares outstanding as at December 31, 2010 are as follows:

	Options Outstanding Number of Shares	Weighted Average Exercise Price	Weighted Average Fair Value
Non vested outstanding at December 31, 2009	2,904,687	\$ 23.60	\$ 9.24
Granted	1,038,327	24.34	9.08
Vested	(927,289)	20.61	8.22
Forfeited	(342,051)	24.88	9.61
Non vested outstanding at December 31, 2010	2,673,674	\$ 24.76	\$ 9.48

Outstanding and exercisable share options:

The following table summarizes information concerning outstanding and exercisable share options as of December 31, 2010:

Range Exercise Price	Options Outstanding			Options Exercisable		
	Number of Shares	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price	
\$7.00	4,000	0.05	\$7.00	4,000	\$7.00	
\$8.60	396,776	2.15	\$8.60	396,776	\$8.60	
\$8.88	230,568	1.09	\$8.88	230,568	\$8.88	
\$10.42	20,000	3.04	\$10.42	20,000	\$10.42	
\$11.00	579,987	3.09	\$11.00	419,563	\$11.00	
\$15.47	900	6.33	\$15.47	180	\$15.47	
\$15.84	103,000	6.33	\$15.84	20,600	\$15.84	
\$17.30	24,000	3.64	\$17.30	19,200	\$17.30	
\$18.00	70,000	3.83	\$18.00	50,000	\$18.00	
\$18.98	9,000	5.87	\$18.98	3,600	\$18.98	
\$19.45	33,000	7.82	\$19.45	-	\$19.45	
\$19.94	2,000	6.17	\$19.94	400	\$19.94	
\$20.16	2,000	7.87	\$20.16	-	\$20.16	
\$21.25	754,230	4.13	\$21.25	434,698	\$21.25	
\$21.76	1,000	4.31	\$21.76	600	\$21.76	
\$22.10	11,000	6.56	\$22.10	2,200	\$22.10	
\$22.26	662,493	6.15	\$22.26	128,724	\$22.26	
\$22.60	2,000	4.65	\$22.60	1,200	\$22.60	
\$23.06	10,000	7.62	\$23.06	-	\$23.06	
\$23.20	4,000	7.70	\$23.20	-	\$23.20	
\$24.25	150,000	7.18	\$24.25	-	\$24.25	
\$24.46	743,383	7.17	\$24.46	2,000	\$24.46	
\$26.20	2,400	7.38	\$26.20	-	\$26.20	
\$26.27	2,000	5.81	\$26.27	800	\$26.27	
\$27.91	2,000	7.42	\$27.91	-	\$27.91	
\$29.45	8,000	7.33	\$29.45	-	\$29.45	
\$29.38	10,000	7.34	\$29.38	-	\$29.38	
\$35.33	951,940	5.15	\$35.33	385,694	\$35.33	
\$36.05	6,000	5.40	\$36.05	3,000	\$36.05	
\$36.20	2,000	5.33	\$36.20	800	\$36.20	
\$41.25	1,000	5.67	\$41.25	400	\$41.25	
\$7.00 - \$41.25	4,798,677	4.84	\$21.71	2,125,003	\$17.88	

Options granted at exercise prices ranging from \$7.00 to \$10.42 have fully vested at December 31, 2010. Substantially all options vest over a five year period from the date of grant.

Fair value of Stock Options Assumptions

The weighted average fair value of options granted during the years ended December 31, 2008, December 31, 2009 and December 31, 2010 was calculated using the Black-Scholes option pricing model. The weighted average fair values and assumptions were as follows:

	December 31, 2008	Year Ended December 31, 2009	December 31, 2010
Weighted average fair value	\$ 12.85	\$ 8.47	\$ 9.08
Assumptions:			
Expected volatility	35%	45%	45%
Dividend yield	0%	0%	0%
Risk-free interest rate	3.2%	0.2%	1.5%
Expected life	5.11 years	5.11 years	4.05 years

Expected volatility is based on the historical volatility of our common stock over a period equal to the expected term of the options; the expected life represents the weighted average period of time that options granted are expected to be outstanding given consideration to vesting schedules, and our historical experience of past vesting and termination patterns. The risk-free rate is based on the U.S. government zero-coupon bonds yield curve in effect at time of grant for periods corresponding with the expected life of the option.

Restricted Share Units

On August 7, 2008 the Company awarded 6,280 restricted share units ("RSU's") to certain employees of the Group. Ordinary shares related to these RSU's may be issued by the Company over periods ranging from February 26, 2009 to February 26, 2011. The market value of the Company's shares on date of award was \$41.95. On August 16, 2010 2,512 ordinary shares were issued by the Company relating to certain of the RSU awards.

Non-cash stock compensation expense

Income from operations for the year ended December 31, 2010 is stated after charging \$7.4 million in respect of non-cash stock compensation expense. Non-cash stock compensation expense for the year ended December 31, 2010 has been allocated to direct costs and selling, general and administrative expenses as follows:

	December 31, 2008	Year ended December 31, 2009 (in thousands)	December 31, 2010
Direct costs	\$ 3,338	\$ 3,776	\$ 4,049
Selling, general and administrative	\$ 2,720	\$ 3,577	\$ 3,359
Total compensation costs	\$ 6,058	\$ 7,353	\$ 7,408

Total non-cash stock compensation expense not yet recognized at December 31, 2010 amounted to \$16.2 million. The weighted average period over which this is expected to be recognized is 3.0 years. Total tax benefit recognized in addition paid in capital related to the non-cash compensation expense amounted to \$2.3 million for the year ended December 31, 2010 (2009: \$0.5 million, 2008: \$4.1 million).

10. Government Grants

	December 31, 2009	December 31, 2010
	(in thousands)	
Received	\$ 3,126	\$ 3,126
Less accumulated amortization	(1,659)	(1,879)
Foreign exchange translation adjustment	442	334
	1,909	1,581
Less current portion	(159)	(111)
	\$ 1,750	\$ 1,470

Capital grants received may be refundable in full if certain events occur. Such events, as set out in the related grant agreements, include sale of the related asset, liquidation of the Company or failure to comply with other conditions of the grant agreements. No loss contingency has been recognized as the likelihood of such events arising has been assessed as remote.

Government grants amortized to the profit and loss account amounted to \$149,000 and \$220,000 for the years ended December 31, 2009 and December 31, 2010 respectively. As at December 31, 2010 the Company had \$1.36 million in restricted retained earnings, pursuant to the terms of grant agreements.

11. Share Capital

Holders of ordinary shares will be entitled to receive such dividends as may be recommended by the board of directors of the Company and approved by the shareholders and/or such interim dividends as the board of directors of the Company may decide. On liquidation or a winding up of the Company, the par value of the ordinary shares will be repaid out of the assets available for distribution among the holders of the ordinary shares of the Company. Holders of ordinary shares have no conversion or redemption rights. On a show of hands, every holder of an ordinary share present in person or proxy at a general meeting of shareholders shall have one vote for each ordinary share held, with no individual having more than one vote.

During the year ended December 31, 2008 847,707 options were exercised by employees at an average exercise price of \$10.05 per share for total proceeds of \$8.5 million.

During the year ended December 31, 2009 489,370 options were exercised by employees at an average exercise price of \$9.03 per share for total proceeds of \$4.4 million.

During the year ended December 31, 2010 1,237,015 options were exercised by employees at an average exercise price of \$10.64 per share for total proceeds of \$13.2 million. During the year ended December 31, 2010 2,512 ordinary shares were issued in respect of certain RSU's previously awarded by the Company.

On July 21, 2008 the Company's shareholders approved a bonus issue of ordinary shares (the "Bonus Issue") to shareholders of record as of the close of business on August 8, 2008 (the "Record Date"). The Bonus Issue provided for each shareholder to receive one bonus ordinary share for each ordinary share held as of the Record Date, effecting the equivalent of a 2-for-1 stock split. The Bonus shares were issued on August 11, 2008 to Ordinary Shareholders and on August 12, 2008 to holders of American Depositary Shares ("ADSs"). The trading price of the Company's ADSs was adjusted on NASDAQ to effect the Bonus Issue prior to the opening of trading on August 13, 2008. All outstanding ordinary share amounts referenced in the consolidated financial statements and the notes thereto have been retrospectively restated to give effect to the Bonus Issue as if it had occurred as of the date referenced.

12. Income Taxes

The Company's United States and Irish based subsidiaries file tax returns in the United States and Ireland respectively. Other foreign subsidiaries are taxed separately under the laws of their respective countries.

The components of income before provision for income tax expense are as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 59,720	\$ 51,783	\$ 37,298
United States	23,305	12,997	12,276
Other	15,255	39,894	43,150
Income before provision for income taxes	\$ 98,280	\$ 104,674	\$ 92,724

The components of total income tax expense are as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
<u>Provision for income taxes:</u>			
Current:			
Ireland	\$ 6,508	\$ (3,841)	\$ 4,522
United States	6,674	9,492	(1,915)
Other	4,021	8,077	712
Total current tax	17,203	13,728	3,319
Deferred expense/(benefit):			
Ireland	569	(703)	788
United States	2,549	(1,672)	1,322
Other	(354)	(978)	224
Total deferred tax expense/(benefit)	2,764	(3,353)	2,334
Provision for income taxes	19,967	10,375	5,653
Impact on shareholders equity of the tax consequence of :			
Stock compensation expense	(4,060)	(487)	(2,345)
Currency impact of long term funding	(634)	1,142	198
Total	\$ 15,273	\$ 11,030	\$ 3,506

Ireland's statutory income tax rate is 12.5%. The Company's consolidated effective tax rate differed from the statutory rate as set forth below;

	December 2008	Year ended December 2009 (in thousands)	December 2010
Taxes at Irish statutory rate of 12.5% (2008:12.5%; 2007: 12.5%)	\$ 12,285	\$ 13,084	\$ 11,590
Foreign and other income taxed at higher/(reduced) rates	5,249	9,319	(4,765)
Research & Development Tax Incentives	-	(15,872)	(1,927)
Movement in valuation allowance	1,494	4,027	822
Prior year over provision in respect of foreign taxes	(88)	(329)	(285)
Effects of permanent items	520	65	97
Other	507	81	121
	\$ 19,967	\$ 10,375	\$ 5,653

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and deferred tax liabilities are presented below:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Deferred tax liabilities:			
Property, plant and equipment	\$ 5,764	\$ 6,100	\$ 6,645
Goodwill and related assets	5,112	6,301	8,055
Other intangible assets	1,219	1,312	223
Accruals	546	12	149
Other	1,008	750	835
Total deferred tax liabilities recognized	13,649	14,475	15,907
Deferred tax assets:			
Net operating loss carry forwards	9,690	12,826	16,580
Property, plant and equipment	260	1,090	882
Accrued expenses and payments on account	6,746	9,313	6,607
Stock options	2,426	3,547	3,522
Deferred compensation expense	737	947	1,349
Other	21	239	90
Total deferred tax assets	19,880	27,962	29,030
Valuation allowance for deferred tax assets	(5,903)	(10,411)	(12,290)
Deferred tax assets recognized	\$ 13,977	\$ 17,551	\$ 16,740
Net deferred tax asset	\$ 328	\$ 3,076	\$ 833

\$10.0 million (2009:\$6.9 million) of the deferred tax asset of \$16.7 million (2009:\$17.6 million) above is non-current. \$13.9 million (2009:\$12.7 million) of the deferred tax liability of \$15.9 million (2009:\$ 14.5 million) is non-current.

At December 31, 2010 non-U.S subsidiaries had operating loss carry forwards for income tax purposes that may be carried forward indefinitely, available to offset against future taxable income, if any, of approximately \$43.3 million (2009: \$34.8 million).

At December 31, 2010 ICON Central Laboratories Inc., a U.S. subsidiary, had U.S. Federal and State net operating loss carry forwards of approximately \$10.2 million and \$11.4 million, respectively. These net operating losses are available for offset against future taxable income and expire between 2011 and 2030. Of the \$10.2 million U.S. Federal and \$11.4 million State net operating losses, approximately \$9.1 million and \$10.2 million are currently available for offset against future U.S. Federal and State taxable income respectively. The subsidiary's ability to use the remaining U.S. Federal and State net operating loss ("NOL") carry forwards of \$1.1 million and \$1.2 million, respectively is limited to \$113,000 per year due to the subsidiary experiencing a change of ownership in 2000, as defined by Section 382 of the Internal Revenue Code of 1986, as amended.

The expected expiry dates of these losses are as follows:

	Federal NOL's (in thousands)	State NOL's
2011- 2013	\$ 339	\$ 339
2014- 2018	-	-
2019- 2030	9,908	11,028
	\$ 10,247	\$ 11,367

In addition, ICON Central Laboratories Inc has alternative minimum tax credit carry forwards of approximately \$0.2 million that are available to reduce future U.S. federal regular income taxes, over an indefinite period. It also has general business credit carry forwards of approximately \$0.3 million that are available to offset future U.S. federal income taxes.

At December 31, 2010 ICON Clinical Research Inc. and its U.S. subsidiaries had combined U.S. State net operating loss carry forwards of approximately \$5.2 million and \$13.9 million respectively. These net operating losses are available for offset against future, or in some cases prior, taxable income in the relevant state and generally expire between 2019 and 2030.

The expected expiry dates of these losses are as follows:

	Federal NOL's (in thousands)	State NOL's
2011- 2013	\$ -	\$ -
2014- 2018	-	-
2019- 2030	5,204	13,869
	\$ 5,204	\$ 13,869

ICON Clinical Research, Inc. has tax credit carry forwards of approximately U.S. \$0.3 million that are available to reduce future income taxes, if any. Of these, \$0.1 million begin to expire in 2012 and are subject to an annual limitation that will prevent full utilization before expiration. The remaining \$0.2 million is composed of alternative minimum tax credits and general business tax credits that are available to offset future regular income taxes over an indefinite period and 20 years, respectively.

The valuation allowance at December 31, 2010 was approximately \$12.3 million. The valuation allowance for deferred tax assets as of December 31, 2009 and December 31, 2008 was \$10.4 million and \$5.9 million respectively. The net change in the total valuation allowance was an increase of \$1.9 million during 2010 and an increase of \$4.5 million during 2009.

The valuation allowances at December 31, 2010 and December 31, 2009 were primarily related to tax losses and tax credits carried forward that, in the judgment of management, are not more likely than not to be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

The Company has not recognized a deferred tax liability for the undistributed earnings of foreign subsidiaries that arose in 2010 and prior years as the Company considers these earnings to be indefinitely reinvested.

A reconciliation of the beginning and ending amount of total unrecognized tax benefits is as follows:

	December 31, 2008	December 31, 2009	December 31, 2010
	(in thousands)		
Gross amount of unrecognized tax benefits at start of year	\$ 12,878	\$ 13,643	\$ 15,855
Increase related to prior year tax positions	-	373	189
Decrease related to prior year tax positions	(1,343)	-	(3,861)
Increase related to current year tax positions	2,760	2,512	-
Settlements	(529)	(75)	(289)
Lapse of statute of limitations	(123)	(598)	(3,328)
Gross amount of unrecognized tax benefits at end of year	\$ 13,643	\$ 15,855	\$ 8,566

The Company does not anticipate that the amount of unrecognized tax benefits at December 31, 2010 will significantly change in the coming year.

Included in the balance of total unrecognized tax benefits at December 31, 2010 there were net potential benefits of \$8.1 million, which if recognized, would affect the effective rate on income tax from continuing operations. The balance of total unrecognized tax benefits at December 31, 2009 and December 31, 2008 included net potential benefits which, if recognized, would affect the effective rate of income tax from continuing operations of \$15.4 million and \$8.8 million respectively.

Interest and penalties recognized as an expense during the year ended December 31, 2010 amounted to \$1.8 million (2009: \$1.2 million) and are included within the provision for income taxes. Total accrued interest and penalties as of December 31, 2010 and December 31, 2009 were \$1.7 million and \$3.5 million respectively and are included in the closing income tax liabilities at those dates.

Our major tax jurisdictions are the United States and Ireland. We may potentially be subjected to tax audits in our major jurisdictions. In the United States tax periods open to audit include the years ended December 31, 2007, December 31, 2008, December 31, 2009 and December 31, 2010. In Ireland tax periods open to audit include the years ended December 31, 2006, December 31, 2007, December 31, 2008, December 31, 2009 and December 31, 2010. During such audits, local tax authorities may challenge the positions taken by us.

13. One-time net charges

One-time net charges recognized during the year ended December 31, 2010 comprise:

	December 31, 2008	Year Ended December 31, 2009 (in thousands)	December 31, 2010
Restructuring charge	-	\$ 13,301	-
Research and development incentives	-	(4,493)	-
Net charge	-	\$ 8,808	-

Restructuring Charge

In response to the globalization of clinical studies and its attendant impact on resources in existing and emerging markets, the Company conducted a review of its existing infrastructure during the three months ended June 30, 2009 to better align its resources with the needs of its clients. This realignment resulted in resource rationalizations in certain more mature markets in which the Company operates. A restructuring charge of \$13.3 million was recognized during the three months ended June 30, 2009 comprising \$8.4 million in respect of office consolidations and \$4.9 million in respect of workforce reductions.

