

ICON PLC  
Form 6-K  
May 15, 2015

FORM 6-K  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 under  
the Securities Exchange Act of 1934

For  
the month ended May, 2015

ICON plc  
(Registrant's name)

333-08704  
(Commission file number)

South County Business Park, Leopardstown, Dublin 18, Ireland  
(Address of principal executive offices)

Brendan Brennan, CFO  
South County Business Park, Leopardstown, Dublin 18, Ireland.  
Brendan.Brennan@iconplc.com  
011-353-1-291-2000

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

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Yes  No

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  No

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

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Yes\_\_\_\_\_

No\_\_\_X\_\_\_

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82  
N/A

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ICON plc

Rider A

This report on Form 6-K is hereby incorporated by reference in the registration statement on Form F-3 (Registration No. 333-133371) of ICON plc and in the prospectus contained therein, and this report on Form 6-K shall be deemed a part of such registration statement from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished by ICON plc under the Securities Act of 1933 or the Securities Exchange Act of 1934.

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## GENERAL

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

### Business

ICON public limited company (“ICON”) is a contract research organization (“CRO”), providing outsourced development services on a global basis to the pharmaceutical, biotechnology and medical device industries. We specialize in the strategic development, management and analysis of programs that support all stages of the clinical development process - from compound selection to Phase I-IV clinical studies. Our vision is to be the Global CRO partner of choice for the Biopharma industry by delivering best in class information, solutions and performance in clinical and outcomes research.

We believe that we are one of a select group of CRO’s with the expertise and capability to conduct clinical trials in most major therapeutic areas on a global basis and have the operational flexibility to provide development services on a stand-alone basis or as part of an integrated “full service” solution. At March 31, 2015 we had approximately 11,200 employees, in 81 locations in 38 countries. During the three months ended March 31, 2015 we derived approximately 38.7%, 51.0% and 10.3% of our net revenue in the United States, Europe and Rest of World, respectively.

We began operations in 1990 and have expanded our business predominately through organic growth, together with a number of strategic acquisitions to enhance our capabilities and expertise in certain areas of the clinical development process. We are incorporated in Ireland and our principal executive office is located at: South County Business Park, Leopardstown, Dublin 18, Republic of Ireland. The contact telephone number of this office is 353 (1) 291 2000.

### Recent Developments

#### Acquisitions

On February 27, 2015 the Company acquired MediMedia Pharma Solutions for a total cash consideration of \$120.0 million. Headquartered in Yardley, Pennsylvania, MediMedia Pharma Solutions includes MediMedia Managed Markets and Complete Healthcare Communications. MediMedia Managed Markets is a leading provider of strategic payer-validated market access solutions. Complete Healthcare Communications is one of the leading medical and scientific communication agencies working with medical affairs, commercial and brand development teams within life science companies. (see note 3 Business Combinations for further information).

ICON plc  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 AS AT MARCH 31, 2015 AND DECEMBER 31, 2014

	(Unaudited) March 31, 2015	(Audited) December 31, 2014
	(in thousands)	
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$95,241	\$118,900
Short term investments - available for sale	96,434	97,100
Accounts receivable, net	361,780	370,956
Unbilled revenue	156,595	146,163
Other receivables	19,813	17,491
Deferred tax asset	35,092	24,716
Prepayments and other current assets	30,628	28,465
Income taxes receivable	16,009	15,716
<b>Total current assets</b>	<b>811,592</b>	<b>819,507</b>
<b>Other Assets:</b>		
Property, plant and equipment, net	141,552	148,185
Goodwill	571,523	463,324
Non-current other assets	12,833	11,583
Non-current income taxes receivable	13,022	15,060
Non-current deferred tax asset	9,792	21,472
Intangible assets	44,587	49,719
<b>Total Assets</b>	<b>\$1,604,901</b>	<b>\$1,528,850</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$3,859	\$2,793
Payments on account	253,043	280,097
Other liabilities	273,902	251,091
Bank credit lines and loan facilities	20,000	-
Deferred tax liability	234	229
Income taxes payable	7,506	4,149
<b>Total current liabilities</b>	<b>558,544</b>	<b>538,359</b>
<b>Other Liabilities:</b>		
Non-current other liabilities	15,389	13,179
Non-current government grants	993	1,116
Non-current income taxes payable	12,895	12,389
Non-current deferred tax liability	17,811	13,601
<b>Shareholders' Equity:</b>		
Ordinary shares, par value 6 euro cents per share; 100,000,000 shares authorized, 60,580,540 shares issued and outstanding at March 31, 2015 and 60,106,780 shares issued and outstanding at December 31, 2014	5,059	5,037
Additional paid-in capital	343,320	327,234
Capital redemption reserve	305	305
Accumulated other comprehensive income	(60,469 )	(37,555 )
Retained earnings	711,054	655,185

