

ICON Reports Strong Results with 47% increase in revenues and 46% increase in operating income in First Quarter FY 2004 (NASDAQ:ICLR)

Highlights – First Quarter Fiscal 2004

- * First Quarter net revenues increased 47% over the first quarter of fiscal 2003 to \$68.9 million.
- * Income from operations increased 46% over the first quarter of fiscal 2003 to \$7.6 million.
- * Diluted earnings per share increased 33% for the first quarter to 44 cents compared to 33 cents in same quarter last year.
- * \$134 million of net new business awarded to ICON during the quarter.

Dublin, Ireland, September 30, 2003 – ICON plc (NASDAQ: ICLR), a global contract clinical research organisation, which has over 2,500 employees providing services to the pharmaceutical and biotech industries from 31 locations in 18 countries worldwide, today reported the financial results for its first quarter ended August 31, 2003.

Net revenues for the quarter were \$68.9 million, representing a 47% increase over net revenues of \$46.9 million for the same quarter last year. Income from operations was \$7.6 million, which represents an increase of 46% from the \$5.2 million reported for the first quarter last year. Operating margin for the quarter was 11.1%, unchanged over the equivalent period last year. Net income for the quarter was \$5.6 million or 44 cents per share, on a diluted basis, compared with \$4.0 million or 33 cents per share for the first quarter last year.

In the quarter, the Company raised approximately \$44.3 million after the deduction of costs through the issuance of an additional 1.5 million shares at \$32.25 per share. Additionally, for the quarter to August 31, 2003, cash used in operations was \$0.2 million and capital expenditure was \$3.4 million. In the quarter, days sales outstanding, comprising accounts receivable and unbilled revenue less payments on account, were 64 days at August 31, 2003, unchanged from the 64 days reported at May 31, 2003.

As a result, the Company's net cash was \$51.4 million at August 31, 2003, compared to \$11.2 million at May 31, 2003.

"The performance in the first quarter has given us an excellent start to fiscal 2004", commented Chairman Dr. John Climax. "We were particularly pleased with the award of \$134 million of net new business; a record for ICON. Our strong levels of revenue growth have continued, and our operating margins have shown a solid improvement over the previous quarter, all of which reinforce our confidence in ICON's future outlook".

The Company also announced the appointment of Mr. Shuji Higuchi as a non-executive director to its Board. Mr. Higuchi has over 38 years of experience in the pharmaceutical industry. He was the President of Takeda Pharma GmbH from 1983 to 1992, President of Takeda Europe R&D Centre, Frankfurt / London from 1992 to 2002, and served as a Corporate Officer of Takeda Chemical Industries Limited, Japan from 1999 to 2002. He is currently Executive Director of the Foundation for Biomedical Research and Innovation, Kobe, Japan.

"We're delighted to welcome Mr. Higuchi to the Board of ICON" commented Dr. Climax, "His extensive experience in the pharmaceutical industry, and in particular his knowledge of the Japanese environment, will prove an invaluable addition to the board".

The Company also announced that on September 9, 2003, following the end of the first quarter, it completed the acquisition of Globomax LLC, a specialist CRO which provides a range of development and consulting services to the pharmaceutical and biotechnology industries. ICON has acquired Globomax for an initial consideration of \$11 million in cash, with further payments of up to \$4 million payable over the next three fiscal years, subject to the achievement of certain performance targets. The inclusion of Globomax's results is expected to have a modestly accretive impact on earnings per share for fiscal 2004.

The company will hold its first quarter conference call today, September 30, 2003 at 11:00 EST [16:00 GMT / 17:00 CET]. This call and linked slide presentation can be accessed live from our website at <http://www.iconclinical.com>. A recording will also be available on the website for 90 days following the call. In addition, a calendar of company events, including upcoming conference presentations, is available on our website, under "shareholders services". This calendar will be updated regularly.

The statements made in this Press Release may contain forward-looking statements that involve a number of risks and uncertainties. In addition to the matters described in this Press Release, the ability to maintain large client contracts or enter into new contracts, maintain client relationships and the ability to manage the opening of new offices, the integration of new business mergers and acquisitions, as well as other risks and uncertainties detailed from time to time in SEC reports filed by ICON, including its Form 20-F, F-1, S-8 and F-3, may affect the actual results achieved by ICON. ICON disclaims any intent or obligation to update these forward-looking statements.

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

Source: ICON plc

Contact : Investor Relations 1-888-381-7923 or
Sean Leech CFO + 353 -1-291-2000
Both at ICON.

<http://www.iconclinical.com>

ICON plc

Consolidated Income Statements (Unaudited)

Three months ended August 31 2003 and 2002
(Dollars, in thousands, except share and per share data)

	Three Months Ended	
	Aug 31, 2003	Aug 31, 2002
Gross Revenue	106,177	72,087
Subcontractor costs	37,242	25,228
Net Revenue	<u>68,935</u>	<u>46,859</u>
Costs and expenses		
Direct costs	37,699	25,425
Selling, general and administrative	21,025	14,643
Depreciation and amortization	2,589	1,570
Total costs and expenses	<u>61,313</u>	<u>41,638</u>
Income from operations	7,622	5,221
Interest income (net)	47	186
Income before provision of income taxes	<u>7,669</u>	<u>5,407</u>
Provision for income taxes	<u>2,065</u>	<u>1,434</u>
Net income	<u><u>5,604</u></u>	<u><u>3,973</u></u>
Net income per ordinary share		
Basic	<u>\$0.46</u>	<u>\$0.34</u>
Diluted	<u>\$0.44</u>	<u>\$0.33</u>
Weighted average number of ordinary shares		
Basic	12,153,772	11,798,354
Diluted	12,606,971	12,147,634

ICON plc

Summary Balance Sheet Data

August 31, 2003 and May 31, 2003
(Dollars, in thousands)

	August 31, 2003 (unaudited)	May 31, 2003 (audited)
Cash and short-term investments	57,415	18,311
Short-term debt	(6,046)	(7,126)
Net cash	51,369	11,185
Accounts receivable	69,087	74,645
Unbilled revenue	52,402	44,783
Payments on account	(47,362)	(45,763)
Total	74,127	73,665
Working Capital	99,410	53,827
Total assets	275,733	235,014
Shareholder's equity	180,950	136,910

Source: ICON plc

Contact: Investor Relations 1-888-381-7923 or
Sean Leech CFO + 353 1 291 2000
both at ICON.

<http://www.iconclinical.com>