

July 20, 1998

ICON REPORTS STRONG FORTH QUARTER AND FULL YEAR FINANCIAL RESULTS (NASDAQ:ICLRY)

Fourth Quarter and Full Year Highlights

- Fourth quarter net revenues increased 57% over the fourth quarter of fiscal 1997 to \$12.1 million, and for the year increased 72% over fiscal 1997 to \$42.1 million.
- Income from operations for the fourth quarter increased 88% over the fiscal 1997 fourth quarter to \$1.6 million, and for the year increased 345% (110% if the stock compensation expense charged in fiscal 1997 is excluded) to \$5.8 million.
- Diluted earnings per share increased 106% for the quarter, to 15 cents.
- The globalisation of the Company continued with the development of clinical research operations in the Asia Pacific Region. During the year the Company carried out clinical trials in more than 25 countries world-wide.
- The Company successfully completed its IPO in May 1998.

Dublin, Ireland, July 20, 1998 - ICON plc (NASDAQ: ICLRY), a global full service clinical research organisation, headquartered in Dublin, Ireland, today reported the financial results for its fourth quarter and full year ended May 31, 1998.

For the fourth quarter ended May 31, 1998, net revenues were \$12.1 million, representing a 57% increase over net revenues of \$7.7 million for the same quarter last year. Income from operations for the fourth quarter was \$1.6 million, an increase of 88% from the \$0.9 million reported for the fourth quarter last year. Net income for the quarter was \$1.2 million or 15 cents per share, on a diluted basis, compared with \$0.6 million or 7 cents per share last year.

For the fiscal year ended May 31, 1998, net revenues increased 72% to \$42.1 million, from \$24.5 million in the prior year. Income from operations for fiscal 1998 increased 345% from \$1.3 million to \$5.8 million. Excluding a stock compensation expense of \$1.5 million charged in fiscal 1997, the increase was 110%. Net income for fiscal 1998 was \$3.9 million compared to \$0.3 million (\$1.8 million if the stock compensation charge is excluded) in fiscal 1997. As a result diluted earnings per share was 49 cents for fiscal 1998 compared to 4 cents (24 cents if the stock compensation expense is excluded) for fiscal 1997.

Following the Company's initial public offering on May 15, 1998, the Company's cash and working capital positions increased significantly to \$54.0 million and \$57.1 million, respectively, from \$5.7 million and \$5.7 million at May 31, 1997, respectively.

Backlog, which represents the unearned value of contracts signed by the Company, increased to \$82.0 million from \$54.0 million at the end of the last quarter and \$31.0 million at May 31, 1997. The significant increase in backlog in the fourth quarter was mainly due to the signing of a large contract for a long term study, the revenue from which will extend over several years.

"Fiscal 1998 has been a year of major progress for ICON", commented Chairman Dr. Ronan Lambe. "We developed our presence in the Asia Pacific region, which has enhanced our ability to win major, global projects and we grew revenues strongly world-wide, especially in the United States. On May 15, 1998 we successfully completed our IPO, which strengthens the Company financially and puts us in a good position to capitalise on our strengths, and to develop further areas of expertise and excellence."

ICON provides contract clinical research services to the pharmaceutical industry world-wide. It currently has nine offices in six countries and has approximately 500 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 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 and Years ended May 31, 1998 and 1997
(Dollars, in thousands, except per share data)

	Three Months Ended May 31		Six Months Ended May 31	
	1998	1997	1998	1997
Gross revenue	19,809	14,194	64,149	38,569
Subcontractor costs	7,721	6,519	22,011	14,091
Net revenue	12,088	7,675	42,138	24,478
Cost and expenses				
Direct costs	6,187	4,258	22,023	13,415
Selling, general and administrative	3,926	2,331	13,175	7,585
Depreciation and amortization	328	212	1,151	715
Non-cash stock compensation expense	-	-	-	1,463
Total costs and expenses	10,441	6,801	36,349	23,178
Income from operations	1,647	874	5,789	1,300
Interest income (net)	140	70	199	208
Income before provision for income taxes	1,214	944	5,988	1,508
Provision for income taxes	551	384	2,103	1,214
Net income	1,236	560	3,885	294
Net income per ordinary share				
Basic	\$0.17	\$0.08	\$0.56	\$0.04
Diluted	\$0.15	\$0.07	\$0.49	\$0.04
Weighted average number of ordinary shares				
Basic	7,279,714	6,825,040	6,949,521	6,825,040
Diluted	8,296,750	7,781,600	7,966,739	7,398,580

ICON plc
Summary Balance Sheet Data
May 31, 1998 and 1997

(Dollars, in thousands, except per share data)

	May 31	
	1998	1997
Cash and cash equivalents	54,026	5,690
Accounts receivable, unbilled revenue less payments on account	11,725	6,944
Working capital	57,062	5,660
Total assets	88,578	23,562
Shareholders' equity	63,009	9,284

Source: ICON plc

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