Total Shareholders' Equity	999,269	950,206
Total Liabilities and Shareholders' Equity	\$1,604,901	\$1,528,850

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICON plc  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND MARCH 31, 2014  
(UNAUDITED)

	Three Months Ended	
	March 31, 2015	March 31, 2014
Revenue:		
Gross revenue	\$503,366	\$476,544
Reimbursable expenses	(115,135 )	(126,910 )
Net revenue	388,231	349,634
Costs and expenses:		
Direct costs	228,078	216,140
Selling, general and administrative expense	79,555	78,948
Depreciation and amortization	13,925	11,548
Total costs and expenses	321,558	306,636
Income from operations	66,673	42,998
Interest income	276	348
Interest expense	(279 )	(257 )
Income before provision for income taxes	66,670	43,089
Provision for income taxes	(10,801 )	(6,894 )
Net income	\$55,869	\$36,195
Net income per Ordinary Share:		
Basic	\$0.93	\$0.59
Diluted	\$0.90	\$0.57
Weighted average number of Ordinary Shares outstanding:		
Basic	60,281,059	61,776,643
Diluted	61,856,347	63,225,797

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICON plc  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND MARCH 31, 2014  
(UNAUDITED)

	Three Months Ended	
	March 31, 2015	March 31, 2014
	(in thousands)	
Cash flows from operating activities:		
Net income	\$55,869	\$36,195
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss on disposal of property, plant and equipment	4	31
Depreciation expense	9,907	9,682
Amortization of intangibles	4,018	1,866
Amortization of grants	(11 )	(80 )
Share compensation expense	6,043	4,045
Deferred taxes	(173 )	(4,868 )
Changes in assets and liabilities:		
Decrease in accounts receivable	16,381	4,958
Increase in unbilled revenue	(11,716 )	(3,573 )
(Increase)/ decrease in other receivables	(2,699 )	1,199
Increase in prepayments and other current assets	(2,522 )	(5,304 )
Increase in other non current assets	(1,254 )	(643 )
Decrease in payments on account	(31,093 )	(27,567 )
Increase in other current liabilities	13,462	20,983
Increase in other non-current liabilities	1,757	58
Increase/(decrease) in income taxes payable	2,734	(492 )
Increase in accounts payable	406	2,170
Net cash provided by operating activities	61,113	38,660
Cash flows from investing activities:		
Purchase of property, plant and equipment	(10,688 )	(6,163 )
Purchase of subsidiary undertakings	(103,138 )	-
Purchase of short term investments	(60 )	(38,988 )
Sale of short term investments	1,037	50,530
Net cash (used in)/provided by investing activities	(112,849 )	5,379
Cash flows from financing activities:		
Proceeds from exercise of share options	8,146	9,825
Share issuance costs	(4 )	(4 )
Tax benefit from the exercise of share options	1,923	726
Drawdown of bank credit lines and loan facilities	20,000	-
Net cash provided by financing activities	30,065	10,547
Effect of exchange rate movements on cash	(1,988 )	(449 )
Net (decrease)/increase in cash and cash equivalents	(23,659 )	54,137
Cash and cash equivalents at beginning of period	118,900	182,519
Cash and cash equivalents at end of period	\$95,241	\$236,656



The accompanying notes are an integral part of these condensed consolidated financial statements.

## ICON plc

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE  
INCOME  
(UNAUDITED)

	Shares	Amount	Additional Paid-in Capital	Redemption Reserve	Accumulated Other Comprehensive Income	Retained Earnings	Total
(dollars in thousands, except share data)							
Balance at December 31, 2014	60,106,780	\$ 5,037	\$ 327,234	\$ 305	\$ (37,555 )	\$ 655,185	\$ 950,206
<b>Comprehensive Income:</b>							
Net income	-	-	-	-	-	55,869	55,869
Currency translation adjustment	-	-	-	-	(31,789 )	-	(31,789 )
Currency impact of long term funding	-	-	-	-	8,978	-	8,978
Tax on currency impact of long term funding	-	-	-	-	(415 )	-	(415 )
Unrealized capital gain - investments	-	-	-	-	312	-	312
Total comprehensive income	-	-	-	-	(22,914 )	55,869	32,955
Exercise of share options	317,777	22	8,114	-	-	-	8,136
Issue of restricted share units	155,983	-	10	-	-	-	10
Share issuance costs	-	-	(4 )	-	-	-	(4 )
Non-cash stock compensation expense	-	-	6,043	-	-	-	6,043
Tax benefit on exercise of options	-	-	1,923	-	-	-	1,923
Balance at March 31, 2015	60,580,540	\$ 5,059	\$ 343,320	\$ 305	\$ (60,469 )	\$ 711,054	\$ 999,269

The accompanying notes are an integral part of these condensed consolidated financial statements.