Details of restructuring provisions recognized are as follows:

	Workforce Reductions	Office Consolidations (in thousands)	Total
Initial provision recognised	\$ 4,886	\$ 8,548	\$ 13,434
Amounts released	-	(133)	(133)
Net provision recognised	4,886	8,415	13,301
Cash payments	(4,886)	(6,188)	(11,074)
Property, plant and equipment write-off	-	(1,912)	(1,912)
Closing provision (note 7)	\$ -	\$ 315	\$ 315

Research and Development Tax Incentives

During the year ended December 31, 2009 the Company received research and development incentives in certain jurisdictions in which it operates. Research and development credits are available to the Company under the tax laws in certain jurisdictions, based on qualifying research and development spend as defined under those tax laws. Research and development credits are generally recognized as a reduction of income tax expense. However, certain tax jurisdictions provide refundable credits that are not wholly dependent on the Company's ongoing income tax status or income tax position. In these circumstances the benefit of these credits is not recorded as a reduction to income tax expense, but rather as a reduction of the operating expenditure to which the credits relate. Income of \$4.5 million was recognized during the year ended December 31, 2009 in respect of these incentives.

14. Significant Concentrations

The Company does business with most major international pharmaceutical companies. Provision for doubtful debts at December 31, 2010 comprises:

	December 31, 2009	December 31, 2010
	(in thousands)	
Opening provision	\$ 7,474	\$ 5,210
Amounts used during the year	(166)	(2,192)
Amounts (released)/provided during the year	(2,098)	266
Closing provision	\$ 5,210	\$ 3,284

15. Commitments and Contingencies

The Company is not party to any litigation or other legal proceedings that the Company believes could reasonably be expected to have a material adverse effect on the Company's business, results of operations and financial condition.

The Company has several non-cancelable operating leases, primarily for facilities, that expire over the next 12 years. These leases generally contain renewal options and require the Company to pay all executory costs such as maintenance and insurance. The Company recognized \$45.6 million, \$45.2 million and \$46.0 million in rental expense for the years ended December 31, 2008, December 31, 2009 and December 31, 2010 respectively. Future minimum rental commitments for operating leases with non-cancelable terms in excess of one year are as follows:

	Minimum rental payments (in thousands)
2011	\$ 39,405
2012	34,302
2013	30,191
2014	25,327
2015	18,986
Thereafter	35,939
Total	\$ 184,150

The Company has a number of capital leases, primarily over furniture and equipment, which expire during 2011. Future commitments are as follows:

	Lease payments (in thousands)
2011	\$ 160
2012	-
2013	-
2014	-
2015	-
Thereafter	-
Less future finance charges	(2)
Total	\$ 158

16. Business Segment Information

The Company determines and presents operating segments based on the information that is internally provided to the Chief Executive Officer and Chief Financial Officer, who together are considered the Company's chief operating decision maker, in accordance with FASB ASC 280-10 *Disclosures about Segments of an Enterprises and Related Information*.

The Company operates predominantly in the contract clinical research industry providing a broad range of clinical research and integrated product development services on a global basis for the pharmaceutical and biotechnology industries. Historically, the Group organized, operated and assessed its business in two segments, the clinical research segment and the central laboratory segment, which includes the Company's central laboratories located in Dublin, New York, India, Singapore and China. During 2009 management determined that its clinical research and central laboratory businesses operate in the same clinical research market, have a similar customer profile, are subject to the same regulatory environment, support the development of new clinical therapies and are so economically similar, reporting their results on an aggregated basis would be more useful to users of the Company's financial statements. In addition, the central laboratory division did not reach the thresholds of net revenue, income from operations and total assets as a requirement for being reported as a separate segment. Accordingly, in 2009 the Company consolidated and reclassified the results of the former central laboratory segment into the clinical research segment for the years ended December 31, 2009 and December 31, 2008.

During the year ended December 31, 2010 the Company incurred losses in its central laboratory business, which in accordance with FASB ASC 280-10 *Disclosures about Segments of an Enterprises and Related Information* requires it to be reported as a separate segment. Accordingly the Company has disclosed two reportable segments for the year ended December 31, 2010. The Company has reclassified the results of the central laboratory segment from the clinical research segment for the year ended December 31, 2008 and December 31, 2009.

The Company's areas of operation outside of Ireland principally include the United States, United Kingdom, France, Germany, Italy, Spain, The Netherlands, Sweden, Finland, Switzerland, Poland, Czech Republic, Lithuania, Latvia, Russia, Ukraine, Hungary, Israel, Romania, Canada, Mexico, Brazil, Colombia, Argentina, Chile, Peru, India, China, Hong Kong, South Korea, Japan, Thailand, Taiwan, Singapore, The Philippines, Australia, New Zealand, and South Africa. Segment information as at December 31, 2010 and December 31, 2009 and for the years ended December 31, 2008, December 31, 2009 and December 31, 2010 is as follows:

a) The distribution of net revenue by geographical area was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 158,958	\$ 151,618	\$ 128,790
Rest of Europe	254,706	251,104	292,567
U.S.	379,140	408,561	381,196
Other	72,444	76,329	97,491
Total	\$ 865,248	\$ 887,612	\$ 900,044

b) The distribution of net revenue by business segment was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Central laboratory	\$ 71,115	\$ 70,656	\$ 63,813
Clinical research	794,133	816,956	836,231
Total	\$ 865,248	\$ 887,612	\$ 900,044

c) The distribution of income from operations by geographical area was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 67,264	\$ 54,083	\$ 36,636
Rest of Europe	7,960	23,945	24,212
U.S.	20,547	24,991	25,017
Other	3,733	4,433	6,230
Total	\$ 99,504	\$ 107,452	\$ 92,095

d) The distribution of income from operations by business segment was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Central laboratory	\$ 5,564	\$ 5,029	\$ (12,759)
Clinical research	93,940	102,423	104,854
Total	\$ 99,504	\$ 107,452	\$ 92,095

e) The distribution of property, plant and equipment, net, by geographical area was as follows:

	December 31, 2009 (in thousands)	December 31, 2010
Ireland	\$ 107,049	\$ 109,919
Rest of Europe	16,673	16,675
U.S.	45,194	33,855
Other	10,073	10,412
Total	\$ 178,989	\$ 170,861

f) The distribution of property, plant and equipment, net, by business segment was as follows:

	December 31, 2009 (in thousands)	December 31, 2010
Central laboratory	\$ 20,525	\$ 21,106
Clinical research	158,464	149,755
Total	\$ 178,989	\$ 170,861

g) The distribution of depreciation and amortization by geographical area was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 8,684	\$ 9,459	\$ 11,840
Rest of Europe	6,162	5,960	5,543
U.S.	10,393	13,945	12,422
Other	2,489	3,295	4,068
Total	\$ 27,728	\$ 32,659	\$ 33,873

h) The distribution of depreciation and amortization by business segment was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Central laboratory	\$ 2,247	\$ 3,724	\$ 4,888
Clinical research	25,481	28,935	28,985
Total	\$ 27,728	\$ 32,659	\$ 33,873

i) The distribution of total assets by geographical area was as follows:

	December 31, 2009 (in thousands)	December 31, 2010
Ireland	\$ 319,528	\$ 418,098
Rest of Europe	184,630	173,668
U.S.	375,682	329,971
Other	28,558	27,801
Total	\$ 908,398	\$ 949,538

j) The distribution of total assets by business segment was as follows:

	December 31, 2009 (in thousands)	December 31, 2010
Central laboratory	\$ 61,809	\$ 60,004
Clinical research	846,589	889,534
Total	\$ 908,398	\$ 949,538

k) The distribution of capital expenditures by geographical area was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 34,429	\$ 11,988	\$ 16,095
Rest of Europe	10,736	3,444	5,869
U.S.	21,774	14,730	5,852
Other	5,185	4,652	3,777
Total	\$ 72,124	\$ 34,814	\$ 31,593

l) The distribution of capital expenditures by business segment was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Central laboratory	\$ 8,607	\$ 10,774	\$ 3,991
Clinical research	63,517	24,040	27,602
Total	\$ 72,124	\$ 34,814	\$ 31,593

m) The following table sets forth the clients which represented 10% or more of the Company's net revenue in each of the periods set out below.

	December 2008	Year ended December 2009	December 2010
Client A	*	*	*

- Net revenue did not exceed 10%.

n) The distribution of interest income by geographical area was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 221	\$ 175	\$ 1,277
Rest of Europe	1,637	422	406
U.S.	988	135	22
Other	35	20	56
Total	\$ 2,881	\$ 752	\$ 1,761

o) The distribution of interest income by business segment was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Central laboratory	\$ 108	\$ 18	\$ 20
Clinical research	2,773	734	1,741
Total	\$ 2,881	\$ 752	\$ 1,761

p) The distribution of the tax charge by geographical area was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Ireland	\$ 7,078	\$ (4,544)	\$ 5,310
Rest of Europe	1,722	4,202	(1,606)
U.S.	9,224	7,820	(593)
Other	1,943	2,897	2,542
Total	\$ 19,967	\$ 10,375	\$ 5,653

q) The distribution of the tax charge by business segment was as follows:

	December 2008	Year ended December 2009 (in thousands)	December 2010
Central laboratory	\$ (397)	\$ 610	\$ (2,858)
Clinical research	20,364	9,765	8,511
Total	\$ 19,967	\$ 10,375	\$ 5,653

17. Supplemental Disclosure of Cash Flow Information

	December 2008	Year ended December 2009 (in thousands)	December 2010
Cash paid for interest	\$ 4,963	\$ 3,642	\$ 833
Cash paid for income taxes	\$ 19,543	\$ 12,977	\$ 14,634

18. Accumulated Other Comprehensive Income

	December 31, 2009	December 31, 2010
	(in thousands)	
Currency translation adjustments	\$ 28,657	\$ 18,956
Currency impact on long term funding	(19,031)	(20,111)
Tax on currency impact on long term funding	1,444	1,246
Actuarial gain on defined benefit pension plan	1,514	305
Total	\$ 12,584	\$ 396

19. Impact of New Accounting Pronouncements

In December 2010 the FASB issued ASU No. 2010-29 Business Combinations (Topic 805): *Disclosure of supplementary pro-forma information for Business Combinations*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-29 requires that the pro forma information be presented as if the business combination occurred at the beginning of the prior annual reporting period for purposes of calculating both the current reporting period and the prior reporting period pro-forma financial information. The ASU also requires that this disclosure be accompanied by a narrative description of the amount and nature of material nonrecurring pro forma adjustments. The amendments in the ASU are effective for fiscal years beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-09 to have a material impact on the financial statements.

In December 2010 the FASB issued ASU No. 2010-28 Intangibles – Goodwill and Other (Topic 350): *When to perform Step 2 of the Goodwill Impairment test for reporting units with zero or negative carrying amounts*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-28 modifies Step 1 of the goodwill impairment test for reporting units with zero or negative carrying amounts. For those reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. ASU 2010-28 is effective for fiscal years beginning after December 15, 2010. The Company does not expect the adoption of ASU 2010-28 to have a material impact on the financial statements.

In April 2010 the FASB issued ASU No. 2010-13 Compensation-Stock Compensation (Topic 718): *Effect of denominating exercise price of a share-based payment award in the currency of the market in which the underlying equity security trades*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-13 amends FASB ASC Topic 718, Compensation-Stock Compensation, to clarify that an employee share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity would not classify an award with such a feature as a liability if it otherwise qualifies as equity. The amendments should be applied by recording a cumulative effect adjustment to the opening balance of retained earnings. The amendments in the ASU are effective for fiscal years beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-13 to have a material impact on the financial statements.

In January 2010 the FASB issued ASU No. 2010-06 Fair Value Measurements and Disclosures (Topic 820): *Improving disclosures about Fair Value Measurements*, a consensus of the FASB Emerging Issues Task Force (“EITF”). ASU 2010-06 amends FASB ASC Topic 820 to require new disclosures and to clarify certain existing disclosures relating to fair value measurements. The new disclosures about purchases, sales, issuances, and settlements in the roll forward activity for Level 3 fair-value measurements are effective for fiscal years beginning after December 15, 2010.

In October 2009, the FASB issued ASU No. 2009-13 Revenue Recognition (Topic 605): *Multiple-Deliverable Revenue Arrangements* – a consensus of the FASB Emerging Issues Task Force, which amends the revenue recognition guidance for arrangements with multiple deliverables. The amendments to FASB ASC 605-25 allow vendors to account for products and services separately rather than as a combined unit. ASU 2009-13 is effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. The Company does not expect the adoption of ASU 2009-13 to have a material impact on the financial statements.

20. Related Parties

Year ended December 31, 2010

On December 31, 2009 Dr. John Climax retired as Chairman of the Board of the Company. From January 2010 he has held the position as an outside director of the Company. The Company has entered into a three year agreement with Rotrua Limited, a company controlled by Dr. Climax, for the provision of consultancy services at an agreed fee of €262,500 (\$348,968) per annum. The consultancy agreement provides that the Company will provide during the term of the agreement permanent disability and life insurance cover for Dr. Climax and medical insurance cover for himself and his dependants.

Year ended December 31, 2009

Mr Edward Roberts, who resigned as a Director of the Company in April 2010, previously served as Chairman of Merz GmbH. Merz is an independent German pharmaceutical company focused on the development of drugs for the treatment of illnesses in the fields of neurology and psychiatry. ICON Clinical Research Limited, a wholly owned subsidiary of the Company, has entered into a number of contracts with Merz for the provision of consulting and clinical trial related activities. The total potential value of these contracts is \$43.5 million. During the year ended December 31, 2009 the Company recognized a total of \$9.8 million of revenue in relation to these activities. At December 31, 2009 \$1.2 million was outstanding to be received from Merz GmbH.

Dr. Bruce Given previously served as Acting Chief Medical Officer of Sembiosys Genetics Inc. (“Sembiosys”). Sembiosys is a plant biotechnology company specializing in the production of high-value pharmaceutical and non-pharmaceutical products. During the year ending December 31, 2008 Sembiosys engaged ICON Development Solutions, a wholly owned subsidiary of ICON, in consulting and clinical trial related activities. The total potential value of this study was \$0.8 million. During the year ending December 31, 2009 ICON recognized a total of \$0.3 million of revenue in relation to these activities. There were no amounts outstanding as at December 31, 2009.

21. Subsequent Events

On January 14, 2011 the Company acquired approximately 80% of the common stock of Oxford Outcomes Limited, a leading international health outcomes consultancy business, headquartered in Oxford, United Kingdom, and with offices in the USA and Canada, for an initial cash consideration of £17.8 million (\$28.4 million). Oxford Outcomes provides specialist services in the areas of patient reported outcomes (PRO), health economics, epidemiology and translation and linguistic validation. The Company holds an option to acquire the remaining 20% of the common stock of Oxford Outcomes Limited during the year ended December 31, 2011 for cash consideration of £3.8 million (\$6.1 million). Further consideration of up to £8.0 million (\$12.8 million), including £1.5 million (\$2.4 million) relating to the remaining 20% of the common stock of Oxford Outcomes, may become payable during the period to March 31, 2012 if certain performance milestones are achieved.

SIGNATURES

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

ICON plc

Date March 22, 2011

/s/ Ciaran Murray
Ciaran Murray
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit Number	Title
3.1	Description of the Memorandum and Articles of Association of the Company.
10.1(d)	Amendment Number 2 to the Amended and Restated Office Space Lease, dated January 11, 2005, between ICON Clinical Research, Inc. and 212 C Associates, L.P. (incorporated by reference to Exhibit 10.1(d) to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.2	Agreement of Lease, dated August 13, 2001, between ICON Clinical Research (UK) Limited, ICON plc and Capital Business Parks Globeside Limited (incorporated by reference to Exhibit 10.2 to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.3	Agreement of Lease, dated November 29, 2002, between ICON Laboratories, Inc. and MSM Reality Co. LLC, Davrick, LLC and Sholom Blau Co. LLC (together, the "Landlord"). (incorporated by reference to Exhibit 10.3 to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.4	Highwoods Properties Office Lease, dated February 17, 2003, between ICON Clinical Research, Inc. and Highwoods Realty Limited Partnership (incorporated by reference to Exhibit 10.4 to the Form 20-F (File No. 333-08704) filed on March 31, 2009).
10.5	Amendment Number 4 to the Amended Office Space Lease, dated April 20, 2010 between Beacon Bioscience, Inc. and Stone Manor Partners, L.P.
12.1*	Section 302 certifications.
12.2*	Section 906 certifications.
21.1	List of Subsidiaries (incorporated by reference to Item 4 of Form 20-F filed herewith).
23.1	Consent of KPMG, Independent Registered Public Accounting Firm
101.1	Interactive Data Files (XBRL - Related Documents)

* Filed herewith

COMPANIES ACTS, 1963 to 2009

PUBLIC LIMITED COMPANY

MEMORANDUM

- AND -

ARTICLES OF ASSOCIATION

-OF-

ICON PUBLIC LIMITED COMPANY

(as amended by Special Resolutions up to
and including 19 July 2010)

PUBLIC LIMITED COMPANY

MEMORANDUM OF ASSOCIATION

- OF -

ICON PUBLIC LIMITED COMPANY
(as amended by Special Resolutions up to
and including 19 July 2010)

