

September 30, 1998

ICON REPORTS STRONG FIRST QUARTER RESULTS — REVENUES INCREASE 45%, EPS INCREASES 88% (NASDAQ: ICLRY)

First Quarter Highlights

- First quarter net revenues increased 45% over the first quarter of fiscal 1997 to \$12.8 million.
- Income from operations for the first quarter increased 61% over fiscal 1997 first quarter to \$1.8 million.
- Diluted earnings per share increased 88% for the first quarter to 17 cents from 9 cents for the first quarter of fiscal 1997.
- ICON opened a new office in Paris, France, its fourth facility in Europe and tenth worldwide.
- Major capital projects initiated including the expansion of the Company's headquarters in Europe and the US.

Dublin, Ireland, September 30, 1998 - ICON plc (NASDAQ: ICLRY), a global full service clinical research organisation, headquartered in Dublin, Ireland, today reported the financial results for its first quarter ended August 31, 1998.

For the first quarter, net revenues were \$12.8 million, representing a 45% increase over net revenues of \$8.8 million for the same quarter last year. Income from operations was \$1.8 million, an increase of 61% from the \$1.1 million reported for the first quarter last year. Net income was \$1.85 million or 17 cents per share, on a diluted basis, compared with \$0.7 million or 9 cents per share for the first quarter last year. At August 31, 1998 the company had cash and working capital of \$51.2 million and \$57.8 million, respectively, compared with \$54.0 million and \$57.1 million at May 31, 1998, and \$1.8 million and \$4.8 million at August 31, 1997.

"We are pleased with our strong start to fiscal 1999", commented Chairman Dr. Ronan Lambe. "This is the seventh consecutive quarter of top and bottom line growth (excluding a non-cash compensation charge taken in February 1997). The progress achieved continues to validate our strategy of providing high quality services to the biopharmaceutical industry on a global basis. During the quarter we opened our new office in Paris, France, a step which we believe will help us continue to expand our business, and initiated the extension of our headquarters in Dublin, and the relocation of our headquarters in the US, both of which are needed to accommodate our rapidly increasing work force."

ICON provides contract clinical research services to the pharmaceutical industry world-wide. It currently has ten offices in seven countries and over 525 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 ended August 31, 1998 and 1997
(Dollars, in thousands, except per share data)

**Three Months Ended
August 31**

	1998	1997
Gross revenue	24,747	13,018
Subcontractor costs	11,939	4,199
Net revenue	12,808	8,819
Cost and expenses		
Direct costs	6,698	4,645
Selling, general and administrative	3,891	2,839
Depreciation and amortization	410	210
Total costs and expenses	10,999	7,694
Income from operations	1,809	1,125
Interest income (net)	680	13
Income before provision for income taxes	2,489	1,138
Provision for income taxes	635	432
Net income	1,854	706
Net income per ordinary share		
Basic	\$0.18	\$0.10
Diluted	\$0.17	\$0.09
Weighted average number of ordinary shares		
Basic	10,045,280	6,825,040
Diluted	11,077,779	7,800,509

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

	August 31	May 31
	1998	1998
Cash and cash equivalents	\$51,241	\$54,026
Accounts receivable, unbilled revenue less payments on account	12,782	11,725
Working capital	57,819	57,062
Total assets	83,441	88,578
Shareholders' equity	64,885	63,009

Source: ICON plc

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