



Charles River Reports Strong Growth in Fourth Quarter and Year

February 6, 2002

WILMINGTON, Mass., Feb 6, 2002 (BW HealthWire) -- Charles River Laboratories International, Inc. (NYSE: CRL) and its wholly-owned subsidiary, Charles River Laboratories, Inc., achieved strong growth in sales and earnings for the fourth quarter and for the full year 2001. The Company's fourth quarter sales increased 56% over the prior year, driven by strong growth in customer demand for the Company's products and services that support drug discovery and development. Sales for the fourth quarter were \$126.1 million, a \$45 million increase over fourth quarter 2000 sales of \$81.1 million. Net income for the quarter, before an extraordinary loss of \$2.1 million related to early retirement of debt, was \$11.1 million, or \$0.24 per fully diluted share. The \$0.24 EPS for the fourth quarter includes a \$0.02 charge for the consolidation of services capabilities related to acquisitions. EPS for the fourth quarter fully met management's guidance provided in early January, as well as the First Call consensus estimate.

For 2001, the Company's sales increased 52% to \$465.6 million, an increase of \$159 million over sales of \$306.6 million in 2000. Net income before an extraordinary loss of \$5.2 million related to the early retirement of debt, was \$40.7 million, or \$0.92 per fully diluted share.

The Company experienced strong sales and earnings growth in the fourth quarter from both its biomedical products and services and research models segments. While strategic acquisitions earlier in the year contributed significantly to results, the Company also experienced solid organic growth across most product lines and services offerings, and throughout North America, Europe and Japan.

Commenting on these results, James C. Foster, Chairman and CEO, said "We're extremely pleased with our results for the fourth quarter, and the year. Despite a challenging overall economy, our businesses remained strong and steady. We experienced excellent growth and profitability across all of our businesses, with revenue growth well above our long-term strategic goal. Demand for our products and services remained robust throughout the quarter and year, fueled by increased R&D spending by big pharma and biotech, and by increased outsourcing of pre-clinical research to companies like ours that have demonstrated exceptional quality, service and reliability. While our research models segment contributed strongly to earnings and cash flow, our acquisitions early in the year of Primedica and PAI added more than \$100 million to our revenues in 2001, and enabled Charles River to emerge as a world leader in pre-clinical drug discovery and development services. The vitality of our markets, the increasing trend toward pre-clinical outsourcing, and Charles River's technology and market leadership in the drug discovery and development industry position us for steady, continued growth internationally through 2002."

The Company also announced that the tender offer by its operating subsidiary for its 13.5% senior subordinated notes is expected to be completed next week. The parent will utilize a portion of the cash proceeds from its recent \$175 million 3.5% convertible debenture offering to retire the subsidiary's high yield bonds.

The following forward looking guidance is subject to the qualifications set forth below, and is based on current exchange rates. For 2002, Charles River estimates sales growth in the range of 14% to 15%. Fully diluted EPS for 2002 is estimated to be in the range of \$1.18 to \$1.21, slightly higher than previous guidance as a result of the accretive impact of the Company's recently completed \$175 million convertible debenture offering. In the first quarter of 2002, Charles River expects sales in the range of \$125 to \$130 million, and fully diluted EPS in the range of \$0.25 to \$0.27, excluding an extraordinary loss related to the retirement of high yield debt pursuant to the tender offer.

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 Securities Exchange Commission. 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, 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 76 facilities in 15 countries worldwide. For more information, visit the Company's web site at <http://www.criver.com>.

Caution Concerning Forward-Looking Statements: This document includes certain "forward looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations, and 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, contaminations, industry trends, new displacement technologies, outsourcing trends, USDA and FDA regulation, changes in law, special interest groups, continued availability of products and supplies, personnel and control, and others that are described in more detail in the Risk Factors contained in the Company's most recent Registration Statement, filed on Form S-3, as of July 19, 2001, as well as its other 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 fourth quarter earnings conference call through a link that will be posted on the investor page of the Charles River Laboratories website, www.criver.com. The conference call begins on Thursday, February 7, at 8:30 a.m. Eastern Standard Time and will be available thereafter for replay.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(dollars in thousands except for per share data)

