



## Charles River Reports Strong First Quarter Sales and Earnings

May 3, 2001

WILMINGTON, Mass.--(BW HealthWire)--May 3, 2001--Charles River Laboratories International, Inc. (NYSE: CRL), reported today that sales increased 37% in the first quarter of 2001 over the prior year. Sales for the first quarter were \$99.0 million, a \$26.5 million increase over first quarter 2000 sales of \$72.5 million. Net income before extraordinary items for the quarter was \$7.2 million, or \$0.18 per diluted share, exceeding the consensus First Call estimate of \$0.16 per share. Excluding a special charge for capacity adjustments in Europe, earnings per share for the first quarter was \$0.19.

The Company's strong revenue growth over the prior year was driven by strategic acquisitions in the drug discovery and development outsourcing area. The Company also experienced steady growth in the research models segment, and continued strong growth in several of its other biomedical products and services businesses. On a pro forma basis (adjusted to give effect to completed acquisitions), before unfavorable currency effects, sales increased 12% in the first quarter.

Commenting on these results, James C. Foster, Chairman and CEO, said "We're extremely pleased with our results for the first quarter. This is the third consecutive quarter since our IPO that we have delivered very strong revenue growth, while maintaining our commitment to a strong operating margin. We were delighted to complete in March, in the face of very challenging market conditions, a \$153 million follow-on equity offering. The offering generated net proceeds to the Company of \$62 million, which we are using to retire debt. We continued to experience strong demand in the quarter across all of our products and services. We filled many of the gaps in our pre-clinical outsourcing services area by acquiring Pathology Associates International and Primedica. These new additions greatly strengthened our scientific capabilities, and expanded our outsourcing services reach within the pharmaceutical and biotech industries. Our acquisition integration programs for PAI and Primedica are proceeding very well, and both businesses are off to strong starts. We're optimistic about the many global market opportunities before us, and with our significantly enhanced ability to meet the challenges they present. "

The following forward-looking guidance is subject to the qualifications set forth below. For the second quarter of 2001, Charles River expects sales in the range of \$110 million to \$114 million, and fully diluted earnings per share before extraordinary items in the range of \$0.18 to \$0.20, at current exchange rates. For fiscal 2001, the Company projects earnings per share in the range of \$0.72 to \$0.76. For 2001, with the benefit of acquisitions completed in the first quarter, Charles River estimates revenue growth will exceed 40%.

Charles River Laboratories International, Inc. is a holding company for Charles River Laboratories, Inc. Both companies are publicly registered, and each files separate financial statements and reports with the SEC. The income statement and balance sheet information provided below reflect the financial results for Charles River Laboratories International, Inc., which differ from those of Charles River Laboratories, Inc. as to certain balance sheet items.

Charles River Laboratories, Inc., 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 more than 76 facilities in 15 countries worldwide.

This document contains "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 acquisition integration risks, special interest groups, foreign exchange, contaminations, industry trends, new displacement technologies, outsourcing trends, USDA and FDA regulation, changes in law, 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-3, as filed on March 15, 2001, and as may be updated from time to time in the Company's periodic SEC filings. The Company disclaims any 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 first 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 Friday, May 4, at 8:30 a.m. Eastern Standard Time and will be available thereafter for replay.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(dollars in thousands except for per share date)

	Three Months Ended	
	March 31, 2001	March 25, 2000
Total net sales	\$ 99,031	\$ 72,502
Cost of products sold and		

services provided	62,369	44,592
Gross margin	36,662	27,910
Selling, general and administrative	15,460	11,813
Amortization of goodwill and intangibles	1,828	865
Operating income	19,374	15,232
Interest income (expense)	(6,705)	(12,522)
Other income (expense)	555	(30)
Income before income taxes, minority interests, earnings from equity investments and extraordinary item	13,224	2,680
Provision for income taxes	5,555	2,468
Income before minority interests, earnings from equity investments and extraordinary item	7,669	212
Minority interests	(564)	(217)
Earnings from equity investments	83	641
Net Income before extraordinary item	\$ 7,188	\$ 636
Extraordinary loss, net of tax benefit of \$128	(237)	--
Net Income	\$ 6,951	\$ 636
Earnings per common share before extraordinary item		
Basic	\$ .20	\$ .03
Diluted	\$ .18	\$ .03
Earnings per common share after extraordinary item		
Basic	\$ .19	\$ .03
Diluted	\$ .17	\$ .03
Weighted average number of common shares outstanding		
Basic	36,582,532	19,820,369
Diluted	40,287,045	23,571,555

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(dollars in thousands)

	March 31, 2001	December 30, 2000
Assets		
Current assets		
Cash and cash equivalents	\$ 72,399	\$ 33,129
Trade receivables	78,295	45,949
Inventories	34,287	33,890
Other current assets	10,221	6,769
Total current assets	195,202	119,737
Property, plant and equipment, net	139,694	117,001
Goodwill and other intangibles	91,529	41,893
Deferred tax asset	101,078	105,027
Other assets	27,882	26,950
Total assets	\$555,385	\$410,608
Liabilities and Shareholders' Equity		
Current liabilities		

Current portion of long-term debt	\$ 16,153	\$ 231
Accounts payable	10,814	10,767
Accrued compensation	16,300	16,997
Other current liabilities	56,033	36,325
Total current liabilities	99,300	64,320
Long-term debt	228,302	201,957
Other long-term liabilities	16,680	14,074
Total liabilities	344,282	280,351
Minority interests	11,962	13,330
Total shareholder's equity	199,141	116,927
Total liabilities and shareholder's equity	\$555,385	\$410,608

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