1. The name of the Company is Icon Public Limited Company.
 2. The Company is to be a public limited company.
 3. The objects for which the Company is established are:-
 - (1) To carry on the business of an investment holding company and for that purpose to subscribe for, take, purchase or otherwise acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world generally to carry on business as an investment or holding company; and
 - (a) to acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations, or securities by public offer, original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit and to hold, sell or otherwise and generally to sell exchange or otherwise dispose of deal with or turn to account any of the assets of the Company or any securities or investments of the Company acquired or agreed so to be and to invest in or to acquire by repurchase or otherwise any securities or investments of the kind before enumerated and to vary the securities and investments of the Company from time to time;
 - (b) to exercise and enforce all rights and powers conferred by or incidental to the ownership of any such shares, stock, obligations, or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof and to provide managerial and other executive supervisory or consultant services for, or in relation to, any company in which the Company is interested upon such terms as may be thought fit;
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- (c) to apply for, purchase or otherwise acquire and protect, prolong and renew in any part of the world, any patents, patent rights, brevets d'invention, licences, trade marks, technology and know-how, protections, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, manufacture under or grant licences or privileges in respect thereof or otherwise turn to account the property, rights and information so acquired, and to carry on any business in any way connected therewith, and to expend money in experimenting upon and testing and in improving, or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire; and
 - (d) to do all or any of the above things in any part of the world and either as principals, agents, contractors, trustees or otherwise, and either by or through trustees, agents, sub-contractors or otherwise and either alone or in partnership or in conjunction with any person or company, and to contract for the carrying on of any operation connected with the Company's business by any person or company.
- (2) The carrying out of research in the fields of nutrition and metabolism and health with particular reference to the facts and problems appertaining to and effects of drugs, antibiotics, acids, alkalis, pharmaceutical, medicinal and chemical preparations, articles and compounds (whether of animal, vegetable or mineral origin), odours, liquids, foods, cosmetics, perfumes, pigments, oleaginous and vaporaceous substances and the effects of nutritional or metabolic status on pharmacokinetics, pharmacodynamics, bioavailability, bioequivalence and metabolism of drugs.
 - (3) The advancement in the knowledge of matters relating to the electromagnetics, radiation, ecology and environment and the pharmacologic effects of drugs, cosmetics, food substances, food additives and beverages.
 - (4) To make provision and afford facilities for the training of approved persons with a view to preparing them as research workers in pharmacology, nutrition and metabolism, to encourage original research and to promote and grant scholarships and to conduct examinations and grant certificates and diplomas to such persons as satisfy the conditions prescribed by the Company (but so that no such certificate or diploma shall convey any statement expressing or implying that it is granted by or under the authority of the Departments of Health, Education, or any Government Department or Authority).
 - (5) To carry on the business of data management and processing operations whether by automatic processing or otherwise and including but not limited to the collection, processing, keeping, use and disclosure of information in accordance with any applicable laws.
 - (6) To carry on any other business except the issuing of policies of insurance which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
 - (7) As an object of the Company and as a pursuit in itself or otherwise and whether for the purpose of making a profit or avoiding a loss or for any other purpose whatsoever (whether or not the Company derives any benefit therefrom), to engage in currency exchange and interest rate transactions and any other financial or other transactions of whatever nature, including (without limiting the foregoing) any transaction for the purposes of, or capable of being for the purposes of, avoiding, reducing, minimising, hedging against or otherwise managing the risk of any loss, cost, expense or liability existing, or which may arise, directly or indirectly, from a change or changes in any interest rate or currency exchange rate or in the price or value of any property, asset, commodity, index or liability or from any other risk or factor, including but not limited to dealings, whether involving purchases, sales or otherwise, in foreign and Irish currency, spot and forward exchange rate contracts, forward rate agreements, caps, floors and collars, futures, options, swaps, and any other currency interest rate and other hedging arrangements and such other instruments as are similar to, or derivatives of, any of the foregoing.
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- (8) To invest any monies of the Company in such investments (including shares in the Company) and in such manner as may from time to time be determined and to hold, sell or deal with such investments and generally to purchase, take on lease or in exchange or otherwise acquire any real and personal property and rights or privileges.
 - (9) To acquire by purchase, exchange, lease, fee farm grant or otherwise either for an estate in fee simple or for any lesser estate or other estate or interest whether immediate or reversionary, and whether vested or contingent, any lands, tenements or hereditaments of any tenure, whether subject or not to any charges or encumbrances, and to hold, farm, work, manage, sell, let, alienate, mortgage or charge any lands, tenements or hereditaments, or any estates or interests therein, and any reversions, interests, annuities, life policies, and any other property, real or personal, movable or immovable either absolutely or conditionally and either subject or not to any mortgage, charge, annuity, ground rent or other rent or encumbrance and generally to purchase, take on, lease or in exchange or otherwise acquire any real or personal property of any nature, including choses in action and any rights or privileges of any nature.
 - (10) To develop and turn to account any land acquired by the Company or in which it is interested and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up and improving buildings and conveniences and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others.
 - (11) To establish and carry on and to promote the establishment and carrying on upon any property in which the Company has any interest of any business which may be conveniently carried on upon or in connection with such property and the establishment of which may seem calculated to enhance the value of the Company's interest in such property and to facilitate the disposal thereof.
 - (12) To acquire and undertake the whole or any part of the undertaking, business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on or which is capable of being conducted so as to benefit the Company directly or indirectly or which is possessed of assets suitable for the purposes of the Company.
 - (13) To lend money to such persons or companies either with or without security and upon such terms as may seem expedient and to guarantee the terms and provisions of any contracts or other obligations by any persons or companies and generally to give guarantees and indemnities for the obligations of any parties including the Company and whether or not the Company shall receive any consideration or other benefit for the same.
 - (14) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise or by mortgage charge or lien charged upon all or any of the Company's property, both present and future, including its uncalled capital, and to purchase, redeem or pay off any such securities and by a similar mortgage charge or lien to secure the obligations of the Company under any guarantee, indemnity, counter indemnity, negotiable instrument or other security instrument issued or given by the Company.
 - (15) To adopt such means of making known the Company and its products and services as may seem expedient.
 - (16) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property, undertaking, rights or assets of the Company and for such consideration as the Company might think fit. Generally to purchase, take on, lease or in exchange or otherwise acquire any real and personal property and rights or privileges.
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- (17) To guarantee, support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company, or by both such methods, the performance of the obligations of and the repayment or payment of the principal amounts of and premiums, interest and dividends on any securities of any person, firm or company, including (without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company as defined by Section 155 of the Companies Act, 1963, or another subsidiary as defined by the said Section of the Company's holding company or otherwise associated with the Company in business and to grant indemnities of all kind whether with or without any such security as above mentioned.
 - (18) To amalgamate with, merge with or otherwise become part of or associated with any other company or association in any manner permitted by law.
 - (19) To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concession or otherwise with any person or company or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company.
 - (20) To enter into any arrangement with any Government or authority supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such government or authority, any rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out exercise and comply with any such arrangements, rights, privileges and concessions.
 - (21) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who are or were at any time Directors or Officers of the Company or of any such other company, as aforesaid, or any person in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest and well being of the Company or of any other such company as aforesaid or of any such persons as aforesaid and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable, benevolent or political objects including the promotion of the arts and cultural artistic and literary matters generally or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company or other person as aforesaid.
 - (22) To establish and maintain a share option scheme or share option schemes as the Company may from time to time determine for any persons who are in the employment or service of the company or any subsidiary of the Company or any company which is allied to or associated with the company or with any such subsidiary or any person who are directors or officers of the Company or of any such other company as aforesaid or any person acting as a consultant to the Company or any subsidiary of the Company or such other persons as the Company may from time to time determine.
 - (23) To insure the life of any individual who may, in the opinion of the Company, be of value to the Company, as having or holding for the Company interest, goodwill, or influence or otherwise and to pay the premiums on such insurance.
 - (24) To promote any company or companies for the purpose of acquiring all or any of the property, assets and/or liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
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- (25) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures, debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.
- (26) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, letters of credit and other negotiable or transferable instruments.
- (27) To undertake and execute any trusts the undertaking whereof may seem desirable, whether gratuitously or otherwise.
- (28) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, or securities or any other company having objects in whole or in part similar to those of this Company.
- (29) To adopt such means of making known the products and business of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards, donations and other forms of sponsorship.
- (30) To obtain any provisional Order or Act of the Oireachtas or any licence certificate or other authority for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any proceedings applications or intended legislation or regulation which may seem calculated directly or indirectly to prejudice the Company's interests.
- (31) To procure the Company to be registered or recognised in any country or place.
- (32) To promote freedom of contract and to resist, insure against, counteract and discourage interference therewith, to join any lawful federation, union or association, or do any other lawful act or thing with a view to preventing or resisting directly or indirectly any interruption of, or interference with the Company's or any other trade or business, or providing or safe-guarding against the same, or resisting or opposing any strike movement or organisation which may be thought detrimental to the interests of the Company or its employees and to subscribe to any association or fund for any such purposes.
- (33) To do all or any of the above things in any part of the world and either as principal, agent, contractor, trustee or otherwise, and either by or through trustees, agents, sub-contractors or otherwise and either alone or in partnership or in conjunction with any person or company and to contract for the carrying on of any operation connected with the Company's business by any person or company.
- (34) To distribute any of the property of the Company in specie among the members.
- (35) To do all such other things as the Company may think incidental or conducive to the attainment of the above objects or any of them.

NOTE A: The objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be in no way limited or restricted by reference to, or interference from, the terms of any other paragraph.

NOTE B: It is hereby declared that the word "company" in this clause (except where it refers to this Company) shall be deemed to include any partnership or other body of persons, whether or not incorporated and whether formed in Ireland or elsewhere.

4. The liability of the members is limited.

5. The share capital of the Company is €6,000,000 divided into 100,000,000 Ordinary Shares of €0.06 each.

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ICON PUBLIC LIMITED COMPANY

(As amended by Special Resolutions up to and including
19 July 2010)

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A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ICON PUBLIC LIMITED COMPANY

Part I - Preliminary

1. Interpretation

(a) The regulations contained in Table A in the First Schedule to the Companies Act, 1963 shall not apply to the Company.

(b) In these Articles the following expressions shall have the following meanings:

"the Acts"	the Companies Acts, 1963 to 2009 and every statutory modification or re-enactment thereof for the time being in effect;
"the 1963 Act"	the Companies Act, 1963;
"the 1983 Act"	the Companies (Amendment) Act, 1983;
"the 1990 Act"	the Companies Act, 1990;
"address"	includes any number or address used for the purposes of communication by way of electronic mail or other Electronic Communication;
"Advanced Electronic Signature"	has the same meaning as under the Electronic Commerce Act, 2000 (as amended or supplemented from time to time);
"these Articles"	these articles of association as from time to time and for the time being in force;
"Associated Company"	any company which for the time being is a subsidiary or a holding company of the Company, is a subsidiary of a holding company of the Company or is a company in which the Company or any of such companies as aforesaid shall for the time being hold shares entitling the holder thereof to exercise at least one-fifth of the votes at any general meeting of such company (not being voting rights which arise only in specified circumstances);
"the Auditors"	the auditors for the time being of the Company;

"the Board"	the board of Directors
"Clear Days"	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect or is deemed to take effect;
"the Company"	the company whose name appears in the head of these Articles;
"the Directors"	the directors for the time being of the Company;
"Depository"	a custodian or other person approved by the Directors appointed under contractual arrangements with the Company (or a nominee for such custodian or other person) whereby such custodian or other person holds or is interested in Shares and which issues Depository Receipts representing Depository Shares evidencing interests in Deposited Shares;
"Depository Receipts"	receipts or similar documents of title issued by or on behalf of a Depository representing Depository Shares;
"Depository Shares"	means shares issued by a Depository represented by Depository Receipts and evidencing interests in Deposited Shares;
"Deposited Shares"	means the Shares held by a Depository or in which such Depository is interested in its capacity as Depository;
"Electronic Communication"	has the same meaning as under the Electronic Commerce Act, 2000 (as amended or supplemented from time to time) and "electronic" and "electronically" shall be construed accordingly.;
"Electronic Signature"	has the same meaning as under the Electronic Commerce Act, 2000 (as amended or supplemented from time to time);
"Euro" or "€"	shall refer to the single currency of participating member states of the European Union, the lawful currency of the State, and references to Irish Pounds, £, or IRE£ shall refer to the national currency unit (which is a subdivision of the Euro) of the State, as defined on 31 December 1998, being the day before the commencement of the third stage of Economic and Monetary Union.
"the Group"	the Company and its subsidiaries from time to time and for the time being;

"the Holder"	in relation to any Share, the Member whose name is entered in the Register as the holder of the Share;
"holding company"	in relation to a company, a company of which such company is a subsidiary;
"Interest"	means any interest whatsoever in Shares (of any size) which would be taken into account in deciding whether a notification to the Company would be required under Chapter 2 of Part IV of the 1990 Act;
"in writing"	written, printed, photographed or lithographed or visibly expressed in all or any of those or any other modes of representing or reproducing words provided that it shall not include writing in electronic form except as provided in these Articles and/or where it constitutes writing in electronic form sent to either the Company or a member of the Company, the Company or member of the Company has agreed to receipt in such form;
"The Irish Stock Exchange"	The Irish Stock Exchange Limited or any successor thereto;
"Member"	a member of the Company as defined in Section 31 of the 1963 Act;
"Nasdaq"	the National Association of Securities Dealers Automated Quotation national market system;
"the Office"	the registered office for the time being of the Company;
"Ordinary Shares"	ordinary shares of €0.06 each in the capital of the Company;
"the Register"	the register of Members to be kept by the Company as required by the Acts;
"the Record Date"	a date and time specified by the Company for eligibility for voting at a general meeting which may not be more than 48 hours before the general meeting to which it relates (provided that Saturdays, Sundays and public holidays shall not be counted in the calculation of such 48 hour period);
"the Seal"	the common seal of the Company or (where relevant) the official securities seal kept by the Company pursuant to the Acts;
"the Secretary"	any person appointed to perform the duties of the Secretary of the Company;
"Shares"	means any Shares (whether issued or unissued) in the capital of the Company
"the State"	the Republic of Ireland;

"Stock Exchange Nominee"	the meaning given to that expression by Section 1 of the Companies (Amendment) Act, 1977;
"The Stock Exchanges"	Nasdaq and any other exchange on which Shares are listed from time to time;
"subsidiary"	a subsidiary within the meaning of Section 155 of the 1963 Act;
"the United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"warrants to subscribe"	means a warrant or certificate or similar document indicating the right of the registered holder thereof (other than under a share option scheme for employees) to subscribe for Shares in the Company.

- (c) Expressions in these Articles referring to writing shall be construed, unless the contrary intention appears, as including references to printing, lithography, photography and any other modes of representing or reproducing words in a visible form. Expressions in these Articles referring to execution of any document shall include any mode of execution whether under seal or under hand.
 - (d) Unless specifically defined herein or the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Acts but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
 - (e) The headings and captions included in these Articles are inserted for convenience of reference only and shall not be considered a part of or affect the construction or interpretation of these Articles.
 - (f) References in these Articles to any enactment or any section or provision thereof shall mean such enactment, section or provision as the same may be amended and may be from time to time and for the time being in force.
 - (g) In these Articles the masculine gender shall include the feminine and neuter, and vice versa, and the singular number shall include the plural and vice versa, and words importing persons shall include firms and companies.
 - (h) References in these Articles to pounds or pence or IRE or IRp shall mean the currency, for the time being, of the State.
 - (i) References in these Articles to dollars or cents or \$ shall mean the currency for the time being of the United States of America.
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Part II - Share Capital and Rights

2. Share Capital

The share capital of the Company is €6,000,000 divided into 100,000,000 Ordinary Shares of €0.06 each.

3. Rights of Shares on issue

Without prejudice to any special rights previously conferred on the Holders of any existing Shares or class of Shares and subject to the provisions of the Acts, any Share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.

4. Redeemable Shares

Subject to the provisions of the Acts, any Shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company may by special resolution determine.

5. Variation of rights

- (a) Whenever the share capital is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the consent in writing of the Holders of three-fourths in nominal amount of the issued Shares of that class or with the sanction of a special resolution passed at a separate general meeting of the Holders of the Shares of the class (but not otherwise), and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued Shares of the class in question and the quorum at an adjourned meeting shall be one person holding Shares of the class in question or his proxy.
- (b) The rights conferred upon the Holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by these Articles or the terms of the issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith or subordinate thereto.

6. Trusts not recognised

Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by or be compelled in anyway to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any interest in any fractional part of a Share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the Holder.

7. Disclosure of Interests

- (a) For the purposes of this Article:-
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"*Deemed Voting Concert Party Interest*" means an agreement or arrangement between two or more persons with respect to, or to the exercise of, voting rights attaching to Shares and which is likely to result in those rights being exercised so as to influence or to control the policy of the Company or the management of its affairs which the Directors have deemed to be a Deemed Voting Concert Party Interest for the purposes of this Article 7 and, where the Directors so resolve, each of the persons who is party to such agreement or arrangement shall be deemed (for the purposes of this Article 7) to be interested in all the Shares to which the voting rights in question are attached and, in this definition, references to an arrangement include references to an understanding or mutual expectation, whether formal or informal and whether or not legally binding.

"*Disclosure Notice*" means a notice served pursuant to Article 7(b) below;

"*Interest*" means an interest (of any size) in the Relevant Share Capital which would be taken into account in deciding whether a notification to the Company would be required under Chapter 2 of Part IV of the 1990 Act but shall for all purposes include (the "*Included Interests*") (i) rights to subscribe for or convert into, or entitlements to acquire rights to subscribe for or convert into, shares which would on issue or conversion (as the case may be) be comprised in the Relevant Share Capital; (ii) the interests referred to in Section 78(1)(a), (c) and (g) of the 1990 Act except those of a bare or custodian trustee and of a simple trustee and (iii) any Deemed Voting Concert Party Interest; and "*interested*" shall be construed accordingly;

"*Relevant Share Capital*" means the relevant share capital of the Company (as that expression is defined in Section 67(2) of the 1990 Act);

"*Share*" means any share comprised in Relevant Share Capital.

