

ICON PLC /ADR/
Form 20-F
March 30, 2010

United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

Commission file number: 000-29714

ICON public limited company

(Exact name of Registrant as specified in its charter)

Ireland

(Jurisdiction of incorporation or organization)

South County Business Park, Leopardstown, Dublin 18, Ireland.

(Address of principal executive offices)

Ciaran Murray, CFO
South County Business Park Leopardstown, Dublin 18, Ireland.
Ciaran.Murray@iconplc.com
0011-353-1-291-2000

(Name, telephone number, email and/or facsimile number and address of Company contact person)

Edgar Filing: ICON PLC /ADR/ - Form 20-F

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of exchange on which registered
American Depositary Shares, representing Ordinary Shares, par value €0.06 each Ordinary Shares, par value €0.06 each	NASDAQ Global Select Market

Securities registered or to be registered pursuant to Section 12(g) of the Act:

Title of each class

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 59,007,565 Ordinary Shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as determined in Rule 405 of the Securities Act.

Yes

No

If this report is an annual or transition report, indicate by check mark if registrant is not required to file reports pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes

No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer

Large Accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

Yes No

TABLE OF CONTENTS

<u>General</u>	1
<u>Cautionary Statement</u>	1
Part I	
<u>Item 1. Identity of Directors, Senior Management and Advisors</u>	2
<u>Item 2. Offer Statistics and Expected Timetable</u>	2
<u>Item 3. Key Information</u>	2
<u>Item 4. Information on the Company</u>	11
<u>Item 5. Operating and Financial Review and Prospects</u>	24
<u>Item 6. Directors, Senior Management and Employees.</u>	33
<u>Item 7. Major Shareholders and Related Party Transactions</u>	44
<u>Item 8. Financial Information</u>	46
<u>Item 9. The Offer and the Listing</u>	46
<u>Item 10. Additional Information</u>	47
<u>Item 11. Quantitative and Qualitative Disclosures about Market Risk</u>	53
<u>Item 12. Description of Securities Other than Equity Securities</u>	54
Part II	
<u>Item 13. Defaults, Dividend Arrearages and Delinquencies</u>	54
<u>Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	54
<u>Item 15. Controls and Procedures</u>	55
<u>Item 16. Reserved</u>	55

Part III

<u>Item</u> <u>17.</u>	<u>Financial Statements</u>	56
<u>Item</u> <u>18.</u>	<u>Financial Statements</u>	56
<u>Item</u> <u>19.</u>	<u>Financial Statements and Exhibits</u>	57

General

As used herein, “ICON plc”, “ICON”, the “Company” and “we” or “us” refer to ICON public limited company and its consolidated subsidiaries, unless the context requires otherwise.

Unless otherwise indicated, ICON plc’s financial statements and other financial data contained in this Form 20-F are presented in United States dollars (“\$”) and are prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”).

In this Form 20-F, references to “U.S. dollars”, “U.S.\$” or “\$” are to the lawful currency of the United States, references to “pounds sterling”, “sterling”, “£”, “pence” or “p” are to the lawful currency of the United Kingdom, references to “Euro” or “€” are to the European single currency adopted by sixteen members of the European Union (including the Republic of Ireland, France, Germany, Spain, Italy, Finland and the Netherlands). ICON publishes its consolidated financial statements in U.S. dollars.

On July 21, 2008, the Company’s shareholders approved a bonus issue of ordinary shares (the “Bonus Issue”) to shareholders of record as of the close of business on August 8, 2008 (the “Record Date”). The Bonus Issue provided for each shareholder to receive one bonus ordinary share for each ordinary share held as of the Record Date, effecting the equivalent of a 2-for-1 stock split. The Bonus shares were issued on August 11, 2008, to Ordinary Shareholders and on August 12, 2008, to holders of American Depositary Shares (“ADSs”). The trading price of ICON’s ADSs was adjusted on NASDAQ to effect the Bonus Issue prior to the opening of trading on August 13, 2008. All outstanding ordinary share amounts referenced in the consolidated financial statements and the notes thereto have been retrospectively restated to give effect to the Bonus Issue as if it had occurred as of the date referenced.

On September 29, 2006, ICON’s shareholders approved a bonus issue of ordinary shares (the “Bonus Issue”) to shareholders of record as of the close of business on October 13, 2006 (the “Record Date”). The Bonus Issue provided for each shareholder to receive one bonus ordinary share for each ordinary share held as of the Record Date, effecting the equivalent of a 2-for-1 stock split. The Bonus shares were issued on October 16, 2006, to ordinary shareholders and on October 23, 2006 to holders of American Depositary Shares (“ADSs”). The trading price of ICON’s ADSs was adjusted on NASDAQ to effect the Bonus Issue prior to the opening of trading on October 24, 2006. All outstanding ordinary share amounts referenced in the consolidated financial statements and the notes thereto have been retrospectively restated to give effect to the Bonus Issue as if it had occurred as of the date referenced.

Cautionary Statement

Statements included herein which are not historical facts are forward looking statements. Such forward looking statements are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 (the “PSLRA”). The forward looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, our results could be materially affected. The risks and uncertainties include, but are not limited to, dependence on the pharmaceutical industry and certain clients, the need to regularly win projects and then to execute them efficiently, the challenges presented by rapid growth, competition and the continuing consolidation of the industry, the dependence on certain key executives and other factors identified in the Company’s Securities and Exchange Commission filings. The Company has no obligation under the PSLRA to update any forward looking statements and does not intend to do so.

Part I

Item 1. Identity of Directors, Senior Management and Advisors.

Not applicable.

Item 2. Offer Statistics and Expected Timetable.

Not applicable.

Item 3. Key Information.

Selected Historical Consolidated Financial Data for ICON plc

The following selected financial data set forth below are derived from ICON's consolidated financial statements and should be read in conjunction with, and are qualified by reference to, Item 5 "Operating and Financial Review and Prospects" and ICON's consolidated financial statements and related notes thereto included elsewhere in this Form 20-F.

	Year Ended May 2005	Seven Month Period Ended December 2005	Year Ended December 2006	Year Ended December 2007	Year Ended December 2008	Year Ended December 2009
--	------------------------------	---	-----------------------------------	-----------------------------------	-----------------------------------	-----------------------------------

(in thousands, except share and per share data)

Statement of Operations Data:

Gross revenue	\$469,583	\$ 275,586	\$649,826	\$867,473	\$1,209,451	\$1,258,227
Reimbursable expenses (1)	(142,925)	(73,636)	(194,229)	(236,751)	(344,203)	(370,615)
Net revenue	326,658	201,950	455,597	630,722	865,248	887,612
Costs and expenses:						
Direct costs	179,661	114,004	256,263	354,479	489,238	507,783
Selling, general and administrative	103,784	62,276	136,569	187,993	248,778	230,910
Depreciation and amortization	13,331	8,094	14,949	19,008	27,728	32,659
Share based compensation (2)	-	6,024	-	-	-	-
One-time net charges (3) (4)	11,275	-	-	-	-	8,808
Total costs and expenses	308,051	190,398	407,781	561,480	765,744	780,160
Income from operations	18,607	11,552	47,816			