

**ICON Reports 48% Increase in Revenues and 29% Increase in EPS in Second Quarter FY 2001 (NASDAQ:ICLR)**

**Highlights - Second Quarter ended November 30, 2000**

- \* Net revenues increased 48% over the same quarter of last year to \$28.6 million and increased 46% on a year-to-date basis.
- \* Income from operations increased 33% over the second quarter last year to \$2.6 million, and 41% in the six months to November 30, 2000.
- \* Diluted earnings per share was 22 cents, up 29% on the same quarter last year. Year-to-date diluted earning per share was 43 cents compared with 32 cents for the comparable period last year, an increase of 34%.
- \* Continuing strong business wins.

Dublin, Ireland, January 16, 2001 - ICON plc (NASDAQ: ICLR), which has almost 1,200 employees providing global contract clinical research services to the pharmaceutical and biotech industries from 21 offices worldwide, today reported the financial results for its second quarter ended November 30, 2000.

Net revenues for the quarter were \$28.6 million, representing a 48% increase over net revenues of \$19.4 million for the same quarter last year. Excluding the revenues of ICON Laboratories which was acquired in June 2000, the increase was 31%. Income from operations was \$2.6 million, an increase of 33% from the \$1.9 million reported for the second quarter last year. Net income for the quarter was \$2.7 million or 22 cents per share, on a diluted basis, compared with \$2.0 million or 17 cents per share for the second quarter last year.

In the six months to November 30, 2000, net revenues were \$54.9 million, representing a 46% increase over net revenues of \$37.6 million for the same period last year. Income from operations was \$4.9 million, an increase of 41% from the \$3.5 million reported for the first six months of last year. Operating margins for the six months to November 30, 2000 were 9.1%. However, excluding the impact of ICON Laboratories, acquired in June 2000, the operating margins were 10.2% compared with 9.3% for the same period last year. Net income was \$5.1 million or 43 cents per share, on a diluted basis, compared with \$3.7 million or 32 cents per share for the comparable period last year.

At November 30, 2000 the company had net cash, short-term debt and short-term investments of US\$43.0 million compared with \$39.2 million at August 31, 2000 and \$46.0 million at May 31, 2000. Capital expenditure was \$1.0 million in the second quarter and \$2.4 million year to date.

Days Sales outstanding, comprising accounts receivable and unbilled revenue less payments on account, were 62 days at November 30, 2000 compared with 71 days at August 31, 2000.

"Our second quarter was another very good quarter for ICON" commented Chairman Dr. Ronan Lambe. "Record levels of net revenue and net profit were again achieved and the volume of potential business opportunities remained very strong. It was also an excellent quarter in terms of net business wins, and awards in the current quarter are continuing to progress strongly.

ICON's strategy of globalisation continues. The company's expanding activities in Scandinavia, and Eastern Europe have been strengthened by the recent opening of new offices in Stockholm (Sweden) and Riga (Latvia), thus increasing ICON's Global coverage to 21 offices in 13 Countries".

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

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**ICON plc**

**Consolidated Income Statements  
(Unaudited)**

**Three months and six months ended November 30, 2000 and 1999  
(Dollars, in thousands, except share and per share data)**

	Three Months Ended		Six Months Ended	
	Nov 30		Nov 30	
	2000	1999	2000	1999
Gross Revenue	37,363	31,396	72,252	55,489
Subcontractor costs	8,786	12,035	17,368	17,853
<b>Net Revenue</b>	<u>28,577</u>	<u>19,361</u>	<u>54,884</u>	<u>37,636</u>
<b>Costs and expenses</b>				
Direct costs	15,851	10,159	30,389	19,516
Selling, general and administrative	8,972	6,488	17,230	13,164
Depreciation and amortization	1,166	774	2,346	1,462
<b>Total costs and expenses</b>	<u>25,989</u>	<u>17,421</u>	<u>49,965</u>	<u>34,142</u>
<b>Income from operations</b>	2,588	1,940	4,919	3,494
Interest income (net)	630	647	1,292	1,196
Minority interests	(10)	0	(17)	0
Income before provision of income taxes	<u>3,208</u>	<u>2,587</u>	<u>6,194</u>	<u>4,690</u>
Provision for income taxes	<u>555</u>	<u>597</u>	<u>1,050</u>	<u>974</u>
<b>Net income</b>	<u><u>2,653</u></u>	<u><u>1,990</u></u>	<u><u>5,144</u></u>	<u><u>3,716</u></u>
Net income per ordinary share				
Basic	<u>\$0.24</u>	<u>\$0.18</u>	<u>\$0.46</u>	<u>\$0.34</u>
Diluted	<u>\$0.22</u>	<u>\$0.17</u>	<u>\$0.43</u>	<u>\$0.32</u>
Weighted average number of ordinary shares				
Basic	11,269,816	11,028,010	11,182,706	10,970,510
Diluted	11,893,236	11,737,508	11,887,653	11,765,986

## ICON plc

### Summary Balance Sheet Data

November 30, 2000 and May 31, 2000  
(Dollars, in thousands)

	Nov, 30 2000	May, 31 2000
Cash, short term debt and short term investments	42,955	46,043
Accounts receivable	16,151	13,933
Unbilled revenue	19,444	14,379
Payments on account	(10,936)	(9,298)
Total	24,659	19,014
Working Capital	59,073	57,962
Total assets	110,866	100,118
Shareholder's equity	79,717	77,053

**Source:**

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