- (b) The Directors may by notice in writing require any Member, or other person appearing to be interested or to have been interested in Shares, to disclose to the Company in writing such information as the Directors shall require relating to the ownership of or any Interest in Shares as lies within the knowledge of such Member or other person (supported if the Directors so require by a statutory declaration and/or by independent evidence) including (without prejudice to the generality of the foregoing):-
- (i) any information which the Company is entitled to seek pursuant to Section 81 of the 1990 Act.
- (c) Where the Member on which a Disclosure Notice is served is a Depository acting in its capacity as such, the obligations of the Depository as a Member pursuant to this Article shall be limited to disclosing to the Company in accordance with this Article such information relating to the ownership of or Interests in the Shares in question as has been recorded by it pursuant to the terms entered into between the Depository and the Company provided that nothing in this Article shall in any other way restrict the powers of the Directors under this Article.
- (d) The Directors may give any number of Disclosure Notices pursuant to Article 7(b) above to the same Member or other person in respect of the same Shares.
- (e) The Directors may serve notice pursuant to the terms of this Article irrespective of whether or not the person on whom it shall be served may be dead, bankrupt, insolvent or otherwise incapacitated and no such incapacity or any unavailability of information or inconvenience or hardship in obtaining the same shall be a satisfactory reason for failure to comply with any such notice, provided that if the Directors in their absolute discretion think fit, they may waive compliance in whole or in part with any notice given under this Article in respect of a Share in any case of bona fide unavailability of information or genuine hardship or where they otherwise think fit but no such waiver shall prejudice or affect in any way any non-compliance not so waived whether by the person concerned or any other person appearing to the Directors to be interested in the Shares or by any person to whom a notice may be given at any time.
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- (f) The provisions of Articles 125 to 132 inclusive shall apply to the service of notices required by this Article to be served.
- (g) Any resolution or determination of, or decision or exercise of any discretion or power by the Directors under or pursuant to the provisions of this Article shall be final and conclusive and things done by or on behalf of, or on the authority of, the Directors pursuant to the foregoing provisions of this Article shall be conclusive and binding on all persons concerned and shall not be open to challenge, whether as to validity or otherwise on any ground whatsoever. The Directors shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Article.
- (h) The provisions of this Article are in addition to, and do not limit, any other right or power of the Company or the Directors, including any right vested in the Company or the Directors by the Acts.

8. Allotment of Shares

- (a) The unissued Shares shall be at the disposal of the Directors and (subject to the provisions of these Articles and the Acts) they may allot, grant options over, deal with or otherwise dispose (with or without conferring a right of renunciation) of them on such terms and conditions and at such times as they may consider to be in the best interests of the Company and the Members but so that no Share shall be issued at a discount and so that, unless otherwise permitted under the Acts, where Shares are to be allotted and issued, the amount payable on application on each Share shall not be less than one-quarter of the nominal amount of the Share and the whole of any premium payable thereon.
- (b) Without prejudice to the generality of the powers conferred on the Directors by the other provisions of this Article, the Directors may grant from time to time options to subscribe for unallotted Shares in the capital of the Company to persons in the service or employment of or Directors of the Company or any subsidiary of the Company on such terms and subject to such conditions as may be approved from time to time by the Directors or any committee thereof appointed by the Directors for the purpose of such approval.
- (c) The Company may issue warrants to subscribe (by whatever name they are called) to any person to whom the Company has granted the right to subscribe for Shares in the Company (other than under a share option scheme for employees) certifying the right of the registered holder thereof to subscribe for Shares in the Company upon such terms and conditions as those upon which the right may have been granted.

9. Payment of commission

The Company may exercise the powers of paying commissions conferred or permitted by the Acts. Subject to the provisions of the Acts, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other. On any issue of Shares the Company may also pay such brokerage as may be lawful.

10. Payment by instalments

If by the conditions of allotment of any Share the whole or part of the amount or issue price thereof shall be payable by instalments, every such installment when due shall be paid to the Company by the person who for the time being shall be the Holder of the Share.

Part III - Share Certificates

11. Issue of certificates

Every Member (except a Stock Exchange Nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to receive within two months after allotment or lodgement of a transfer to him of the Shares in respect of which he is so registered (or within such other period as the conditions of issue shall provide) one certificate for all the Shares of each class held by him or several certificates each for one or more of his Shares upon payment for every certificate after the first of such reasonable out of pocket expenses as the Directors may determine provided that the Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and delivery of a certificate to one joint Holder shall be a sufficient delivery to all of them. The Company shall not be bound to register more than four persons as joint Holders of any Share (except in the case of executors or trustees of a deceased Member). Every certificate shall be sealed with the Seal and shall specify the number, class and distinguishing number (if any) of the Shares to which it relates and the amount or respective amounts paid up thereon.

12. Balance and exchange certificates

- (a) Where some only of the Shares comprised in a share certificate are transferred the old certificate shall be cancelled and the new certificate for the balance of such Shares shall be issued in lieu without charge.
- (b) Any two or more certificates representing Shares of any one class held by any Member at his request may be cancelled and a single new certificate for such Shares issued in lieu, without charge unless the Directors otherwise determine. If any Member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more Share certificates representing such Shares in such proportions as he may specify, the Directors may comply, if they think fit, with such request, subject to the payment by him of such charge as may be determined by the Directors.

13. Replacement of certificates

If a share certificate is defaced, worn out, lost, stolen or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity and payment of any exceptional expenses incurred by the Company as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

Part IV - Lien on Shares

14. Extent of lien

The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Directors, at any time, may declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share shall extend to all moneys payable in respect of it.

15. Power of sale

The Company may sell in such manner as the Directors determine any Share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen Clear Days after notice demanding payment, and stating that if the notice is not complied with the Shares may be sold, has been given to the Holder of the Share or to the person entitled to it by reason of the death or bankruptcy of the Holder.

16. Power to effect transfer

To give effect to a sale the Directors may take such steps as the Directors consider are necessary or desirable in order to effect such sale and, for this purpose, may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The transferee shall be entered in the Register as the Holder of the Shares comprised in any such transfer and he shall not be bound to see to the application of the purchase moneys nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale, and after the name of the transferee has been entered in the Register, the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

17. Proceeds of sale

The net proceeds of the sale, after payment of the costs relating thereto, shall be applied in payment of so much of the sum for which the lien exists as is presently payable and any residue (upon surrender to the Company for cancellation of the certificate for the Shares sold or an indemnity in a form which is satisfactory to the Directors and subject to a like lien for any moneys not presently payable as existed upon the Shares before the sale) shall be paid to the person entitled to the Shares at the date of the sale.

Part V - Calls on Shares and Forfeiture

18. Making of calls

Subject to the terms of allotment, the Directors may make calls upon the Members in respect of any moneys unpaid on their Shares and each Member (subject to receiving at least fourteen Clear Days' notice specifying when and where payment is to be made) shall pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may be revoked before receipt by the Company of a sum due thereunder, in whole or in part, and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for such call notwithstanding the subsequent transfer of the Shares in respect of which the call was made.

19. Time of call

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

20. Liability of joint Holders

The joint Holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

21. Interest on calls

If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call but the Directors may waive payment of the interest wholly or in part.

22. Amounts treated as calls

An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or by way of premium, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

23. Power to differentiate

Subject to the terms of allotment, the Directors may make arrangements on the issue of Shares for different terms to apply as between the Holders in relation to the amounts and times of payment of calls on their Shares.

24. Interest on moneys advanced

The Directors, if they think fit, may receive from any Member willing to advance same all or any part of the moneys uncalled and unpaid upon any Shares held by him, and upon all or any of the moneys so advanced may pay (until the same would, but for such advance, become payable) interest at such rate, not exceeding (unless the Company in general meeting otherwise directs) 15 per cent. per annum, as may be agreed upon between the Directors and the Member paying such sum in advance.

25. Notice requiring payment

- (a) If a Member fails to pay any call or installment of a call on the day appointed for payment thereof, the Directors, at any time thereafter during such times as any part of the call or installment remains unpaid, may serve a notice on him requiring payment of so much of the call or installment as is unpaid together with any interest which may have accrued.
 - (b) The notice shall name a further day (not earlier than the expiration of fourteen Clear Days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the Shares in respect of which the call was made will be liable to be forfeited.
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- (c) If the requirements of any such notice as aforesaid are not complied with then, at any time thereafter before the payment required by the notice has been made, any Shares in respect of which the notice has been given may be forfeited by a resolution of the Directors to that effect. The forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares and not paid before forfeiture. The Directors may accept a surrender of any Share liable to be forfeited hereunder.
- (d) On the trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove that the name of the Member sued is entered in the Register as the Holder, or one of the Holders, of the Shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the Member sued, in accordance with these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

26. Power of disposal

A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit and at any time before a sale or disposal the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal such a Share is to be transferred to any person, the Directors may take such steps as the Directors consider are necessary or desirable in order to effect such sale and, for this purpose, may authorise some person to execute an instrument of transfer of the Share to that person. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of and thereupon he shall be registered as the Holder of the Share and shall not be bound to see to the application of the purchase moneys, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share and after the name of the transferee has been entered in the Register the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

27. Effect of forfeiture

A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but nevertheless shall remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the Shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.

28. Statutory declaration

A statutory declaration that the declarant is a Director or the Secretary of the Company, and that a Share in the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

29. Non-payment of sums due on Share issues

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Part VI - Conversion of Shares into Stock

30. Conversion of Shares into stock

The Company by ordinary resolution may convert any paid up Shares into stock and reconvert any stock into paid up Shares of any denomination.

31. Transfer of stock

The holders of stock may transfer the same or any part thereof, in the same manner, and subject to the same regulations, as and subject to which the Shares from which the stock arose might have been transferred before conversion, or as near thereto as circumstances admit; and the Directors may fix from time to time the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of each Share from which the stock arose.

32. Rights of stockholders

- (a) The holders of stock shall have, according to the amount of stock held by them, the same rights, privileges and advantages in relation to dividends, voting at meetings of the Company and other matters as if they held the Shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which, if existing in Shares, would not have conferred that right, privilege or advantage.
- (b) Such of these Articles as are applicable to paid up Shares shall apply to stock, and the words "Share" and "Shareholder" therein shall include "stock" and "stockholder".

Part VII - Transfer of Shares

33. Form of instrument of transfer

Subject to such of the restrictions of these Articles and to such of the conditions of issue or transfer as may be applicable, the Shares of any Member may be transferred by instrument in writing (including writing in electronic form) in any usual or common form or any other form which the Directors may approve.

34. Execution of instrument of transfer

The instrument of transfer of any Share shall be executed by or on behalf of the transferor and, in cases where the Share is not fully paid, by or on behalf of the transferee. The transferor shall be deemed to remain the Holder of the Share until the name of the transferee is entered in the Register in respect thereof.

35. Refusal to register transfers

- (a) The Directors in their absolute discretion and without assigning any reason therefor may decline to register any transfer of a Share which is not fully paid save and however, that in the case of such a Share which is admitted to listing on any of The Stock Exchanges such restriction shall not operate so as to prevent dealings in such a Share of the Company from taking place on an open and proper basis.
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- (b) The Directors shall not register any person as a Holder of any Share in the Company (other than an allottee under an issue of Shares by way of capitalisation of profits or reserves made pursuant to these Articles or a Stock Exchange Nominee or a Depositary) unless such person has furnished to the Directors a declaration (in such form as the Directors may from time to time prescribe) signed by him or on his behalf (or, in the case of a corporation, sealed by the corporation or signed on its behalf by an attorney or duly authorised officer of the corporation), together with such evidence as the Directors may require of the authority of any signatory on behalf of such person, stating (i) the name and nationality of any person who has an Interest in any such Share and (if such declaration or the Directors so require) the nature and extent of the Interest of each such person or (ii) such other information as the Directors may from time to time determine. The Directors shall in any case where they may consider it appropriate require such person to provide such evidence or give such information as to the matters referred to in the declaration as they think fit. The Directors shall decline to register any person as a Holder of a Share if such further evidence or information is not provided or given. The Directors shall, so long as they act reasonably and in good faith, be under no liability to the Company or to any other person if they register any person as the Holder of a Share on the basis of a declaration or other evidence or information provided pursuant to this Article which declaration, evidence or information appears on its face to be correct.
- (c) The Directors may decline to recognise any instrument of transfer unless:-
- (i) the instrument of transfer is accompanied by the certificate of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (save where the transferor is a Stock Exchange Nominee);
 - (ii) the instrument of transfer is in respect of one class of Share only;
 - (iii) the instrument of transfer is in favour of not more than four transferees; and
 - (iv) it is lodged at the Office or at such other place as the Directors may appoint.

36. Procedure on refusal

If the Directors refuse to register a transfer then, within two months after the date on which the transfer was lodged with the Company, they shall send to the transferee notice of the refusal.

37. Closing of transfer books

The registration of transfers of Shares either generally or in respect of any class of Shares may be suspended at such times and for such periods (not exceeding thirty days in each year) as the Directors may determine.

38. Absence of registration fees

No fee shall be charged for the registration of any instrument of transfer or other document or instructions relating to or affecting the title to any Share.

39. Retention of transfer instruments

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

40. Renunciation of allotment

Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any Shares by the allottee in favour of some other person.

Part VIII - Bearer Warrants

41. Power to Issue Share Warrants to Bearer

- (a) Subject to the provisions of the 1963 Act the Directors may with respect to paid up Ordinary Shares issue under the seal of the Company Share Warrants to bearer stating that the bearer is entitled to the Shares therein specified (a "Warrantholder") and may provide, by coupons or otherwise, for the payment of future dividends or any other rights arising in the Shares included in such Warrant. All Shares while represented by Warrants shall be transferable by delivery of the Warrants relating thereto.
- (b) The Directors may determine, and from time to time vary, the conditions upon which Share Warrants may be issued and in particular upon which a new Share Warrant or coupon will be issued in place of one worn out, defaced or destroyed provided that no new Share Warrant shall be issued unless the Directors are satisfied beyond reasonable doubt that the original Warrant has been destroyed.
- (c) Subject to the provisions of the Acts, the bearer of a Share Warrant shall be deemed to be a Member of the Company to the full extent and shall be subject to the conditions relevant thereto for the time being enforced.

Part IX - Transmission of Shares

42. Death of Member

If a Member dies the survivor or survivors where he was a joint Holder, and his personal representatives where he was a sole Holder or the only survivor of joint Holders, shall be the only persons recognised by the Company as having any title to his interest in the Shares; but nothing herein contained shall release the estate of a deceased Member from any liability in respect of any Share which had been jointly held by him.

43. Transmission on death or bankruptcy

A person becoming entitled to a Share in consequence of the death or bankruptcy of a Member may elect, upon such evidence being produced as the Directors may properly require, either to become the Holder of the Share or to have some person nominated by him registered as the transferee. If he elects to become the Holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the Share to that person. All of the provisions of these Articles relating to the transfer of Shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the Member and the death or bankruptcy of the Member had not occurred.

44. Rights before registration

A person becoming entitled to a Share by reason of the death or bankruptcy of a Member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the Share) shall (notwithstanding that he is not entered on the Register as the holder of the Share) have the rights to which he would be entitled if he were the Holder of the Share, except that, before being registered as the Holder of the Share, he shall not be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the Holders of any class of Shares in the Company, so, however, that the Directors, at any time, may give notice requiring any such person to elect either to be registered himself or to transfer the Share and, if the notice is not complied with within ninety days, the Directors thereupon may withhold payment of all dividends, bonuses or other moneys payable in respect of the Share until the requirements of the notice have been complied with.

Part X - Alteration of Share Capital

45. Increase of capital

- (a) The Company from time to time by ordinary resolution may increase the share capital by such sum, to be divided into Shares of such amount, as the resolution shall prescribe.
- (b) Subject to the provisions of the Acts, the new Shares shall be issued to such persons, upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and, if no direction be given, as the Directors shall determine and in particular such Shares may be issued with a preferential or qualified right to dividends and in the distribution of the assets of the Company and with a special, or without any, right of voting.
- (c) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Shares shall be considered part of the pre-existing ordinary capital and shall be subject to the provisions herein contained with reference to calls and instalments, transfer and transmission, forfeiture, lien and otherwise.

46. Consolidation, sub-division and cancellation of capital

The Company, by ordinary resolution, may:-

- (a) consolidate and divide all or any of its share capital into Shares of larger amount;
 - (b) subject to the provisions of the Acts, subdivide its Shares, or any of them, into Shares of smaller amount, so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived (and so that the resolution whereby any Share is sub-divided may determine that, as between the Holders of the Shares resulting from such sub-division, one or more of the Shares may have, as compared with the others, any such preferred, deferred or other rights or be subject to any such restrictions as the Company has power to attach to unissued or new Shares); or
 - (c) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled.
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47. Fractions on consolidation

Subject to the provisions of these Articles, whenever as a result of a consolidation of Shares any Members would become entitled to fractions of a Share, the Directors may sell, on behalf of those Members, the Shares representing the fraction for the best price reasonably obtainable to any person and distribute the proceeds of sale in due proportion among those Members, and the Directors may take such steps as the Directors consider are necessary or desirable in order to effect such sale and, for this purpose, may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

48. Reduction of capital

The Company, by special resolution, may reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorised, and consent required, by law.