ICON plc

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

March 31, 2015

## 1. Basis of Presentation

These condensed consolidated financial statements, which have been prepared in accordance with United States generally accepted accounting principles (“US GAAP”), have not been audited. The condensed consolidated financial statements reflect all adjustments, which are, in the opinion of management, necessary to present a fair statement of the operating results and financial position for the periods presented. The preparation of the condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures in the condensed consolidated financial statements. Actual results could differ from those estimates.

The condensed consolidated financial statements should be read in conjunction with the accounting policies and notes to the consolidated financial statements included in ICON’s Form 20-F for the year ended December 31, 2014. Operating results for the three months ended March 31, 2015 are not necessarily indicative of the results that may be expected for the fiscal period ending December 31, 2015.

## 2. Goodwill

	Three months ended March 31, 2015	Year ended December 31, 2014
	(in thousands)	
Opening balance	\$ 463,324	\$ 357,523
Current period acquisitions (Note 3)	115,037	121,209
Prior Period acquisitions	4,418	-
Foreign exchange movement	(11,256 )	(15,408 )
Closing balance	\$ 571,523	\$ 463,324

### 3. Business Combinations

#### Acquisitions - MediMedia Pharma Solutions.

On February 27, 2015 the Company acquired MediMedia Pharma Solutions for a total cash consideration of \$120.0 million including certain payments to be made on behalf of the company on completion totalling \$14.9 million. Headquartered in Yardley, Pennsylvania, MediMedia Pharma Solutions includes MediMedia Managed Markets and Complete Healthcare Communications. MediMedia Managed Markets is a leading provider of strategic payer-validated market access solutions. Complete Healthcare Communications is one of the leading medical and scientific communication agencies working with medical affairs, commercial and brand development teams within life science companies. The acquisition agreement also provides for certain working capital targets to be achieved by MediMedia Pharma Solutions on acquisition. The Company has withheld a provisional amount of \$3.3 million pending completion of this review.

The acquisition of MediMedia Pharma Solutions has been accounted for as a business combination in accordance with FASB ASC 805 Business Combinations. The following table summarizes the Company's provisional estimates of the fair values of the assets acquired and liabilities assumed:

	February 27 2015 (in thousands)
Property, plant and equipment	\$829
Goodwill*	115,037
Accounts receivable	9,955
Prepayments and other current assets	621
Accounts payable	(749 )
Payments on account	(4,186 )
Other liabilities	(16,405 )
<b>Net assets acquired</b>	<b>\$105,102</b>
Cash consideration	\$120,000
Adjustments to cash consideration **	(11,574 )
Working capital adjustment	(3,324 )
<b>Net purchase consideration</b>	<b>\$105,102</b>

\*Goodwill represents the acquisition of an established workforce with experience in the provision of strategic payer-validated market access solutions while the acquisition of Complete Healthcare Communications comprises an established workforce with significant communication experience working with medical affairs, commercial and brand development teams within the life science industry.

\*\* Adjustments to cash consideration represents certain one-time liabilities at the acquisition date which have subsequently been repaid.

#### Prior Period Acquisitions – Aptiv Solutions

On May 7, 2014 the Company acquired 100% of the common stock of Aptiv Solutions (“Aptiv”), a global biopharmaceutical and medical device development services company and leader in adaptive clinical trials for a cash consideration of \$143.5 million including certain payments to be made on behalf of the company on completion

totalling \$22.4 million. Aptiv offers full-service clinical trial consulting and regulatory support for drugs, medical devices and diagnostics with a specific focus on strategy to increase product development efficiency and productivity. It is a market leader in the integrated design and execution of adaptive clinical trials for exploratory and late phase development as well as being an industry leader in medical device and diagnostic development in key medical technology segments. The acquisition agreement also provided for certain working capital targets to be achieved by Aptiv on completion. On March 25, 2015 the Company received \$1.9 million on completion of this review.

