



Third Quarter Sales Surge at Charles River Laboratories

November 1, 2000

WILMINGTON, Mass.--(BW HealthWire)--Nov. 1, 2000--Charles River Laboratories International, Inc.'s (NYSE:CRL) sales increased 37% in the third quarter over the prior year, driven by strong growth in customer demand for its drug discovery and development products and services.

Sales for the third quarter 2000 were \$72.4 million, or a \$19.5 million increase over third quarter 1999 sales of \$52.9 million. Net income before an extraordinary loss for the quarter was \$4.8 million, or \$0.12 per diluted share, exceeding the consensus First Call estimate of \$0.08 earnings per share.

This compares to net income of \$5.6 million, or \$0.28 per diluted share, in the third quarter of 1999. The Company's net loss after the extraordinary charge in the quarter was \$24.3 million, or \$0.61 per diluted share. The extraordinary loss was the result of one-time costs associated with early retirement of debt.

Earnings per share results were impacted by the increase in shares outstanding following the IPO of 16.1 million newly issued shares.

For the first nine months of fiscal 2000, the Company's sales increased 34% to \$215.8 million, an increase of \$54.7 million over \$161.1 million for the same period in 1999. Net income before the extraordinary loss was \$13.4 million, or \$0.47 per diluted share, compared to \$20.0 million, or \$1.01 per diluted share in 1999.

Net loss after the extraordinary loss was \$15.7 million, or \$0.54 per diluted share.

The Company's sales increase over the prior year was impacted favorably by strategic acquisitions and investments, which complemented solid growth in the Company's core research models segment and continued rapid growth in its biomedical products and services segment.

Excluding the strategic transactions, pro forma sales increased 9% in the first nine months of this year, and 10% excluding the impact of foreign currencies.

According to James C. Foster, CEO, "We're very pleased with the strong performance of the business in the third quarter, our first since our IPO. Our results reflect continued strong customer demand for our products and services in the pre-clinical enabling technology or 'tools' space. Demand for our core research models business was very solid from both large pharmaceutical and biotech customers. Our biomedical products and services segment continued its higher growth trajectory. Steady drug discovery and development activity within big pharma, and accelerating biotech and genomics research initiatives, have together translated into strong growth and profitability in our businesses. We believe we are the leader in providing the value-added solutions that the dynamic pre-clinical market requires.

"Our long-term strategic goal is to grow this business 15% or more annually, by complementing the solid and steady growth in our existing portfolio with platform acquisitions and technology partnerships. We believe we can achieve this level of long-term sales growth while continuing to maintain strong profitability. Despite the weakness in the Euro, we're comfortable with the current range of analysts estimates for fourth quarter sales, as well as the range of First Call estimates for fourth quarter EPS of \$0.07-\$0.08."

Charles River Laboratories, based in Wilmington, Massachusetts, is a leading provider of critical research tools and integrated support services that enable innovative and efficient drug discovery and development. The Company is the global leader in providing the animal research models required in research and development for new drugs, devices and therapies.

The Company also offers a broad and growing portfolio of biomedical products and services that enable customers to reduce cost, increase speed, and enhance productivity and effectiveness in drug discovery and development.

Charles River's customer base spans over 50 countries, and includes all of the major pharmaceutical and biotechnology companies, as well as many leading hospitals and academic institutions. The Company operates 53 facilities in 15 countries worldwide.

Charles River Laboratories International, Inc. is listed on the New York Stock Exchange under the symbol CRL. The Company's listing application contains additional information, available to the public on request, upon which the NYSE relied in authorized the listing.

This document may contain "forward looking statements." Such statements involve a number of risks and uncertainties that could cause actual results to differ materially from those stated or implied by the forward looking statements, including contaminations, industry trends, new displacement technologies, outsourcing trends, USDA and FDA regulation, changes in law, acquisition integration risks, special interests groups, continued availability of products and supplies, personnel and control, and others that are described in the Risk Factors contained in Company's Registration Statement of Form S-1, as filed on June 23, 2000, and as may be updated from time to time in the Company's periodic SEC filings.