49. Purchase of own Shares

Subject to the provisions of the Acts and to any rights conferred on the Holders of any class of Shares, the Company may purchase all or any of its Shares of any class (including any redeemable Shares). Every contract for the purchase of, or under which the Company may become entitled or obliged to purchase, Shares in the Company shall be authorised by a special resolution of the Company. Neither the Company nor the Directors shall be required to select the Shares to be purchased rateably or in any particular manner as between the Holders of Shares of the same class or as between them and the Holders of Shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of Shares. Subject as aforesaid, the Company may cancel any Shares so purchased or may hold them as treasury Shares and issue any such treasury Shares as Shares of any class or classes or cancel them. Notwithstanding anything to the contrary contained in these Articles, the rights attached to any class of Shares shall be deemed not to be varied by anything done by the Company pursuant to this Article.

Part XI - General Meetings

50. Annual general meetings

The Company shall hold in each year a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it. Not more than fifteen months shall elapse between the date of one annual general meeting and that of the next.

51. Extraordinary general meetings

All general meetings other than annual general meetings shall be called extraordinary general meetings.

52. Convening general meetings

The Directors may convene general meetings. Extraordinary general meetings may also be convened by the Directors on such requisition, or in the event of default by the Directors may be convened by such requisitionists and in such manner, as may be provided by the Acts. If at any time there are not within the State sufficient Directors capable of acting to form a quorum, any Director or any two Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors.

53. **Notice of general meetings**

- (a) Subject to the provisions of the Acts allowing a general meeting to be called by shorter notice, an annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one Clear Days' notice and all other extraordinary general meetings shall be called by at least fourteen Clear Days' notice.
 - (b) Any notice convening a general meeting shall specify the time and place of the meeting and, in the case of special business, the general nature of that business and, in reasonable prominence, that a Member entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in his place and that a proxy need not be a Member of the Company. It shall also give particulars of any Directors who are to retire by rotation or otherwise at the meeting and of any persons who are recommended by the Directors for appointment or re-appointment as Directors at the meeting, or in respect of whom notice has been duly given to the Company of the intention to propose them for appointment or re-appointment as Directors at the meeting. Subject to any restrictions imposed on any Shares, the notice shall be given to all the Members and to the Directors and the Auditors.
 - (c) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.
 - (d) Where, by any provision contained in the Acts, extended notice is required of a resolution, the resolution shall not be effective (except where the Directors of the Company have resolved to submit it) unless notice of the intention to move it has been given to the Company not less than such number of days as the Acts permit before the meeting at which it is moved, and the Company shall give to the Members notice of any such resolution as required by and in accordance with the provisions of the Acts.
 - (e) The Directors may, for the purpose of controlling the level of attendance at any place specified for the holding of a general meeting, from time to time make such arrangements whether involving the issue of tickets (on a basis intended to afford to all Members otherwise entitled to attend such meeting an equal opportunity of being admitted to the meeting) or the imposition of some random means of selection or otherwise as they shall in their absolute discretion consider to be appropriate, and may from time to time vary any such arrangements or make new arrangements in place therefor and the entitlement of any Member or proxy to attend a general meeting at such place shall be subject to any such arrangements as may be for the time being in force and by the notice of meeting stated to apply to that meeting. In the case of any general meeting to which such arrangements apply the Directors shall, and in the case of any other general meeting the Directors may, when specifying the place of the general meeting, direct that the meeting shall be held at a place specified in the notice at which the Chairman of the meeting shall preside ("the Principal Place") and make arrangements for simultaneous attendance and participation at other places by members otherwise entitled to attend the general meeting but excluded therefrom under the provisions of this Article or who wish to attend at any of such other places provided that persons attending at the Principal Place and at any of such other places shall be able to see and hear and be seen and heard by persons attending at the Principal Place and at such other places. Such arrangements for simultaneous attendance may include arrangements for controlling the level of attendance in any manner aforesaid at such other places provided that they shall operate so that any such excluded members as aforesaid are able to attend at one of such other places. For the purposes of all other provisions of these Articles any such meeting shall be treated as being held and taking place at the Principal Place.
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54. Quorum for general meetings

- (a) No business other than the appointment of a Chairman shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Except as provided in relation to an adjourned meeting, three Members, present in person or by proxy, entitled to vote upon the business to be transacted, shall be a quorum.
- (b) If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such time and place as the Directors may determine. If at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, the meeting, if convened otherwise than by resolution of the Directors, shall be dissolved, but if the meeting shall have been convened by resolution of the Directors, two persons entitled to be counted in a quorum present at the meeting shall be a quorum.

55. Special business

All business shall be deemed special that is transacted at an extraordinary general meeting. All business that is transacted at an annual general meeting shall also be deemed special with the exception of declaring a dividend, the consideration of the accounts, balance sheets and reports of the Directors and Auditors, the election of Directors in the place of those retiring (whether by rotation or otherwise), the fixing of the remuneration of the Directors, the re-appointment of the retiring Auditors and the fixing of the remuneration of the Auditors.

56. Chairman of general meetings

- (a) The Chairman of the board of Directors or, in his absence, the deputy Chairman (if any) or, in his absence, some other Director nominated by the Directors shall preside as Chairman at every general meeting of the Company. If at any general meeting none of such persons shall be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the Directors present shall elect one of their number to be Chairman of the meeting and, if there is only one Director present and willing to act, he shall be Chairman.
- (b) If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of the Members personally present to be Chairman of the meeting.

56A. Tabling resolutions at general meetings

Where any Members seek to exercise their right, pursuant to Section 133B(1)(b) of the 1963 Act, to table a draft resolution for an item on the agenda of a general meeting of the Company, the draft resolution and sufficient evidence of their shareholding (by virtue of which the Members may exercise their right under Section 133B(1)(b) of the 1963 Act) must be received by the Secretary by post at the Company's registered office or by electronic means in either case at least fourteen Clear Days prior to the general meeting to which the draft resolution relates.

57. Directors' and Auditors' right to attend general meetings

A Director shall be entitled, notwithstanding that he is not a Member, to attend and speak at any general meeting and at any separate meeting of the Holders of any class of Shares in the Company. The Auditors shall be entitled to attend any general meeting and to be heard on any part of the business of the meeting which concerns them as the Auditors.

58. Adjournment of general meetings

The Chairman, with the consent of a meeting at which a quorum is present, may (and if so directed by the meeting, shall) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for fourteen days or more or sine die, at least seven Clear Days' notice shall be given, in the same manner as it was given for the meeting, specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting.

59. Determination of resolutions

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Unless a poll is so demanded a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn before the poll is taken but only with the consent of the Chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. Voting may also be undertaken by way of such electronic devices as are for the time being and from time to time approved by the Directors in their absolute discretion and all of the provisions of these Articles relating to voting shall be interpreted accordingly.

60. Amendments to resolutions

Subject to the provisions of the Acts, if an amendment shall be proposed to any resolution under consideration but shall be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. Subject to the Acts and the other provisions of these Articles, in the case of a resolution duly proposed, no amendment thereto may be considered or voted upon unless the Chairman in his absolute discretion decides that it may be considered or voted upon.

61. Entitlement to demand poll

Subject to the provisions of the Acts, a poll may be demanded:-

- (a) by the Chairman of the meeting;
 - (b) by at least three Members present (in person or by proxy) having the right to attend and vote at the meeting;
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- (c) by any Member or Members present (in person or by proxy) representing in aggregate not less than one-tenth of the total voting rights of all the Members having the right to attend and vote at the meeting; or
- (d) by a Member or Members present (in person or by proxy) holding Shares in the Company conferring the right to attend and vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

62. Taking of a poll

- (a) Save as provided in paragraph (b) of this Article and subject to compliance with the requirements of the Acts, a poll shall be taken in such manner (including by the use of a ballot, electronic devices, voting papers or tickets) as the Chairman in his discretion may direct and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (b) A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time (not being more than thirty days after the poll is demanded) and place as the Chairman of the meeting may direct. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- (c) No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

63. Votes of Members

- (a) A person shall be entered on the Register by the Record Date specified in respect of a general meeting in order to exercise the right of a member to participate and vote at the general meeting and any change to an entry on the Register after the Record Date shall be disregarded in determining the right of any person to attend and vote at the meeting.
- (b) Votes may be given either personally or by proxy. Subject to any rights or restrictions for the time being attached to any class or classes of Shares on a show of hands every Member present in person and every proxy shall have one vote, so, however, that no individual shall have more than one vote, and on a poll every Member shall have one vote for every Share carrying voting rights of which he is the Holder.

64. Chairman's casting vote

Where there is an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to any other vote he may have.

65. Voting by joint Holders

Where there are joint Holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, in respect of such Share shall be accepted to the exclusion of the votes of the other joint Holders; and for this purpose seniority shall be determined by the order in which the names of the Holders stand in the Register in respect of the Share.

66. Voting by incapacitated Holders

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction (whether in the State or elsewhere) in matters concerning mental disorder, may vote, whether on a show of hands or on a poll, by his committee, receiver, guardian or other person appointed by that court and any such committee, receiver, guardian or other person may vote by proxy on a show of hands or on a poll.

Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote pursuant to this Article shall be deposited at the Office or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

67. Default in payment of calls

Unless the Directors otherwise determine, no Member shall be entitled to vote at any general meeting or any separate meeting of the Holders of any class of Shares in the Company, either in person or by proxy, or to exercise any privilege as a Member in respect of any Share held by him unless all moneys then payable by him in respect of that Share have been paid.

68. Restriction of voting and other rights

- (a) If at any time the Directors shall determine that a Specified Event (as defined in paragraph (h)) shall have occurred in relation to any Share or Shares the Directors may serve a notice to such effect on the Holder or Holders thereof. Upon the expiry of a period of 14 days following the service of any such notice (in these Articles referred to as a "Restriction Notice") and for so long as such Restriction Notice shall remain in force, no Holder or Holders of the Share or Shares specified in such Restriction Notice ("the Relevant Shares") shall be entitled to attend or vote at any general meeting, either personally or by proxy in respect of such Relevant Shares; and the Directors shall, where the Restricted Shares represent not less than 0.25 per cent. of the total number of issued Shares of the same class of Shares as the Relevant Shares, be entitled:
- (i) to withhold payment of any dividend or other amount payable in respect of the Relevant Shares without any liability to pay interest thereon when such money is paid to the Member; and/or
 - (ii) to refuse to register any transfer of the Relevant Shares (other than a transfer made as part of a sale to a bona fide unconnected third party where evidence that such is the case has been provided to the Directors upon a request being made by them in writing to the Holder or Holders of the Relevant Shares) or any renunciation of new Shares or debentures made in respect thereof.
- (b) A Restriction Notice shall be cancelled by the Directors as soon as reasonably practicable, but in any event not later than forty-eight hours after the Holder or Holders concerned or any other relevant person shall have remedied the default by virtue of which the Specified Event shall have occurred;
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- (c) A Restriction Notice shall automatically cease to have effect in respect of any Share transferred upon registration of the relevant transfer provided that a Restriction Notice shall not cease to have effect in respect of any transfer where no change in the beneficial ownership of the Share shall occur and for this purpose it shall be assumed that no such change has occurred where a transfer form in respect of the Share is presented for registration having been stamped at a reduced rate of stamp duty by virtue of the transferor or transferee claiming to be entitled to such reduced rate as a result of the transfer being one where no beneficial interest passes.
- (d) The Directors shall cause a notation to be made in the Register against the name of any Holder or Holders in respect of whom a Restriction Notice shall have been served indicating the number of Shares specified in such Restriction Notice and shall cause such notation to be deleted upon cancellation or cesser of such Restriction Notice.
- (e) Where dividends or other payments are not paid as a result of restrictions imposed on Relevant Shares, such dividends or other payments shall accrue and shall be payable (without interest) upon the cancellation of the Restriction Notice.
- (f) Any determination of the Directors and any notice or request served by them pursuant to the provisions of this Article shall be conclusive as against the Holder or Holders of any Share and the validity of any notice or request served by the Directors in pursuance of this Article shall not be questioned by any person.
- (g) If, while any Restriction Notice shall remain in force in respect of any Holder or Holders of any Shares, such Holder or Holders shall be issued with any further Shares as a result of such Holder or Holders not renouncing any allotment of Shares made to him or them pursuant to a capitalisation issue under Articles 122 to 124, the Restriction Notice shall be deemed also to apply to such Holder or Holders in respect of such further Shares on the same terms and conditions as were applicable to the said Holder or Holders immediately prior to such issue of further Shares.
- (h) For the purpose of these Articles the expression "Specified Event" in relation to any Share shall mean either of the following events:-
 - (i) the failure by the Holder or Holders thereof to pay any call or installment of a call in the manner and at the time appointed for payment thereof; or
 - (ii) the failure by the Holder thereof or any of the Holders thereof or any other relevant person to comply, to the satisfaction of the Directors, with all or any of the terms of Section 81 of the 1990 Act and/or Article 7 in respect of any notice or notices given to him or any of them thereunder.

69. Time for objection to voting

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at such meeting shall be valid. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

70. Appointment of proxy

Every Member entitled to attend and vote at a general meeting may appoint a proxy (or, where Shares are held in different securities accounts more than one proxy, but so that the number of proxies appointed shall not exceed the number of securities accounts in which Shares are held by that Member) to attend, speak and vote on his behalf. A Member acting as an intermediary on behalf of a client may grant a proxy to each of his clients, or to any third party designated by a client to attend, speak and vote on his behalf. The appointment of a proxy shall be in writing in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the appointor (or otherwise authenticated in such manner or form as the Directors may approve). Any signature on such appointment of a proxy need not be witnessed. A body corporate may execute a form of proxy under its common seal or under the hand of a duly authorised officer thereof. A proxy need not be a Member of the Company. No appointment of a proxy shall be valid after twelve months have elapsed from the date named in it as the date of its execution.

71. Bodies corporate acting by representatives at meetings

Any body corporate which is a Member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual Member of the Company.

72. Deposit of proxy instruments

The appointment of a proxy and any authority under which it is executed (or otherwise authenticated in a manner approved by the Directors) or a copy of such authority or appointment (or the information contained therein), certified notarially or in some other way authenticated in a manner approved by the Directors, shall be delivered to or lodged at the Office or (at the option of the Member) at such other place or places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting not later than the Record Date in respect of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. Provided that:

- a) in the case of a meeting which is adjourned to, or a poll which is to be taken on, a date not later than the Record Date applicable to the meeting which was adjourned or at which the poll was demanded, it shall be sufficient if the appointment of a proxy and any such authority and certification thereof as aforesaid is delivered to or lodged with the Secretary at the commencement of the adjourned meeting or the taking of the poll;
 - b) an appointment of a proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require to be delivered again for the purposes of any subsequent meeting to which it relates;
 - c) appointments of proxy may, provided they are received in legible form, be submitted by telefax to such telefax number as may be specified by the Secretary for such purpose provided that in the case of such telefax appointment of proxy, the Secretary shall have endorsed the same with a certificate stating that he is satisfied as to the authenticity thereof; and
 - d) when two or more valid but differing appointments of a proxy are received in respect of the same shares for use at the same meeting, the one bearing the later date shall be treated as replacing and revoking the other; if the appointments are undated the last one received shall be treated as valid; and if the Company is unable to determine which was the last received, none shall be treated as valid, and a certificate endorsed by the Secretary stating that the appointment is valid or invalid, as the case may be, shall be conclusive for all purposes.
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72A Electronic proxy

Notwithstanding anything contained in these Articles, in relation to any Shares, the Directors may from time to time permit appointments of proxies to be made by electronic means (including without limitation by means of Electronic Communication generated and sent by Members to the Company via a website for this purpose using identification numbers communicated by or on behalf of the Company to each Member) in such manner or form and subject to such terms, conditions or restrictions as the Directors may, subject to and in accordance with the Acts, determine or approve from time to time in their absolute discretion. Subject as aforesaid, the Company and its Directors, Secretary or officers shall not be compelled to accept or receive any instrument appointing a proxy in accordance with this Article until such time as the Directors shall have advised (pursuant to any terms and conditions of Electronic Communication or otherwise) the Members in writing of the manner, form and restrictions (if any) by which such appointment may be made. The Directors may prescribe the method of determining the time at which any such appointment of a proxy is to be treated as received by the Company. The Directors may treat any such appointment which purports to be or is expressed to be sent on behalf of a Member as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that Member.

For the purposes of Article 72, the place to which the appointment of proxy should be delivered by the Member shall be such number or address (including any number or address used for the purpose of communication by way of electronic mail or other Electronic Communication) or identification number of a Member as is notified by the Directors to the Members whether by way of note to the notice convening the meeting or otherwise.

73. Effect of proxy appointments

- a) Delivery or lodging of an appointment of a proxy in respect of a meeting shall not preclude a Member from attending and voting at the meeting or at any adjournment thereof. A proxy shall have the right unless the contrary is stated in his appointment to exercise all or any of the rights of his appointer, or (where more than one proxy is appointed) all or any of the rights attached to the shares in respect of which he has been appointed the proxy to attend, to demand or join in demanding a poll and to speak and vote at a general meeting of the Company. Unless his appointment provides otherwise, a proxy may vote or abstain in his discretion on any resolution put to the vote. The appointment of a proxy shall be valid, unless the contrary is stated therein, as well for any adjournment of the meeting as for the meeting to which it relates.
- b) Subject always to the provisions of the Acts, the appointment, and notification of any revocation of appointment of, a proxy, and the giving of voting instructions to a proxy shall be subject to such formal requirements as the Directors from time to time in their absolute discretion may consider necessary in order to ensure the correct identification of a Member's appointment, to ensure the correct identification of a proxy acting on foot of such appointment, and to ensure the correct determination of a Member's voting instructions.