The acquisition of Aptiv Solutions has been accounted for as a business combination in accordance with FASB ASC 805 Business Combinations. The following table summarizes the preliminary estimated fair values of the assets acquired and the liabilities assumed:

	May 7 2014 (in thousands)
Property, plant and equipment	\$6,924
Goodwill*	125,627
Intangible asset – customer relationships	21,400
Intangible asset – order backlog	7,900
Cash and cash equivalents	3,484
Accounts receivable	25,091
Unbilled revenue	21,154
Prepayments and other current assets	4,180
Non-current assets	2,911
Accounts payable	(9,565 )
Other liabilities	(29,782 )
Payments on account	(31,094 )
Non-current other liabilities	(11,303 )
Loan notes payable **	(17,790 )
Net assets acquired	\$119,137
Cash consideration	\$143,500
Adjustments to cash consideration***	(22,399 )
Working capital adjustment	(1,964 )
Net purchase consideration	\$119,137

\* Goodwill represents the acquisition of an established workforce with experience in clinical trial consulting and regulatory support for the development of drugs, medical devices and diagnostics, with a specific focus on strategy to increase efficiency and productivity in product development. Goodwill related to the US portion of the business acquired is tax deductible.

\*\* Adjustments to cash consideration represent certain one-time liabilities (including loan notes) identified at the acquisition date which have subsequently been repaid.

4. Restructuring and other items

Prior Period Restructuring Charges- 2014 Restructuring Provisions

A restructuring charge of \$8.8 million was recognized during the year ended December 31, 2014. Following the closure of the Company's European Phase 1 services in 2013, the Company recognized a charge in 2014 in relation to its Manchester, United Kingdom facility; \$5.6 million in relation to asset impairments and \$3.2 million in relation to an onerous lease charge associated with this facility. We expect this to be paid by 2024.

Onerous

Asset

Lease

20

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of the problem and such shareholder(s) have failed to correct it. This obligation to notify the appropriate shareholder(s) does not apply to the failure to submit such proposal prior to the deadlines discussed above.

### **STOCKHOLDERS SHARING THE SAME ADDRESS**

To reduce the expenses of delivering duplicate materials, we are taking advantage of the SEC's "house holding" rules which permit us to deliver only one set of proxy materials (or one Notice of Internet Availability of Proxy Materials) to shareholders who share an address unless otherwise requested. If you share an address with another shareholder and have received only one set of these materials, you may request a separate copy at no cost to you by contacting Investor Relations by email at [investorrelations@dataio.com](mailto:investorrelations@dataio.com), by phone at (425) 881-6444, by fax at (425) 881-2917 or by writing to Data I/O investor relations, attention Joel Hatlen, 6464 185<sup>th</sup> Avenue NE, Suite 101, Redmond WA 98052. For future annual meetings, you may request separate materials, or request that we send only one set of materials to you if you are receiving multiple copies, by contacting Investor Relations as noted above.

### **SOLICITATION OF PROXIES**

The proxy accompanying this Proxy Statement is solicited by the Board of Directors. Proxies may be solicited by officers, directors and regular supervisory and executive employees of Data I/O, none of whom will receive any additional compensation for their services. In addition, Data I/O may engage an outside proxy solicitation firm to render proxy solicitation services and, if so, will pay a fee for such services. Solicitations of proxies may be made personally, or by mail, telephone, telegraph or messenger. Data I/O will pay persons holding shares of Common Stock in their names or in the names of nominees, but not owning such shares beneficially, such as brokerage houses, banks and other fiduciaries, for the expense of forwarding soliciting materials to their principals. All such costs of solicitation of proxies will be paid by Data I/O.

Copies of our annual report on Form 10-K for the year ended December 31, 2014 are being mailed with this Proxy Statement to each shareholder of record. If you did not receive a copy of our annual report Form 10-K, you may obtain a copy (without exhibits) without charge by writing c/o Secretary, 6464 185<sup>th</sup> Avenue NE, Suite 101, Redmond, WA 98052 or by calling (425) 881-6444. Copies of the exhibits to our annual report on Form 10-K are available for a nominal fee or may be viewed at <http://www.dataio.com/company/investorrelations/annualmeeting.aspx> or [www.sec.gov](http://www.sec.gov) in the EDGAR filing of our report.

By Order of the Board of Directors

*/s/ Anthony Ambrose*

Anthony Ambrose

President and Chief Executive Officer

Redmond, Washington

April 2, 2015