The Company disclaims an intent or obligation to update forward looking statements, and otherwise claims the "safe harbor" protections for forward looking statements afforded under The Private Securities Litigation Reform Act of 1995.

As previously announced, investors can access a live webcast of the third quarter earnings conference call through a link that will be posted on the investor page of the Charles River Laboratories website, <http://www.criver.com>. The conference call begins on Thursday, November 2, at 11:00 a.m. Eastern Standard Time and will be available for replay through December 2, 2000.

	Three Months Ended		Nine Months Ended	
	Sept. 25, 1999	Sept. 23, 2000	Sept. 25, 1999	Sep. 23, 2000
Total net sales	\$ 52,930	\$ 72,373	\$ 161,096	\$ 215,772
Cost of products sold and services provided	32,908	42,467	97,230	126,379
Gross margin	20,022	29,906	63,866	89,393
Selling, general and administrative	9,503	11,126	29,414	35,366
Amortization of goodwill and intangibles	350	932	1,114	2,734
Operating income	10,169	17,848	33,338	51,293
Interest income (expense)	101	(7,092)	289	(32,623)
Other income (expense)	1,451	(406)	1,298	(176)
Income before income taxes, minority interests, earnings from equity investments and extraordinary item	11,721	10,350	34,925	18,495
Provision for income taxes	6,892	5,193	16,903	4,797
Income before minority interests earnings from equity investments and extraordinary item	4,829	5,157	18,022	13,698
Minority interests	(8)	(451)	(10)	(1,130)
Earnings from equity investments	823	133	1,940	881
Net Income before extraordinary item	\$ 5,644	\$ 4,839	\$ 19,952	\$ 13,449
Extraordinary loss on debt paydown, net of				

tax benefit of \$15,670	-	(29,101)	-	(29,101)

Net Income (loss)	\$ 5,644	(\$ 24,262)	\$ 19,952	(\$ 15,652)
Earnings per common share before the extraordinary item				
Basic	\$ 0.28	\$ 0.14	\$ 1.01	\$ 0.54
Diluted	\$ 0.28	\$ 0.12	\$ 1.01	\$ 0.47
Earnings per common share after the extraordinary item				
Basic	\$ 0.28	(\$ 0.69)	\$ 1.01	(\$ 0.63)
Diluted	\$ 0.28	(\$ 0.61)	\$ 1.01	(\$ 0.54)
Weighted average number of common shares outstanding				
Basic	19,820,369	35,389,600	19,820,369	25,010,113
Diluted	19,820,369	39,699,771	19,820,369	28,880,979

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(dollars in thousands)

	Dec. 25, 1999	Sept. 23, 2000
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Assets		
Current assets		
Cash and cash equivalents	\$ 15,010	\$ 28,008
Trade receivables	36,293	48,294
Inventories	30,534	31,544
Other current assets	7,158	6,429
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Total current assets	88,995	114,275
Property, plant and equipment, net	85,413	114,684
Goodwill and other intangibles	36,958	40,508
Deferred tax asset	101,560	113,877
Other assets	50,130	25,778
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Total assets	\$ 363,056	\$ 409,122
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Liabilities and Shareholder's Equity		
Current liabilities		
Current portion of long-term debt	\$ 3,290	\$ 130
Accounts payable	9,291	7,968
Accrued compensation	10,792	13,818
Other current liabilities	38,048	38,635
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Total current liabilities	61,421	60,551
Long-term debt	381,706	202,222
Other long-term liabilities	16,569	19,635

Total liabilities	----- 459,696 -----	----- 282,408 -----
Minority interests	304	13,620
Redeemable common stock	13,198	-
Total shareholder's equity	(110,142)	113,094
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Total liabilities and shareholder's equity	\$ 363,056 =====	\$ 409,122 =====

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