	Three Months Ended		Twelve Months Ended	
	December 29, 2001	December 30, 2000	December 29, 2001	December 30, 2000
Total Net Sales	\$126,094	\$81,058	\$465,630	\$306,585
Cost of products sold and services provided	82,486	50,520	298,379	186,654
Gross margin	43,608	30,538	167,251	119,931
Selling, general and administrative	18,554	15,838	68,315	51,204
Amortization of goodwill and intangibles	2,649	932	8,653	3,666
Operating income	22,405	13,768	90,283	65,061
Interest income (expense)	(3,909)	(6,425)	(21,304)	(39,047)
Other income (expense)	(16)	247	500	71
Income before taxes, minority interests, earnings from equity investments and extraordinary item	18,480	7,590	69,479	26,085
Provision for income taxes	7,204	3,040	27,095	7,837
Income before minority interests, earnings from equity investments and extraordinary item	11,276	4,550	42,384	18,248
Minority interests	(347)	(266)	(2,206)	(1,396)
Earnings from equity investments	127	144	472	1,025
Net income before extraordinary item	11,056	4,428	40,650	17,877
Extraordinary loss, net of tax benefit	(2,139)	--	(5,243)	(29,101)
Net income (loss)	\$ 8,917	\$4,428	\$35,407	\$ (11,224)
Earnings per common share before extraordinary item				
Basic	\$ 0.25	\$ 0.12	\$ 0.99	\$ 0.64
Diluted	\$ 0.24	\$ 0.11	\$ 0.92	\$ 0.56
Earnings (loss) per common share after extraordinary item				
Basic	\$ 0.20	\$ 0.12	\$ 0.86	\$(0.40)
Diluted	\$ 0.19	\$ 0.11	\$ 0.80	\$(0.35)
Weighted average number of common shares outstanding				
Basic	44,133,268	35,920,369	40,998,558	27,737,677
Diluted	46,398,266	40,194,560	44,215,383	31,734,354

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(dollars in thousands)

	December 29, 2001	December 30, 2000
Assets		
Current assets		
Cash and cash equivalents	\$ 58,271	\$ 33,129
Trade receivables	98,478	45,949
Inventories	39,056	33,890
Other current assets	14,349	6,769
Total current assets	210,154	119,737
Property, plant and equipment, net	155,919	117,001
Goodwill and other intangibles	90,374	41,893
Deferred tax asset	84,387	105,027
Other assets	27,134	26,950

Total assets	\$567,968	\$410,608
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	\$ 759	\$ 231
Accounts payable	13,868	10,767
Accrued compensation	25,736	16,997
Other current liabilities	58,169	36,325
Total current liabilities	98,532	64,320
Long-term debt	155,506	201,957
Other long-term liabilities	14,826	14,074
Total liabilities	268,864	280,351
Minority interests	12,988	13,330
Total shareholders' equity	286,116	116,927
Total liabilities and shareholders' equity	\$567,968	\$410,608

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)

(dollars in thousands)

	Three Months Ended		Twelve Months Ended	
	December 29, 2001	December 30, 2000	December 29, 2001	December 30, 2000
Research Models				
Net sales	\$49,360	\$45,412	\$197,494	\$ 177,950
Gross margin	18,085	16,614	80,060	70,641
Gross margin as a % of sales	36.6%	36.6%	40.5%	39.7%
Operating income	10,450	6,742	50,878	40,862
Operating income as a % of sales	21.2%	14.8%	25.8%	23.0%
Depreciation and amortization	2,768	2,718	9,978	9,840
Capital expenditures	3,718	2,878	10,419	7,502
Biomedical Products and Services				
Net sales	\$76,734	\$35,646	\$268,136	\$ 128,635
Gross margin	25,523	13,924	87,191	49,290
Gross margin as a % of sales	33.3%	39.1%	32.5%	38.3%
Operating income	12,293	7,603	46,643	26,308
Operating income as a % of sales	16.0%	21.3%	17.4%	20.5%
Depreciation and amortization	5,166	1,774	17,197	6,926
Capital expenditures	12,158	4,158	25,987	8,063
Unallocated Corporate Overhead	(\$ 338)	(\$ 577)	(\$ 7,238)	(\$ 2,109)
Total				
Net sales	\$ 126,094	\$81,058	\$465,630	\$ 306,585
Gross margin	43,608	30,538	167,251	119,931
Gross margin as a % of sales	34.6%	37.7%	35.9%	39.1%
Operating income	22,405	13,768	90,283	65,061
Operating income as a % of sales	17.8%	17.0%	19.4%	21.2%
Depreciation and amortization	7,934	4,492	27,175	16,766
Capital expenditures	15,876	7,036	36,406	15,565

CONTACT: Charles River Laboratories, Christopher DiFrancesco, 978-658-6000 ext. 1329 ir@criver.com