



Sales and Earnings at Charles River Show Continued Strength

October 31, 2001

WILMINGTON, Mass., Oct 31, 2001 (BW HealthWire) -- Charles River Laboratories International, Inc. (NYSE:CRL), reported today that sales increased 64% in the third quarter of 2001 compared to the third quarter of 2000. Sales for this year's third quarter were \$123.7 million, a \$48.1 million increase over third quarter 2000 sales of \$75.6 million. Net income before extraordinary items was \$11.8 million for the third quarter, or \$0.26 per diluted share, an increase of 117% compared to \$0.12 per diluted share in the third quarter of 2000. Fully diluted earnings per share (EPS) before extraordinary items for the third quarter will exceed by \$0.02 the consensus First Call estimate of \$0.24 per share.

The Company experienced strong sales and earnings growth in the third quarter of this year, in both its biomedical products and services and research models segments. While strategic acquisitions continued to contribute significantly to results, the Company also experienced solid organic growth across the board. On a pro forma basis (adjusted to give effect to acquisitions completed earlier this year), and before unfavorable currency effects, sales increased 22% in the third quarter compared to the third quarter of last year.

Commenting on these results, James C. Foster, Chairman and CEO, said, "I'm delighted to report today on our strongest quarter in the past decade. Despite the slowing economy, and disruptions in many markets resulting from the tragic events of September 11, our business continued to show strength across all segments and geographic locales. This is now the fifth consecutive quarter since our June 2000 IPO in which we've experienced strong sales growth, while achieving our desired level of profitability. Our two strategic acquisitions completed earlier this year continue to perform ahead of our internal acquisition plans. The integration process will soon be complete, once we finalize the consolidation of one of our strategic services capabilities. Our other drug discovery and development services also continued to evidence excellent organic growth, as the demand from the biomedical research community for high quality outsourced services remained strong. The research models segment, our historical core business, remains very profitable, and continues to grow along with the increasing demand for more highly predictive special disease models."

Mr. Foster added: "We've added another technology partnership to our growing portfolio, working with a leading academic research institution to develop a series of unique genetically altered rat models that will enable researchers to better understand common diseases of the heart, lung and blood. We've also secured a major contract with the National Cancer Institute to manage their research model colonies that are used to better understand cancer and to develop innovative therapies. We remain very enthused about the strength of our product and services portfolio, the technology deals we've signed, the opportunities for significant organic growth, and the long-term future of our unique enterprise. We remain committed to being a leading supplier of a wide range of high quality, high margin, non-capital products and services utilized in drug discovery and development."

The following forward-looking guidance is subject to the qualifications set forth below, and is based on current exchange rates. For the fourth quarter of 2001, when we typically experience slightly lower sales and earnings compared to the third quarter due to industry seasonality, Charles River expects sales in the range of \$117 million to \$120 million, an increase of nearly 50% over the prior year, and slightly higher than earlier guidance and First Call estimates. The Company expects fully diluted earnings per share before extraordinary items in the fourth quarter in the range of \$0.23 to \$0.24, an increase of more than 100% over the prior year, excluding approximately a \$0.01 charge for a consolidation of services capabilities related to our acquisitions. For fiscal 2001, the Company projects earnings per share in the range of \$0.91 to \$0.92 (excluding the \$0.01 charge), compared to the First Call consensus for 2001 EPS of \$0.89. For 2001, with the benefit of acquisitions completed in the first quarter, Charles River estimates sales will exceed \$455 million, or nearly 50% growth on a reported basis compared to 2000 sales. The Company expects to provide guidance on 2002 later this year, or early next year.

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, R&D 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 July 19, 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 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 1, at 8:30 a.m. Eastern Standard Time and will be available thereafter for one week for replay.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(dollars in thousands except for per share data)

	Three Months Ended		Nine Months Ended	
	Sept. 29, 2001	Sept. 23, 2000	Sept. 29, 2001	Sept. 23, 2000
Total Net Sales	\$ 123,685	\$ 75,593	\$ 339,536	\$ 225,527
Cost of products sold and services provided	80,474	45,689	215,893	136,134
Gross margin	43,211	29,904	123,643	89,393
Selling, general and administrative	17,016	11,124	49,761	35,366
Amortization of goodwill and intangibles	2,183	932	6,004	2,734
Operating income	24,012	17,848	67,878	51,293
Interest income (expense)	(5,096)	(7,092)	(17,395)	(32,622)
Other income (expense)	83	(406)	516	(176)
Income before taxes, minority interests, earnings from equity investments and extraordinary item	18,999	10,350	50,999	18,495
Provision for income taxes	6,677	5,193	19,891	4,797
Income before minority interests, earnings from equity investments and extraordinary item	12,332	5,157	31,108	13,698
Minority interests	(643)	(451)	(1,859)	(1,130)
Earnings from equity investments	126	133	345	881
Net income before extraordinary item	11,805	4,839	29,594	13,449
Extraordinary loss, net of tax benefit	(1,284)	(29,101)	(3,104)	(29,101)
Net income (loss)	\$ 10,521	\$ (24,262)	\$ 26,490	\$ (15,652)
Earnings per common share before extraordinary item				
Basic	\$ 0.27	\$ 0.14	\$ 0.74	\$ 0.54
Diluted	\$ 0.26	\$ 0.12	\$ 0.68	\$ 0.47
Earnings (loss) per common share after extraordinary item				
Basic	\$ 0.24	\$ (0.69)	\$ 0.66	\$ (0.63)
Diluted	\$ 0.23	\$ (0.61)	\$ 0.61	\$ (0.54)
Weighted average number of common shares outstanding				
Basic	43,054,478	35,389,600	39,953,655	25,010,113
Diluted	45,679,127	39,699,771	43,429,162	28,880,979

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

	Sept. 29, 2001	Dec. 30, 2000
Assets		
Current assets		

Cash and cash equivalents	\$ 78,303	\$ 33,129
Trade receivables	97,938	45,949
Inventories	39,206	34,510
Other current assets	9,135	6,149
Total current assets	224,582	119,737
Property, plant and equipment, net	149,249	117,001
Goodwill and other intangibles	90,984	41,893
Deferred tax asset	93,288	105,027
Other assets	27,967	26,950
Total assets	\$586,070	\$410,608
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	\$ 811	\$ 231
Accounts payable	9,408	10,767
Accrued compensation	25,603	16,997
Other current liabilities	50,803	36,325
Total current liabilities	86,625	64,320
Long-term debt	193,240	201,957
Other long-term liabilities	14,545	14,074
Total liabilities	294,410	280,351
Minority interests	13,993	13,330
Total shareholders' equity	277,667	116,927
Total liabilities and shareholders' equity	\$586,070	\$410,608

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