74. Effect of revocation of proxy or of an authorisation

A vote given or poll demanded in accordance with the terms of an appointment of a proxy or a resolution authorising a representative to act on behalf of a body corporate shall be valid notwithstanding the death or insanity of the principal or the revocation of the appointment of a proxy or of the authority under which the appointment of a proxy was executed or otherwise authenticated in a manner approved by the Directors (as the case may be) or of the resolution authorising the representative to act or transfer the Share in respect of which the appointment of a proxy or the authorisation of the representative to act was given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office or at such other address as may be specified in the notice of meeting or in the notes thereto at least one hour or such longer period as may be required by the Directors and so notified in the notice of meeting or in the notes thereto as aforesaid before the commencement of the meeting or adjourned meeting at which the appointment of a proxy is used or at which the representative acts PROVIDED HOWEVER that where such intimation is given in electronic form, it shall have been received by the Company at least 24 hours before the commencement of the meeting, or such other period as may be specified by the Directors and so notified in the notice of meeting or in the notes thereto as aforesaid before the commencement of the meeting or adjourned meeting at which the appointment of a proxy is used or at which the representative acts.

The Directors may send, at the expense of the Company, by post, by electronic means or otherwise, to the Members appointments of a proxy (with or without stamped envelopes for their return) for use at any general meeting or at any class meeting, either in blank or nominating any one or more of the Directors or any other persons in the alternative. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the expense of the Company, such invitations shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy. The accidental omission to issue the appointments of proxy herein referred to, or the non-receipt of any such invitation by any Member entitled to receive such invitation shall not invalidate the proceedings at any such meeting.

Part XIII - Directors

75. Number of Directors

- (a) Unless otherwise determined by the Company in General Meeting the number of Directors shall not be more than fifteen nor less than three. The continuing Directors may act notwithstanding any vacancy in their body, provided that if the number of the Directors is reduced below the prescribed minimum the remaining Director or Directors shall appoint forthwith an additional Director or additional Directors to make up such minimum or shall convene a general meeting of the Company for the purpose of making such appointment. If there be no Director or Directors able or willing to act then any two Members may summon a general meeting for the purpose of appointing Directors. Any additional Director so appointed shall hold office (subject to the provisions of the Acts and these Articles) only until the conclusion of the annual general meeting of the Company next following such appointment unless he is re-elected during such meeting and he shall not retire by rotation at such meeting or be taken into account in determining the Directors who are to retire by rotation at such meeting.

76. Share qualification

A Director shall not require a Share qualification.

77. Ordinary remuneration of Directors

The ordinary remuneration of the Directors shall be determined from time to time by an ordinary resolution of the Company and shall be divisible (unless such resolution shall provide otherwise) among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of the remuneration related to the period during which he has held office.

78. Special remuneration of Directors

Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

79. Expenses of Directors

The Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the Holders of any class of Shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

80. Alternate Directors

- (a) Any Director may appoint by writing under his hand any person (including another Director) to be his alternate provided always that no such appointment of a person other than a Director as an alternate shall be operative unless and until such appointment shall have been approved by resolution of the Directors.
- (b) An alternate Director shall be entitled, subject to his giving to the Company an address within the State, the United Kingdom or the United States of America, to receive notices of all meetings of the Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present and in the absence of his appointor to exercise all the powers, rights, duties and authorities of his appointor as a Director (other than the right to appoint an alternate hereunder).
- (c) Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration paid to the Director appointing him and shall consist of such portion of the last mentioned remuneration as shall be agreed between the alternate and the Director appointing him.
- (d) A Director may revoke at any time the appointment of any alternate appointed by him. If a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine but if a Director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.
- (e) Any appointment or revocation pursuant to this Article may be sent by delivery, post, cable, telegram, telex, telefax, electronic mail or any other means of communication approved by the Directors and may bear a printed or facsimile signature of the Director making such appointment or revocation or in any other manner approved by the Directors.

Part XIV - Powers of Directors

81. Directors' powers

Subject to the provisions of the Acts, the Memorandum of Association of the Company and these Articles and to any directions by the Members given by ordinary resolution, not being inconsistent with these Articles or with the Acts, the business of the Company shall be managed by the Directors who may do all such acts and things and exercise all the powers of the Company as are not by the Acts or by these Articles required to be done or exercised by the Company in general meeting. No alteration of the Memorandum of Association of the Company or of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

82. Power to delegate

Without prejudice to the generality of the last preceding Article, the Directors may delegate (with power to sub- delegate) any of their powers to any Managing Director or any other Director holding any other executive office and to any committee consisting of one or more Directors together with such other persons (if any) as may be appointed to such committee by the Directors provided that a majority of the members of each committee appointed by the Directors shall at all times consist of Directors and that no resolution of any such committee shall be effective unless a majority of the members of the committee present at the meeting at which it was passed are Directors. Insofar as any such power or discretion is delegated to a committee any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such a committee. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of these Articles regulating the proceedings of Directors so far as they are capable of applying.

83. Appointment of attorneys

The Directors, from time to time and at any time by power of attorney under seal, may appoint any company, firm or person or fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit. Any such power of attorney may contain such provisions for the protection of persons dealing with any such attorney as the Directors may think fit and may authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

84. Local management

Without prejudice to the generality of Articles 82 and 83 the Directors may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in the State or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the Directors with power to sub-delegate and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith with any such committee, local board or agency, without notice of any such removal, annulment or variation shall be affected thereby.

85. Borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property, assets, and uncalled capital or any part thereof subject to Part III of the 1983 Act and to issue debentures, debenture stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, without any limitation as to amount.

86. Execution of negotiable instruments

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person or persons and in such manner as the Directors shall determine from time to time by resolution.

87. Provision for employees

The Directors may exercise any power conferred by the Acts to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or any part of the undertaking of the Company or that subsidiary.

Part XV - Appointment and Retirement of Directors

88. Retirement by rotation

- (a) At each annual general meeting of the Company one third of the Directors who are subject to retirement by rotation, rounded down to the next whole number if it is a fractional number, shall retire from office, but if there is only one Director who is subject to retirement by rotation then he shall retire.
 - (b) The Directors (including any Directors holding executive office pursuant to these Articles) to retire by rotation shall be those who have been longest in office since their last appointment or reappointment but as between persons who became or were last reappointed Directors on the same day those to retire shall be determined (unless they otherwise agree among themselves) by lot.
 - (c) A Director who retires at an annual general meeting may be reappointed, if willing to act. If he is not reappointed (or deemed to be reappointed pursuant to these Articles) he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
 - (d) Notwithstanding any other provision of this Article, if any of the Directors who are Directors of the Company on the date of adoption of these Articles retires prior to or at the Third Annual General Meeting held following the date of adoption of these Articles, other than in accordance with the provisions of this Article (a "Retiring Director"), any Director appointed to replace any such Director or, for the avoidance of doubt, any Director taking the place on the Board originally held by a Retiring Director (in each case a "Substitute Director") shall be deemed to have been appointed a Director of the Company on the date on which the Retiring Director was appointed a Director of the Company, solely for the purpose of determining which of the Directors are to retire by rotation in accordance with the provisions of this Article. If no Director is appointed to replace any such Retiring Director or any Substitute Director then, notwithstanding that no such Director is appointed, none of the Directors of the Company on the date of adoption of these Articles shall be required to retire in accordance with the provisions of this Article at an earlier date than he could otherwise have been required to retire had such Retiring Director not retired and the number of Directors to retire at any annual general meeting in accordance with the provisions of this Article shall accordingly be reduced, if necessary. The terms of this Article shall cease to apply following the Third Annual General Meeting held following the date of adoption of these Articles.
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89. Deemed reappointment

If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy, the retiring Director, if willing to act, shall be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or a resolution for the reappointment of the Director is put to the meeting and lost.

90. Eligibility for appointment as a Director

- (a) No person other than a Director retiring by rotation shall be appointed a Director at any annual general meeting unless he is recommended by the Directors or unless a draft resolution for the appointment of such person (accompanied by the particulars which would be required, if he were to be so appointed, to be included in the Company's register of Directors together with a notice executed by that person of his willingness to be appointed) shall have been proposed by a Member or Members holding not less than three per cent of the issued share capital, representing not less than three per cent of the total voting rights of all the Members who have a right to vote at the meeting, received by the Company in hardcopy form or in electronic form at least forty-two days before the meeting to which it relates, and passed at that meeting in compliance with the Acts and these Articles.
- (b) In the case of a general meeting other than an annual general meeting, no person other than a Director retiring as aforesaid or a person recommended by the Directors shall be appointed unless not less than fourteen nor more than thirty Clear Days before the date appointed for the meeting, a draft resolution for the appointment of such person (accompanied by the particulars which would be required, if he were to be so appointed, to be included in the Company's register of Directors together with a notice executed by that person of his willingness to be appointed) shall have been proposed by a Member or Members holding not less than three per cent of the issued share capital, representing not less than three per cent of the total voting rights of all the Members who have a right to vote at the meeting, received by the Company in hardcopy form or in electronic form, and passed at that meeting in compliance with the Acts and these Articles.
- (c) No Director shall be required to retire on account of age.

91. Appointment of additional Directors

Subject as aforesaid, the Company by ordinary resolution may appoint a person to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire.

The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If not re-appointed at such annual general meeting, such Director shall vacate office at the conclusion thereof.

Part XVI - Disqualification and Removal of Directors

92. Disqualification of Directors

The office of a Director and, in the case of (f) the office of the Chairman, shall be vacated ipso facto if:-

- (a) he ceases to be a Director by virtue of any provision of the Acts or he becomes prohibited by law from being a Director;
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) in the opinion of a majority of his co-Directors, he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (d) (not being a Director holding for a fixed term an executive office in his capacity as a Director) he resigns his office by notice to the Company;
- (e) he is convicted of an indictable offence, unless the Directors determine otherwise;
- (f) he shall have been absent for more than six consecutive months without permission of the Directors from meetings of the Directors held during that period and his alternate Director (if any) shall not have attended any such meeting in his place during such period and the Directors pass a resolution that by reason of such absence he has vacated office;
- (g) he is removed from office by notice in writing served upon him signed by all his co-directors; if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

93. Removal of Directors

The Company, by ordinary resolution of which extended notice has been given in accordance with the provisions of the Acts, may remove any Director before the expiry of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may, if thought fit, by ordinary resolution appoint another Director in his stead. The person appointed shall be subject to retirement at the same time as if he had become a Director on the date on which the Director in whose place he is appointed was last appointed a Director. Nothing in this Article shall be taken as depriving a person removed hereunder of compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that of Director.

Part XVII - Directors' Offices and Interests

94. Executive offices

- (a) The Directors may appoint one or more of their body to the office of Managing Director or to any other executive office under the Company (including, where considered appropriate, the office of the Chairman) on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may revoke any such appointment at any time.
 - (b) A Director holding any such executive office shall receive such remuneration, whether in addition to or in substitution for his ordinary remuneration as a Director and whether by way of salary, commission, participation in profits or otherwise or in any combination of the foregoing as the Directors may determine.
 - (c) The appointment of any Director to the office of Chairman or Managing Director shall determine automatically if he ceases to be a Director (other than where he is re-appointed as a Director at an Annual General Meeting of the Company having retired by rotation in accordance with these Articles) but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
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- (d) The appointment of any Director to any other executive office shall not determine automatically if he ceases from any cause to be a Director unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- (e) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and other-wise as the Directors shall arrange.

95. Disclosure of interests by Directors

A Director or shadow director of the Company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall comply with the provisions of Section 194 of the 1963 Act with regard to the disclosure of such interest by declaration.

96. Directors' interests

- (a) A Director notwithstanding his office but subject to his having disclosed any interest which he is required to disclose whether by these Articles or the Acts in accordance with these Articles or the Acts as the case may be:-
 - (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or Associated Company thereof or in which the Company or any subsidiary or Associated Company thereof is otherwise interested;
 - (ii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company or any subsidiary or Associated Company thereof is otherwise interested; and
 - (iii) shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
 - (b) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason solely of such Director holding that office or of the fiduciary relationship thereby established. The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration or, if the Director was not at the date of that meeting interested in the proposed contract or arrangements at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made at the first meeting of the Directors held after he becomes so interested.
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- (c) A copy of every declaration made and notice given under this Article shall be entered within three days after the making or giving thereof in a book kept for this purpose. Such book shall be open for inspection without charge by any Director, Secretary, Auditor or Member of the Company at the Office and shall be produced at every general meeting of the Company and at any meeting of the Directors if any Director so requests in sufficient time to enable the book to be available at the meeting.
- (d) For the purposes of this Article:-
 - (i) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons or company is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified with the relevant party; and
 - (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

97. Restriction on Directors' voting

- (a) Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Directors or a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly or together with any person or persons connected with him an interest which is material or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.
 - (b) A Director shall be entitled (unless he has some material interest or duty which conflicts or may conflict with the interests of the Company which is not indicated below) to vote (and be counted in the quorum) in respect of any resolutions concerning any of the following matters, namely:-
 - (i) the giving of any security, guarantee or indemnity to him in respect of money lent by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary companies or obligations incurred by him or any other person on behalf of the Company or any of its subsidiaries at the request of or for the benefit of the Company or any of its subsidiary companies;
 - (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary companies for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
 - (iii) the subscription or purchase of shares, debentures or other securities of the Company or any of its subsidiary companies pursuant to an offer or invitation to members or debenture holders of the Company or any of its subsidiary companies or any class of them, or to the public or any section of the public in which offer or invitation he is or may be entitled to participate as a holder of securities or in which he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
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- (iv) any proposal concerning any other company in which he is interested, directly or indirectly or together with any person or persons connected with him and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested, directly or indirectly in one per cent. or more of the issued shares of any class of such company or of the voting rights available to members of such company (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances);
 - (v) any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval for taxation purposes by the appropriate Revenue authorities which does not award the Director any privilege or benefit not generally awarded to the employees to whom such arrangement or scheme relates;
 - (vi) any proposal concerning the adoption, modification or operation of any scheme for enabling employees (including full time executive Directors) of the Company and/or any subsidiary thereof to acquire Shares in the Company or any arrangement for the benefit of employees of the Company or any of its subsidiaries which does not award the Director any privilege or benefit not generally awarded to the employees to whom such scheme or arrangement relates; or
 - (vii) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of the Directors or for the benefit of persons including the Directors.
- (c) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting thereon), shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (d) If a question arises at a meeting of Directors or of a committee of Directors as to the materiality of a Director's interest or as to the right of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question may be referred, before the conclusion of the meeting, to the Chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fully and fairly disclosed; provided that, if such question arises in relation to the Chairman of the meeting, he shall temporarily vacate the chair.
- (e) For the purposes of this Article, an interest of a person who is the spouse or a minor child of a Director shall be treated as an interest of the Director and in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director.

98. Entitlement to grant pensions

The Directors may provide benefits, whether by way of pensions, gratuities or otherwise, for any Director, former Director or other officer or former officer of the Company or to any person who holds or has held any employment with the Company or with any body corporate which is or has been a subsidiary of or an Associated Company of the Company or a predecessor in business of the Company, any subsidiary of the Company or of any such Associated Company and to any member of his family or any person who is or was dependent on him and may set up, establish, support, alter, maintain and continue any scheme for providing all or any such benefits and for such purposes any Director accordingly may be, become or remain a member of, or rejoin, any scheme and receive or retain for his own benefit all benefits to which he may be or become entitled thereunder. The Directors may pay out of the funds of the Company any premiums, contributions or sums payable by the Company under the provisions of any such scheme in respect of any of the persons or class of persons above referred to who are or may be or become members thereof.

Part XVIII - Proceedings of Directors

99. Convening and regulation of Directors' meetings

- (a) Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retrospective. If the Directors so resolve, it shall not be necessary to give notice of a meeting of Directors to any Director who, being a resident of the State, is for the time being absent from the State.
- (b) Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing by delivery, post, cable, telegram, telex, telefax, electronic mail or otherwise in electronic form, (whether as an electronic communication or otherwise) or by any other means of communication approved by the Directors to him at his last known address or any other address or number (including any address or number used for the purpose of communication by way of electronic mail or other electronic communication) given by him to the Company for this purpose.

100. Quorum for Directors' meetings

- (a) The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be three. For the purposes of this Article an alternate Director shall be counted in a quorum, but so that not less than two individuals shall constitute the quorum.
- (b) Any Director who ceases to be a Director at a meeting of the Directors may continue to be present and to act as a Director and to be counted in the quorum until the termination of the meeting provided no other Director objects and provided also that otherwise a quorum of Directors would not be present.
- (c) The continuing Directors or a sole Director may act notwithstanding any vacancies in their number but if the number of Directors is less than the number fixed as the quorum, they may act only for the purpose of filling vacancies or of calling a general meeting.

101. Voting at Directors' meetings

- (a) Questions arising at any meeting of Directors shall be decided by a majority of votes. Where there is an equality of votes, the Chairman of the meeting shall have a second or casting vote.
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- (b) Subject as hereinafter provided, each Director present and voting shall have one vote and in addition to his own vote shall be entitled to one vote in respect of each other Director not present at the meeting who shall have authorised him in respect of such meeting to vote for such other Director in his absence. Any such authority may relate generally to all meetings of the Directors or to any specified meeting or meetings and must be in writing and may be sent by delivery, post, cable, telegram, telex, telefax, or may be provided in electronic form (whether as an electronic communication or otherwise) or be sent by any other means of communication approved by the Directors and may bear a printed or facsimile signature of the Director giving such authority or may be otherwise authenticated in such manner as may be prescribed by the Directors. The authority must be delivered to the Secretary prior to or must be produced at the first meeting at which a vote is to be cast pursuant thereto provided that no Director shall be entitled to any vote at a meeting on behalf of another Director pursuant to this paragraph if the other Director shall have appointed an alternate Director and that alternate Director is present at the meeting at which the Director proposes to vote pursuant to this paragraph.

