

January 11, 1999

ICON REPORTS STRONG SECOND QUARTER RESULTS - REVENUES INCREASE 37%, EPS INCREASES 63% (NASDAQ:ICLRY)

Second Quarter and Year-To-Date Highlights

- Second quarter net revenues increased 37% over the second quarter of fiscal 1998 to \$13.7 million. Year-to-date net revenues increased 41% to \$26.5 million over the same period last year.
- Income from operations for the second quarter increased 32% over fiscal 1998 second quarter to \$1.95 million. Year-to-date operating income is \$3.76 million, up 45% on the comparable period last year.
- Diluted earnings per share increased 63% for the second quarter to 18 cents and 62% for the first six months to 34 cents from 11 cents and 21 cents for the comparable periods of fiscal 1998.
- Operations begin in the Company's first location in South America; office opens in January 1999.
- Investment continues to support and drive the strong growth and ongoing globalisation of the Group.

Dublin, Ireland, January 11, 1999 - ICON plc (NASDAQ: ICLRY), a global full service clinical research organisation, headquartered in Dublin, Ireland, today reported the financial results for its second quarter ended November 30, 1998.

For the second quarter, net revenues were \$13.7 million, representing a 37% increase over net revenues of \$10.0 million for the same quarter last year. Income from operations was \$1.95 million, an increase of 32% from the \$1.48 million reported for the second quarter last year. Net income was \$1.95 million or 18 cents per share, on a diluted basis, compared with \$0.9 million or 11 cents per share for the second quarter last year.

Year-to-date, net revenues were \$26.5 million, representing a 41% increase over net revenues of \$18.9 million for the same period last year. Income from operations was \$3.77 million, an increase of 45% from the \$2.60 million reported for the first six months last year. Net income was \$3.80 million or 34 cents per share, on a diluted basis, compared with \$1.61 million or 21 cents per share for the comparable period last year.

At November 30, 1998 the company had cash and working capital of \$49.5 million and \$57.6 million, respectively, compared with \$51.2 million and \$57.8 million at August 31, 1998, and \$54.0 million and \$57.1 million at May 31, 1998. Capital expenditure of \$2.7 million and \$4.1 million for the quarter and year-to-date period respectively, comprised mainly expenditure on the company's corporate headquarters expansion in Europe and the ongoing IT capital expenditure program.

"ICON is pleased to report another quarter of growth, both sequentially and over the comparable prior year period. The effectiveness of ICON's business model and our focus on high quality service continues to be reflected in our revenue growth and strong operating margins," commented Chairman, Dr Ronan Lambe.

"Following the opening of our Paris office in the last quarter, we took another step in our strategy of globalisation by initiating the opening of our first South American office this quarter. Our confidence in the outlook for our industry remains strong and we continue to invest in the facilities, technology and people we need to support our future growth plans."

ICON provides contract clinical research services to the pharmaceutical industry world-wide. The company currently has 11 offices in eight countries and over 560 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 recent 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 US GAAP.

ICON plc
Consolidated Income Statements
Three months & Six months ended November 30, 1998 and 1997
(Dollars, in thousands, except per share data)

	Three Months Ended November 30		Six Months Ended November 30	
	1998	1997	1998	1997
Gross revenue	19,144	17,060	\$43,891	30,078
Subcontractor costs	5,421	7,025	17,359	11,224
Net revenue	13,723	10,035	26,532	18,854
Cost and expenses				
Direct costs	7,108	7,338	13,806	9,983
Selling, general and administrative	4,225	2,905	8,117	5,744
Depreciation and amortization	434	1,410	844	525
Total costs and expenses	11,767	8,558	22,767	16,252
Income from operations	1,956	1,477	3,765	2,602
Interest income (net)	661	(11)	1,341	2
Income before provision for income taxes	2,617	1,466	5,106	2,604
Provision for income taxes	671	561	1,305	993
Net income	1,946	905	3,801	1,611
Net income per ordinary share				
Basic	\$0.19	\$0.13	\$0.38	\$0.24
Diluted	\$0.18	\$0.11	\$0.34	\$0.21
Weighted average number of ordinary shares				
Basic	10,045,280	6,825,040	10,045,280	6,825,040
Diluted	11,101,666	7,831,260	11,094,529	7,831,260

ICON plc
Summary Balance Sheet Data
November 30, 1998 and May 31, 1998
(Dollars, in thousands, except per share data)

	November 30	May 31
	1998	1998
Cash and cash equivalents investments	49,497	54,026
Accounts receivable, unbilled revenue less payments on account	16,450	11,725
Working capital	57,645	57,062
Total assets	90,785	88,578
Shareholders' equity	67,061	63,009

Source: ICON plc
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