

**January 11, 2000**

**ICON REPORTS SECOND QUARTER 2000 RESULTS REVENUES INCREASE 30% (NASDAQ:ICLR)**

**Second Quarter and Year-to-Date Highlights**

- Second quarter fiscal 2000 net revenues of \$17.9 million, an increase of 30% over the second quarter of fiscal 1999. Year-to-date net revenues increased 31% to \$34.9 million over the same period last year.
- Recovery continues with income from operations for the quarter reaching \$1.8 million, compared to \$1.4 million for the previous quarter and \$2.0 million for the same quarter last year. Year-to-date operating income was \$3.3 million, compared to \$2.7 million for the previous six months and \$3.8 million in the equivalent period last year.
- Diluted earnings per share for the second quarter was 17 cents compared to 15 cents in the previous quarter and 18 cents for the same quarter last year. Year-to-date diluted earnings per share was 32 cents compared to 34 cents for the comparable period of fiscal 1999.

Dublin, Ireland, January 11, 2000 - ICON plc (NASDAQ: ICLR), a global full service clinical research organisation, headquartered in Dublin, Ireland, today reported the financial results for the quarter ended November 30, 1999, the second quarter of its fiscal 2000 year.

For the second quarter, net revenues were \$17.9 million, representing a 30% increase over net revenues of \$13.7 million for the same quarter last year. Income from operations was \$1.8 million, a decrease of 7% from the \$2.0 million reported for the second quarter last year but was an increase of 25% on the \$1.4 million reported in the first quarter of this year. Net income was \$1.8 million or 17 cents per share, on a diluted basis, compared with \$1.9 million or 18 cents per share for the second quarter last year, and \$1.6 million or 15 cents per share in the first quarter of fiscal 2000.

Year-to-date, net revenues were \$34.9 million, representing a 31% increase over net revenues of \$26.5 million for the same period last year. Income from operations was \$3.3 million, a decrease of 13% from the \$3.8 million reported for the first six months last year but an increase of 22% on the \$2.7 million reported for the last six months of fiscal 1999. Net income was \$3.5 million or 32 cents per share, on a diluted basis, compared with \$3.8 million or 34 cents per share for the comparable period last year.

At November 30, 1999 the Company had net cash and short term investments of \$50.1 million compared with \$49.1 million at August 31, 1999 and \$44.8 million at May 31, 1999. Cash generated from operating activities in the quarter was \$2.9 million and year-to-date was \$8.5 million. Capital expenditure was \$1.5 million in the second quarter and \$2.9 million year-to-date.

Days sales outstanding, comprising accounts receivable and unbilled revenue less payments on account, were 40 days at November 30, 1999 compared with 61 days at August 31, 1999 and 64 days at May 31, 1999.

"We are pleased with our second quarter, which continues our recovery from the downturn in the fourth quarter of fiscal 1999, and particularly with our continued strong sales growth and cash flow", commented Chairman Ronan Lambe, "Sales growth was evenly balanced between the US and our European / South East Asia operations, although cost growth was greater in Europe / South East Asia leading to lower margins in those regions. Strategically, we continue to seek opportunities to expand our existing activities and add new services. We are active in pursuing acquisition opportunities which would "bolt-on" to our existing operations and are hopeful that some of these will come to fruition in the coming months. This underlines our continued confidence in the strength of the CRO sector and in our ability to capitalise on this.

Reflecting the strong growth of the company, three further key external appointments have recently been made. As previously announced, Dr John Hubbard joined us as COO of our US operations in October. On January 3, Dr Thomas Frey joined us as Vice-President of European Clinical Operations. Dr Frey was previously with HMR in Germany as Head of Clinical Development. Also on January 3, Edward Caffrey was hired as Senior Vice-President of ICON Laboratories. Prior to joining ICON, Mr Caffrey held several senior positions with Covance including, most recently, Divisional Vice-President of Clinical Operations. We are very pleased to have attracted people of this calibre to ICON and believe each will make a significant contribution to the further development of the company".

ICON provides contract clinical research services to the pharmaceutical industry world-wide. The company currently has 14 offices in 10 countries and over 800 employees world-wide.

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Information in this press release contains "forward looking statements". These statements involve risks and uncertainties that could cause actual results to differ materially including, without limitation, actual operating performance, the ability to maintain large client contracts or enter into new contracts, the ability to manage the opening of new offices, and the ability to maintain client relationships. Additional factors that could cause actual results to differ materially are discussed in the Company's filings with the Securities and Exchange Commission, including its Forms 20-F, F-1 and S-8.

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

**ICON plc**  
**Consolidated Income Statements**  
**Three and six months ended November 30, 1999 and 1998**  
(Dollars, in thousands, except share and per share data)

	<b>Three Months Ended November 30</b>		<b>Six Months Ended November 30</b>	
	<b>1999</b>	<b>1998</b>	<b>1999</b>	<b>1998</b>
Gross revenue	29,825	19,144	52,454	43,891
Subcontractor costs	11,930	5,421	17,586	17,359
<b>Net revenue</b>	<b>17,895</b>	<b>13,723</b>	<b>34,868</b>	<b>26,532</b>
<b>Cost and expenses</b>				
Direct costs	9,270	7,108	18,105	13,806
Selling, general and administrative	6,067	4,225	12,089	8,117
Depreciation and amortization	746	434	1,410	844
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<b>Total costs and expenses</b>	<b>16,083</b>	<b>11,767</b>	<b>31,604</b>	<b>22,767</b>
<b>Income from operations</b>	<b>1,812</b>	<b>1,956</b>	<b>3,264</b>	<b>3,765</b>
Interest income (net)	648	661	1,195	1,341
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Income before provision for income taxes	2,460	2,617	4,459	5,106
Provision for income taxes	596	671	971	1,305
<b>Net income</b>	<b>1,864</b>	<b>1,946</b>	<b>3,488</b>	<b>3,801</b>
Net income per ordinary share				
Basic	\$0.18	\$0.19	\$0.34	\$0.38
Diluted	\$0.17	\$0.18	\$0.32	\$0.34
Weighted average number of ordinary shares				
Basic	10,189,182	10,045,280	10,131,682	10,045,280
Diluted	10,898,680	11,101,666	10,927,158	11,094,529

**ICON plc**  
**Summary Balance Sheet Data**  
**November 30, 1999 and May 31, 1998**  
(Dollars, in thousands)

	<b>November 30</b>	<b>May 31</b>
	<b>1999</b>	<b>1999</b>
Cash, short term debt and short term investments	50,113	44,840
Accounts receivable, unbilled revenue less payments on account	11,555	16,671
Working capital	57,572	55,884
Total assets	99,870	93,768
Shareholders' equity	73,340	70,266

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**Source:** ICON plc

**Contact:** Investor Relations +1-888-381-7923 or  
Peter Gray CFO +353-1-2161-100  
both at ICON.