102. Telecommunication meetings

Any Director or alternate Director may participate in a meeting of the Directors or any committee of the Directors by means of conference telephone or other telecommunications equipment by means of which all persons participating in the meeting can hear each other speak and such participation in a meeting shall constitute presence in person at the meeting. Any such Director or alternate Director participating by means of conference telephone or other telecommunications equipment shall be counted in assessing whether any quorum is present at such meeting.

103. Chairman of the board of Directors

Subject to any appointment to the office of Chairman made pursuant to these Articles, the Directors may elect a Chairman of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is unwilling to act or is not present within five minutes after the time appointed for holding the same the Deputy Chairman if any, shall be the Chairman of the meeting or if he is unwilling to act or is not present within five minutes after the time appointed for holding the same the Directors present may choose one of their number to be Chairman of the meeting.

104. Validity of acts of Directors

All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified from holding office or had vacated office, shall be as valid as if every such person had been duly appointed and was qualified to be a Director, had continued to be a Director and had been entitled to vote.

105. Directors' resolutions or other documents in writing

A resolution or other document in writing signed (or otherwise authenticated in a manner determined by the Directors) by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed (or otherwise authenticated as aforesaid, as the case may be) by one or more Directors and a resolution signed by an alternate Director need not also be signed by his appointer and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity. Such resolution or other document or documents when duly signed (or otherwise authenticated as aforesaid, as the case may be) may be delivered or transmitted (unless the Directors shall otherwise determine either generally or in any specific case) by facsimile transmission or some other similar means of transmitting the contents of documents or may be delivered or transmitted in electronic form, whether as an electronic communication or otherwise provided such manner of delivery or transmission has been approved by the Directors.

Part XIX - The Secretary

106. Appointment of secretary

The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. Anything required or authorised by the Acts or these Articles to be done by or to the Secretary may be done by or to any assistant or acting Secretary or, if there is no assistant or acting Secretary readily available and capable of acting, by or to any officer or employee of the Company authorised generally or specially in that behalf by the Directors: Provided that any provision of the Acts or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in the place of, the Secretary.

Part XX - The Seal

107. Use of Seal

The Directors shall ensure that the Seal shall be used only by the authority of the Directors or of a committee authorised by the Directors.

108. Seal for use abroad

The Company may exercise the powers conferred by the Acts with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

109. Signature of sealed instruments

- (a) Subject as provided in paragraph (b) of this Article, every instrument to which the Seal shall be affixed shall, as part of the sealing process, be signed by at least one Director or other person duly authorised in that behalf by the Directors and by the Secretary or one of the persons authorised as aforesaid (who has not already signed) and, in favour of any purchaser or person dealing with the Company in good faith, such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.
- (b) The Directors may by resolution determine, either generally or in any particular case, that in respect of certificates for Shares or debentures or other securities of the Company, the signature of any Director or of the Secretary or other person authorised by the Directors as aforesaid forming part of the sealing process may be applied or effected by non-autographic means, or that such certificates shall bear no signatures, and in favour of any registered holder or other person acquiring any such Shares or debentures or other securities in good faith a certificate executed in any of the modes of execution authorised herein shall be as valid and effective as if such certificate was issued under the Seal of the Company pursuant to these Articles.

Part XXI - Dividends and Reserves

110. Declaration of dividends

- (a) Subject to the provisions of the Acts, the Company by ordinary resolution may declare dividends in accordance with the respective rights of the Members, but no dividend shall exceed the amount recommended by the Directors. Dividends may be declared or paid in any currency.
- (b) The Directors may at their discretion make provision to enable any Holder of Ordinary Shares as they shall from time to time determine to receive dividends duly declared in a currency or currencies other than Euro. For the purposes of the circulation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such market rate selected by the Directors as they shall consider appropriate ruling at the close of business in Dublin on the date which is the business day last preceding (i) in the case of a dividend to be declared by the Company in general meeting, the date on which the Directors publicly announce their intention to recommend that specific dividend; and (ii) in the case of any other dividend, the date on which the Directors publicly announce their intention to pay that specific dividend.
- (c) Where a Holder of Ordinary Shares has elected or agreed pursuant to provision made under these Articles to receive dividends in a currency other than Euro the Directors may at their discretion make such arrangements as they deem necessary to enable payment of the dividend to be made to such Holders in such currency for value on the date on which the relevant dividend is paid, or such later date as the Directors may determine.

111. Scrip dividend

The Directors may, if authorised by an ordinary resolution of the Company, offer any Holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Directors) of any dividend specified by the ordinary resolution. The following provisions shall apply (subject always to the provisions of the Acts):

- (a) An ordinary resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period, but such period may not end later than the beginning of the annual general meeting next following the date of the meeting at which the ordinary resolution is passed.
 - (b) The entitlement of each Holder of Ordinary Shares to new Ordinary Shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder elects to forgo. For this purpose, "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's Ordinary Shares on Nasdaq or such other Stock Exchange upon which the Company's Ordinary Shares are admitted as derived from the daily official list, on the day on which the Ordinary Shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such manner as may be determined by or in accordance with the ordinary resolution. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount.
 - (c) On or as soon as practicable after announcing that the Company is to declare or recommend any dividend, the Directors, if they intend to offer an election in respect of that dividend, shall also announce that intention, and shall after determining the basis of allotment, if they decide to proceed with the offer, notify the Holders of Ordinary Shares in writing of the right of election offered to them and specify the procedure to be followed and place at which, and the latest time by which elections must be lodged in order to be effective. Any election by a holder of Ordinary Shares shall be binding on every successor in title to the Ordinary Shares in respect of which the election is made.
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- (d) The Directors shall not proceed with any election unless the Company has sufficient unissued Shares authorised for issue and sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined.
- (e) The Directors may exclude from any offer any Holders of Ordinary Shares where the Directors believe that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them.
- (f) The dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on Ordinary Shares in respect of which an election has been made ("the elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment calculated as stated. For such purpose the Directors shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution as the Directors may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution to the holders of the elected Ordinary Shares on that basis and the provisions of Article 124 shall apply mutatis mutandis to any capitalisation made pursuant to this Article.
- (g) The additional Ordinary Shares when allotted shall rank pari passu in all respects with the fully-paid Ordinary Shares then in issue except that they will not be entitled to participation in the relevant dividend.
- (h)
 - (i) The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation with full power for the Directors to make such provisions as they think fit in the case of Shares becoming distributable in fractions (including provisions whereby, in whole or in part, the fractional entitlements are disregarded and, the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned. The Directors may, in their absolute discretion, if it shall in their opinion seem expedient, suspend or terminate (whether temporarily or otherwise) such right to elect and may do such acts and things considered necessary or expedient with regard to, or in order to effect, any such suspension or termination;
 - (ii) Notwithstanding the foregoing, the Directors may at any time prior to payment of the relevant dividend determine, if it appears to them desirable to do so because of a change in circumstances, that the dividend shall be payable wholly in cash and if they so determine then all elections made shall be disregarded. The relevant dividend shall be payable wholly in cash if the Ordinary Shares of the Company cease to be listed or dealt in on any recognised stock exchange at any time prior to the due date of issue of the additional Ordinary Shares or, if such listing is suspended and not reinstated by the date immediately preceding the due date of such issue.

112. Interim and fixed dividends

Subject to the provisions of the Acts, the Directors may declare and pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may declare and pay interim dividends on Shares which confer deferred or non-preferred rights with regard to dividend as well as on Shares which confer preferential rights with regard to dividend, but subject always to any restrictions for the time being in force (whether under these Articles, under the terms of issue of any Shares or under any agreement to which the Company is a party, or otherwise) relating to the application, or the priority of application, of the Company's profits available for distribution or to the declaration or as the case may be the payment of dividends by the Company. Subject as aforesaid, the Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the Holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any Shares having deferred or non-preferred rights.

113. Payment of dividends

- (a) Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Share is issued on terms providing that it shall rank for dividend as from a particular date, such Share shall rank for dividend accordingly. For the purposes of this Article, no amount paid on a Share in advance of calls shall be treated as paid on a Share.
- (b) If several persons are registered as joint Holders of any Share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the Share.

114. Deductions from dividends

The Directors may deduct from any dividend or other moneys payable to any Member in respect of a Share any moneys presently payable by him to the Company in respect of that Share.

115. Dividends in specie

A general meeting declaring a dividend may direct, upon the recommendation of the Directors, that it shall be satisfied wholly or partly by the distribution of assets (and, in particular, of paid up Shares, debentures or debenture stock of any other company or in any one or more of such ways) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof in order to adjust the rights of all the parties and may determine that cash payments shall be made to any Members upon the footing of the value so fixed and may vest any such specific assets in trustees.

116. Payment of dividends by post

Any dividend or other moneys payable in respect of any Share may be paid by cheque or warrant sent by post, at the risk of the person or persons entitled thereto, to the registered address of the Holder or, where there are joint Holders, to the registered address of that one of the joint Holders who is first named on the Register or to such person and to such address as the Holder or joint Holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and payment of the cheque or warrant shall be a good discharge to the Company. Any joint Holder or other person jointly entitled to a Share as aforesaid may give receipts for any dividend or other moneys payable in respect of the Share. The Directors may also, in circumstances which they consider appropriate, arrange for payment of dividends by electronic funds transfer, bank transfer or by any other method selected by the Directors from time to time and in such event the debiting of the Company's account in respect of the appropriate amount shall be deemed a good discharge of the Company's obligations in respect of any payment made by any such method.

117. Dividends not to bear interest

No dividend or other moneys payable by the Company on or in respect of any Shares shall bear interest against the Company unless otherwise provided by the rights attached to the Shares.

118. Payment to Holders on a particular date

Any resolution declaring a dividend on Shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same may be payable to the persons registered as the Holders of such Shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se of transferors and transferees of any such Shares in respect of such dividend. The provisions of this Article shall apply, mutatis mutandis, to capitalisations to be effected in pursuance of these Articles.

119. Unclaimed dividends

If the Directors so resolve, any dividend which has remained unclaimed for twelve years from the date of its declaration shall be forfeited and cease to remain owing by the Company. The payment by the Directors of any unclaimed dividend or other moneys payable in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend, interest or other sum payable which remains unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

120. Reserves

Before recommending any dividend, whether preferential or otherwise, the Directors may carry to reserve out of the profits of the Company such sums as they think proper. All sums standing to reserve may be applied from time to time at the discretion of the Directors for any purpose to which the profits of the Company may be properly applied and at the like discretion may be either employed in the business of the Company or invested in such investments as the Directors may lawfully determine. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they may lawfully determine. Any sum which the Directors may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Directors may also carry forward, without placing the same to reserve, any profits which they may think it prudent not to divide.

Part XXII - Accounts

121. Accounts

- (a) The Directors shall cause to be kept proper books of account, whether in the form of documents or otherwise, that:
 - (i) correctly record and explain the transactions of the Company,
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- (ii) will at any time enable the financial position of the Company to be determined with reasonable accuracy,
 - (iii) will enable the Directors to ensure that any balance sheet, profit and loss account or income and expenditure account of the Company complies with the requirements of the Acts, and
 - (iv) will enable the accounts of the Company to be readily and properly audited.
- (b) The books of account of the Company shall be kept on a continuous and consistent basis, that is to say, the entries therein shall be made in a timely manner and be consistent from one year to the next.
- (c) Proper books shall not be deemed to be kept if there are not kept such books of account as comply with the Acts and as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
- (d) The books of account shall be kept at the Office or, subject to the provisions of the Acts, at such other place as the Directors think fit and shall be open at all reasonable times to the inspection of the Directors.
- (e) In accordance with the provisions of the Acts, the Directors shall cause to be prepared and to be laid before the annual general meeting of the Company from time to time such profit and loss accounts, balance sheets, group accounts and reports as are required by the Acts to be prepared and laid before such meeting.
- (f) A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the annual general meeting of the Company together with a copy of the Directors' report and Auditors' report shall be sent, not less than twenty-one Clear Days before the date of the annual general meeting, to every person entitled under the provisions of the Acts to receive them; and the required number of copies of these documents shall be forwarded at the same time to the appropriate sections of The Stock Exchanges.
- (g) Auditors shall be appointed and removed and their duties regulated in accordance with the Acts.

Part XXIII - Capitalisation of Profits or Reserves

122. Capitalisation of profits and reserves

Without prejudice to any powers conferred on the Directors by these Articles, the Company in general meeting may resolve, upon the recommendation of the Directors, that any sum for the time being standing to the credit of any of the Company's reserves (including any capital redemption reserve fund or Share premium account) or to the credit of the profit and loss account be capitalised and applied on behalf of the Members who would have been entitled to receive that sum if it had been distributed by way of dividend and in the same proportions either in or towards paying up amounts for the time being unpaid on any Shares held by them respectively, or in paying up in full unissued Shares or debentures of the Company of a nominal amount equal to the sum capitalised (such Shares or debentures to be allotted and distributed credited as fully paid up to and amongst such Holders in the proportions aforesaid) or partly in one way and partly in another, so, however, that the only purposes for which such sums standing to the credit of the capital redemption reserve fund or the share premium account shall be applied shall be those permitted by the Acts.

123. Capitalisation and use of non-distributable profits and reserves

Without prejudice to any powers conferred on the Directors as aforesaid, the Company in general meeting may resolve, on the recommendation of the Directors, that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued Shares to be allotted as fully paid bonus Shares to those Members of the Company who would have been entitled to that sum if it were distributable and had been distributed by way of dividend (and in the same proportions) and the Directors shall give effect to such resolution.

124. Implementation of capitalisation issues

Whenever such a resolution is passed in pursuance of either of the two immediately preceding Articles, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provisions as they shall think fit for the case of Shares or debentures becoming distributable in fractions (and, in particular, without prejudice to the generality of the foregoing, either to disregard such fractions or to sell the Shares or debentures represented by such fractions and distribute the net proceeds of such sale to and for the benefit of the Company or to and for the benefit of the Members otherwise entitled to such fractions in due proportions) and to authorise any person to enter on behalf of all the Members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares or debentures to which they may become entitled on such capitalisation or, as the case may require, for the payment up by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares and any agreement made under such authority shall be binding on all such Members.

Part XXIV - Notices

125. Notices in writing

Any notice to be given, served or delivered pursuant to these Articles shall be in writing or by sending the same by electronic mail or other form of Electronic Communication approved by the Directors to the address of any Member notified to the Company by the Member for such purpose.

126. Service of notices and documents

- (a) A notice or document (including a share certificate and a proxy appointment) to be given, served or delivered in pursuance of these Articles or otherwise may be given to, served on or delivered to any Member by the Company:
- (i) by handing same to him or his authorised agent;
 - (ii) by leaving the same at his registered address;
 - (iii) by sending the same by the post in a pre-paid cover addressed to him at his registered address; or
 - (iv) by delivering or making the same available in electronic form, whether as an electronic communication or otherwise subject to and in accordance with the provisions of these Articles.
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- (b) Where a notice or document is given, served or delivered pursuant to sub paragraph (a)(i) or (ii) of this Article, the giving, service or delivery thereof shall be deemed to have been effected at the time the same was handed to the Member or his authorised agent, or left at his registered address (as the case may be).
- (c) Where a notice or document is given, served or delivered pursuant to sub-paragraph (a)(iii) of this Article, the giving, service or delivery thereof shall be deemed to have been effected at the expiration of twenty-four hours after the cover containing it was posted. In proving service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- (d) Where a notice, document or other information is given, served or delivered in electronic form whether as an electronic communication or otherwise pursuant to sub-paragraph a) iv) of this Article, it shall be treated as having been given, served or delivered:
 - (i) if given, served or delivered by electronic mail, at the time it was sent; or
 - (ii) where any such notice or document is given, served or delivered by being made available or displayed on a website, when the recipient received or is deemed to have received notice of the fact that the notice, document or other information was available on the website.
- (e) Every legal personal representative, committee, receiver, curator bonis or other legal curator, assignee in bankruptcy or liquidator of a Member shall be bound by a notice given as aforesaid if sent to the last registered address of such Member (or if otherwise delivered or made available in accordance with this Article), notwithstanding that the Company may have notice of the death, lunacy, bankruptcy, liquidation or disability of such Member.
- (f) Where a Member has elected to receive notices or other documents in electronic form, whether as an electronic communication or otherwise, the Company may notwithstanding such election and without giving advance notice to the Member, provide such notices or documents in accordance with any of the methods allowed for in sub-paragraphs a)i), ii) or iii) of this Article and such provision shall satisfy the Company's obligations in this regard.
- (g) Without prejudice to the provisions of sub-paragraphs (a) (i) and (ii) of this Article, if at any time by reason of:
 - (i) the suspension or curtailment of postal services within the State, the Company is unable effectively to convene a general meeting by notice sent through the post; or
 - (ii) the occurrence of any event or thing as a consequence of which the Company is unable effectively to convene a general meeting by means of an electronic communication;

a general meeting may be convened by a notice advertised on the same day in at least one leading national daily newspaper published in the State (and one national daily newspaper published in the United Kingdom and the United States of America) and such notice shall be deemed to have been duly served on or delivered to all Members entitled thereto at noon on the day on which the said advertisement or advertisements shall appear. In any such case the Company shall send confirmatory copies of the notice through the post to those Members whose registered addresses are outside the State (if or to the extent that in the opinion of the Directors it is practical so to do) or are in areas of the State unaffected by such suspension or curtailment of postal services and if at least ninety-six hours prior to the time appointed for the holding of the meeting the posting of notices to Members in the State, or any part thereof which was previously affected, has become practical in the opinion of the Directors, the Directors shall send forthwith confirmatory copies of the notice by post or electronic means, whether as an electronic communication or otherwise (as the case may be) to such Members. The accidental omission to give any such confirmatory copy of a notice of a meeting to, or the non-receipt of any such confirmatory copy by, any person entitled to receive the same shall not invalidate the proceedings at the meeting.

- (h) Notwithstanding anything contained in this Article the Company shall not be obliged to take account of or make any investigations as to the existence of any suspension or curtailment of postal services within or in relation to all or any part of any jurisdiction or area other than the State and, in the case of sub-paragraph g)ii) of this Article, the Company shall not be obliged to carry out any tests or investigations into the causes of or circumstances surrounding the event or thing in question as a consequence of which the Company shall be unable effectively to convene a general meeting by means of an electronic communication other than such tests and investigations as may be used from time to time by the Company or its agents in relation to the use or operation of any systems for electronic communication.

127. Notices to members

Any Member whose registered address is not within the State, the United Kingdom, the United States of America, the Channel Islands or the Isle of Man and who gives to the Company an address within any of the above territories at which notices may be served upon him shall be entitled to have notices served upon him at that address or shall be entitled to receive notices by electronic mail, or other formal Electronic Communication approved by the Directors, to be sent to an address notified to the Company by the Member for such purpose but unless he does so shall not be entitled to receive any notice from the Company.

128. Service on joint Holders

A notice may be given by the Company to the joint Holders of a Share by giving the notice to the joint Holder whose name stands first in the Register in respect of the Share or, in the case of a notice sent by electronic mail or other form of Electronic Communication approved by the Directors, to the address in respect of the Joint Holding notified to the Company by the Joint Holders for such purpose, and notice so given shall be sufficient notice to all the joint Holders.

129. Service on transfer or transmission of Shares

- (a) Every person who becomes entitled to a Share shall before his name is entered in the Register in respect of the Share, be bound by any notice in respect of that Share which has been duly given to a person from whom he derives his title provided that the provisions of this paragraph shall not apply to any notice served under Article 68 unless, under the provisions of Article 68(c), it is a notice which continues to have effect notwithstanding the registration of a transfer of the Shares to which it relates.
 - (b) Without prejudice to the provisions of these Articles allowing a meeting to be convened by newspaper advertisement, a notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Member, addressed to them at the address (inclusive of an electronic address), if any, supplied by them for that purpose. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
-

130. Signature to notices

The signature to any notice to be given by the Company may be written or printed or, in the case of a notice in electronic form the signature may be an Electronic Signature, Advanced Electronic Signature or otherwise as the Directors may approve.

131. Deemed receipt of notices

A Member present, either in person or by proxy, at any meeting of the Company or the Holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

132. Use of Electronic Communication

- (a) Notwithstanding any other provision of these Articles, whenever any person (including without limitation the Company, a Director, the Secretary, any officer of the Company, a Member or any other person) is required or permitted by these Articles or otherwise to give or receive information in writing such information may be given or received in electronic form, whether as an electronic communication or otherwise in such manner or form and subject to such terms, conditions or restrictions as the Directors may, subject to the Acts, determine or approve from time to time in their absolute discretion.
- (b) Subject to the Acts, the Company and its Directors, Secretary or officers shall not be compelled to receive or to send electronic communications or information in electronic form under these Articles or otherwise until such time as the Directors shall have advised (pursuant to any terms and conditions of electronic communication or otherwise) the recipient or giver (as the case may be) in writing of the manner, form and restrictions (if any) by which such information may be sent or received.

Part XXV - Winding up

133. Distribution on winding up

If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up or credited as paid up share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up or credited as paid up at the commencement of the winding up on the Shares held by them respectively. And if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the share capital paid up or credited as paid up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital at the commencement of the winding up paid up or credited as paid up on the said Shares held by them respectively. Provided that this Article shall not affect the rights of the Holders of Shares issued upon special terms and conditions.

134. Distribution in specie

If the Company is wound up, the liquidator, with the sanction of a special resolution of the Company and any other sanction required by the Acts, may divide among the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and, for such purpose, may value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator, with the like sanction, may vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as, with the like sanction, he determines, but so that no Member shall be compelled to accept any assets upon which there is a liability.

Part XXVI - Miscellaneous

135. Minutes of meetings

The Directors shall cause minutes to be made of the following matters, namely:-

- (a) of all appointments of officers and committees made by the Directors and of their salary or remuneration;
- (b) of the names of Directors present at every meeting of the Directors and of the names of any Directors and of all other members thereof present at every meeting of any committee appointed by the Directors; and
- (c) of all resolutions and proceedings of all meetings of the Company and of the Holders of any class of Shares in the Company and of the Directors and of committees appointed by the Directors.

Any such minute as aforesaid, if purporting to be signed by the Chairman of the meeting at which the proceedings were held, or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minute without any further proof.

136. Inspection

The Directors shall determine from time to time whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members, not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Acts or authorised by the Directors or by the Company in general meeting. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it would be inexpedient in the interests of the Members of the Company to communicate to the public.

137. Secrecy

Every officer of the Company or other person employed in the business of the Company shall, when required by the Directors before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting the business of the Company and all transactions of the Company with its customers and the state of accounts with individuals, and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required to do so by the Directors or by any general meeting or by a court of law or by the person to whom such matters relate, and except so far as may be necessary in order to comply with any of the provisions of these Articles.

138. Destruction of records

The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof, all notifications of change of address at any time after the expiration of two years from the date of recording thereof and all Share certificates and dividend mandates which have been cancelled or ceased to have effect at any time after the expiration of one year from the date of such cancellation or cessation. It shall be presumed conclusively in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument duly and properly registered and every Share certificate so destroyed was a valid and effective document duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:

- (a) the provision aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

139. Untraced Shareholders

The Company may sell any Shares in the Company on behalf of a Holder, or person entitled by transmission to, the Shares, if:-

- (a) the Shares have been in issue throughout the qualifying period and at least three cash dividends have become payable on the Shares during the qualifying period;
- (b) no cash dividend payable on the Shares has either been claimed by presentation to the paying bank of the relative cheque or warrant or been satisfied by the crediting of any account which the Holder has with the Company, whether in the sole name of such Holder or jointly with another person or persons, or by the transfer of funds to a bank account designated by the Holder of, or person entitled by transmission to, the Shares at any time during the relevant period;
- (c) the Company has not at any time during the relevant period received, so far as the Company at the end of the relevant period is then aware, any communication from the Holder of, or person entitled by transmission to, the Shares;
- (d) the Company has caused advertisements giving notice of its intention to sell the Shares to be published in a leading daily newspaper with a national circulation in the State and another in a newspaper circulating in the area of the address shown in the register of the Holder of, or person entitled by transmission to, the untraced Shares, and (in either such case) a period of three months has elapsed from the date of publication of the advertisement; and
- (e) the Company has given notice to the relevant departments of The Stock Exchanges of its intention to make the sale.

For the purposes of this Article:

"the qualifying period" means the period of twelve years immediately preceding the date of publication of the relevant advertisements referred to in sub-paragraph (d) above;

"the relevant period" means the period beginning at the commencement of the qualifying period and ending on the date when all the requirements of sub-paragraphs (a) to (e) above have been satisfied.

For the purposes of sub-paragraph (c) above, a statutory declaration that the declarant is a Director of the Company or the secretary and that the Company was not aware at the end of the relevant period of having at any time during the relevant period received any communication from the Holder of, or person entitled by transmission to, the Shares shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Shares.

If, after the publication of the advertisement referred to in sub-paragraph (d) above but before the Company has become entitled to sell the Shares pursuant to this Article, the requirements of sub- paragraph (b) or (c) above cease to be satisfied, the Company may nevertheless sell those Shares after the requirements of sub-paragraphs (a) to (e) above have been satisfied afresh in relation to them.

If during any relevant period further Shares have been issued in right of those held at the beginning of that relevant period or of any previously so issued during that relevant period and all the requirements of sub- paragraphs (b) to (e) above have been satisfied in regard to the further Shares, the Company may also sell the further Shares.

The manner, timing and terms of any sale of Shares pursuant to this Article (including but not limited to the price or prices at which the same is made) shall be such as the Directors determine, based upon advice from such bankers, brokers or other persons as the Directors consider appropriate which are consulted by it for the purposes, to be reasonably practicable having regard to all the circumstances including the number of Shares to be disposed of and the requirement that the disposal be made without delay; and the Directors shall not be liable to any person for any of the consequences of reliance on such advice.

To give effect to any sale of Shares pursuant to this Article the Directors may take such steps as the Directors consider are necessary or desirable in order to effect such sale and, for this purpose, may authorise some person to transfer the Shares in question and may enter the name of the transferee in respect of the transferred Shares in the register notwithstanding the absence of any Share certificate being lodged in respect thereof and may issue a new certificate to the transferee and an instrument of transfer executed by that person or such other method of transfer as is employed by this person shall be as effective as if it had been executed or employed by the Holder of, or person entitled by transmission to, the Shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

The Company shall account to the Holder or other person entitled to such Shares for the net proceeds of such sale by carrying all moneys in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such Holder or other person. Moneys carried to such separate account may be either employed in the business of the Company or invested in such investments as the Directors may think fit, from time to time.

140. Indemnity

Subject to the provisions of and so far as may be permitted by the Acts, every Director, Managing Director, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses, and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

To the extent permitted by law, the Directors may arrange insurance cover at the cost of the Company in respect of any liability, loss or expenditure incurred by any Director or officer in relation to anything done or alleged to have been done or omitted to be done by him as Director or officer.

FOURTH AMENDMENT TO LEASE AGREEMENT

THIS FOURTH AMENDMENT TO LEASE AGREEMENT ("Amendment") is made this 20th day of April, 2010, by and between STONE MANOR PARTNERS, L.P., a Pennsylvania limited partnership ("Landlord") and BEACON BIOSCIENCE, INC., a Delaware corporation ("Tenant").

Background

A. Landlord and Tenant are parties to a certain Lease Agreement dated May 23, 2006 (the "Original Lease"), amended by Amendment to Lease Agreement dated July 7, 2006 (the "First Amendment"), amended by Memorandum dated December 11, 2006 (the "Second Amendment"), and further amended by Third Amendment to Lease Agreement, dated April 9, 2009 (the "Third Amendment") (collectively defined herein as the "Lease"), pursuant to which (i) Tenant is currently leasing 44,952 rentable square feet of space (the "Existing Space") on the first, second and third floors of a building commonly known as 2800 Kelly Road, Stone Manor Corporate Center, Warrington Township, Bucks County, Pennsylvania 18976 (the "Building"), and (ii) Tenant has agreed to lease an additional 8,000 rentable square feet of space on the third floor of the Building as of July 1, 2010 (the "Additional Space") (the "Existing Space" and the "Additional Space" are collectively defined herein as the "Premises").

B. Landlord and Tenant now desire to further amend the Lease as herein provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and intending to be legally bound hereby, the parties hereto agree to amend the Lease as follows:

1. Term. The term of the Lease is hereby extended so that it terminates on April 30, 2020.

2. Base Rental and Base Year.

(a) As of May 1, 2010, the Base Rental for the Premises shall be as follows:

(i) 5/1/10 through 3/31/13: \$1,382,995.08 per year (\$25.50 per square foot plus additional construction allowance of \$2,726.59 per month); \$115,249.59 per month.

(ii) 4/1/13 through 4/30/15: \$1,350,276 per year (\$25.50 per square foot); \$112,523.00 per month.

(iii) 5/1/15 through 4/30/20: \$1,376,752 per year (\$26.00 per square foot); \$114,729.33 per month.

(b) Provided that Tenant is not in default under the Lease, Tenant shall be relieved of its obligation to pay Base Rental due for the Additional Space for the months of May

and June 2010. The total value of this rent credit is \$34,000 ($\$25.50 \times 8,000 \text{ square feet} = \$204,000 - 12 = \$17,000 \times 2 = \$34,000$).

(c) Tenant shall continue to pay all utilities incurred in both the Existing Space and the Additional Space, notwithstanding the fact that Tenant is not taking possession of the Additional Space until July 1, 2010.

(d) As of January 1, 2010, the Base Year shall be calendar year 2009. No pass through charges are owed by Tenant for calendar years 2008 and/or 2009 relating to Operating Expenses.

3. Estoppel. Tenant hereby represents and warrants to and agrees with Landlord that: (i) the Lease is in full force and effect and has not been modified or amended, except as set forth herein; (ii) to Tenant's knowledge, Landlord is not in default under the Lease and Tenant knows of no matter which, with the passage of time, would result in default by Landlord; (iii) Tenant is not in default under the terms of the Lease; and (iv) there are no outstanding Landlord obligations under the Lease, except as set forth in this Amendment.

4. Reaffirmation of Confession of Judgment.

(a) AFTER CONSULTATION WITH COUNSEL, TENANT ACKNOWLEDGES THAT (I) SECTION 22.2(e) OF THE LEASE PROVIDES FOR CONFESSION OF JUDGMENT RECOVERY OF POSSESSION OF THE PREMISES AGAINST TENANT, (II) SUCH PROVISION REMAINS IN FULL FORCE AND EFFECT, AND (III) TENANT SHALL BE BOUND BY SUCH PROVISION AS IF SUCH CONFESSION OF JUDGMENT PROVISION WAS SET FORTH IN THIS AMENDMENT.

(b) Landlord shall not be permitted to confess judgment for money.

5. Ratification and Confirmation of Terms. As specifically modified by this Amendment, the Lease and all covenants, agreements, terms and conditions hereof are and shall remain in full force and effect, and are hereby in all respects adopted, ratified and confirmed.

6. No Change. This Amendment may not be changed orally but only by an agreement in writing signed by the party against which enforcement of any waiver, change, modification or discharge is sought. This Amendment represents the entire agreement and understanding of the parties in relation to the subject matter of this Amendment. All other agreements, writings or oral representations are hereby deemed merged into the terms of this Amendment.

7. Counterparts. This Amendment may be executed in multiple counterparts and each counterpart shall be an original and all counterparts, together, shall constitute this Amendment.

8. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

9. Miscellaneous.

- (a) In the event that there are any inconsistencies between the terms and conditions of this Amendment and the terms and conditions of the Lease, the terms and conditions of this Amendment shall control.
- (b) All capitalized terms not otherwise defined herein shall have the meanings which said capitalized terms have in the Lease.
- (c) All terms of the Lease not specifically amended hereby (including without limitation, the confession of judgment provisions) are ratified, confirmed and approved and shall remain in full force and effect.
- (d) This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.
- (e) **LANDLORD AND TENANT HEREBY EACH WAIVE THE RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION INSTITUTED BY EITHER PARTY AGAINST THE OTHER CONCERNING THE LEASE OR THE TENANCY CREATED THEREUNDER.**

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Fourth Amendment to Agreement of Lease as of the date first above written.

Witness: /s/ Richard Gastineau
Richard Gastineau, Esquire
General Counsel

TENANT:
BEACON BIOSCIENCE, INC.
By: /s/ Edward Gastineau
Edward Gastineau, President

Witness: /s/ Robert W. Gundlach
Robert W. Gundlach, Jr., Esquire

LANDLORD:
STONE MANOR PARTNERS, L.P., a
Pennsylvania limited partnership
By: SMPB3, INC., its General Partner
By: /s/ Walter S. Smerconish
Walter S. Smerconish, President

**Certification of Chief Executive Officer
Pursuant to Section 302 of
the Sarbanes-Oxley Act of 2002**

I, Peter Gray, certify that:

1. I have reviewed this annual report on Form 20-F of ICON plc (“the registrant”).
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 22, 2011

/s/ Peter Gray

Peter Gray

Chief Executive Officer

**Certification of Chief Financial Officer
Pursuant to Section 302 of
the Sarbanes-Oxley Act of 2002**

I, Ciaran Murray, certify that:

1. I have reviewed this annual report on Form 20-F of ICON plc (“the registrant”).
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 22, 2011

/s/Ciaran Murray

Ciaran Murray

Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of ICON plc (the "Company") on Form 20-F for the year ending December 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter Gray, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: March 22, 2011

/s/ Peter Gray.

Peter Gray
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the report or as a separate disclosure document. A signed original of this written statement required by section 906 has been provided to ICON plc and will be retained by ICON plc and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of ICON plc (the "Company") on Form 20-F for the year ending December 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ciaran Murray, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: March 22, 2011

/s/Ciaran Murray
Ciaran Murray
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the report or as a separate disclosure document. A signed original of this written statement required by section 906 has been provided to ICON plc and will be retained by ICON plc and furnished to the Securities and Exchange Commission or its staff upon request.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
ICON plc

Dear Sirs:

We consent to the incorporation by reference in the registration statement on Form S-8 (No. 333-152802) of ICON plc of our reports dated March 22, 2011, with respect to the consolidated balance sheets of ICON plc as of December 31, 2010 and 2009 and the related consolidated statements of operations, shareholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2010, and the effectiveness of internal control over financial reporting as of December 31, 2010, which reports appear in the December 31, 2010 Annual Report on Form 20-F of ICON plc.

/s/ KPMG

KPMG
Chartered Accountants
Dublin, Ireland
March 22, 2011