



## Sales and Earnings at Charles River Show Continued Growth; Seventh Consecutive Post-IPO Quarter of Strong Financial Performance

May 1, 2002

WILMINGTON, Mass., May 1, 2002 (BW HealthWire) -- Charles River Laboratories International, Inc. (NYSE: CRL) achieved strong growth in sales and earnings for the first quarter of 2002. The Company's first quarter sales increased 35% 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 first quarter were \$133.8 million, a \$34.8 million increase over first quarter 2001 sales of \$99.0 million. The Company's operating income margin for the quarter was 21.2%, compared to 19.6% in the prior year quarter. Net income for the quarter, before an extraordinary loss of \$16.8 million related to early retirement of debt, was \$14.5 million, or \$0.31 per fully diluted share. The Company's EPS in the first quarter exceeded by \$0.04 both its guidance and the First Call consensus estimate of \$0.27.

The Company experienced strong sales and earnings growth in the first quarter from both its biomedical products and services and research models segments. While strategic acquisitions completed a year ago contributed significantly to results, the Company also experienced solid organic growth across virtually all product lines and service offerings, and throughout North America, Europe and Japan. Adjusted to give effect for strategic acquisitions completed in early 2001, Charles River's sales increased 19% in the first quarter compared to the first quarter of last year (22% before unfavorable currency effects).

Effective for the first quarter 2002, the Company adopted Statement of Accounting Financial Standards No. 142, "Goodwill and Other Intangible Assets," the effect of which was to cease amortization of goodwill and certain indefinite-lived intangible assets, which amounted to \$0.02 per fully diluted share in the first quarter. Had the adoption been made as of the beginning of 2001, prior year first quarter earnings would have increased by \$0.02 per fully diluted share.

Commenting on these results, James C. Foster, Chairman and CEO, said: "We're very pleased to once again fully deliver on our commitments to our many customers around the world, and in turn, our investors. In a period in which some have cited weakness in customer demand within the pharmaceutical and biotech R&D sector, we continued to see very strong demand by this customer base across the board for our products and services. We think the strength of our financial performance reflects both the uniqueness of our products and services, and their importance as vital components to a successful drug discovery and development program. Our research models experienced record demand in the quarter, particularly in the US, as well as in Europe and Japan, and in turn, record profitability. Our biomedical services segment continued to demonstrate the dynamic growth trend that complements the steady and consistent performance of our research models business. We see continued strength in demand for our existing portfolio of products and services for the balance of the year, and beyond. In each of the seven quarters since our IPO, we've met or exceeded our projections for sales and earnings, by making substantial progress toward our strategic commitment to being the world's leading provider of pre-clinical products and services to the drug discovery and development industry."

Mr. Foster went on to say: "We also reached some significant milestones in the quarter, from a capital structure standpoint. We retired the remaining balance of our LBO-related 13.5% high-yield bonds, and replaced it with 3.5% convertible debt. Our credit ratings have been upgraded. We also saw our private equity sponsor further distribute or sell a substantial amount of its remaining shares in the Company, and our former parent company sell all of its shares, resulting in a more widely-held stock."

The following forward looking guidance is subject to the qualifications set forth below, and is based on current exchange rates. For the second quarter 2002, Charles River estimates sales in the range of \$132 million to \$135 million, which amounts to 13% to 16% reported sales growth over the second quarter of 2001. Fully diluted EPS for the second quarter of 2002 is estimated to be in the range of \$0.31 to \$0.33. For the full year, management estimates fully diluted EPS (before any extraordinary items) in the range of \$1.28 to \$1.31, an increase of more than 40% over 2001 EPS of \$0.92, and nearly 10% higher than management's February guidance.

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 interests 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 Annual Report for 2001 filed on Form 10K on March 27, 2002, 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 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 Thursday, May 2, 2002, 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	
	March 30, 2002	March 31, 2001
Total Net Sales	\$133,820	\$99,031
Cost of products sold and services provided	83,861	62,369
Gross margin	49,959	36,662
Selling, general and administrative	20,919	15,460
Amortization of goodwill and intangibles	630	1,828
Operating income	28,410	19,374
Interest income (expense)	(3,392)	(6,705)
Other income (expense)	(83)	555
Income before taxes, minority interests, earnings from equity investments and extraordinary item	24,935	13,224
Provision for income taxes	9,725	5,555
Income before minority interests, earnings from equity investments and extraordinary item	15,210	7,669
Minority interests	(762)	(564)
Earnings from equity investments	82	83
Net income before extraordinary item	14,530	7,188
Extraordinary loss, net of tax benefit	(16,762)	(237)
Net income (loss)	(\$2,232)	\$6,951
Earnings per common share before extraordinary item		
Basic	\$0.33	\$0.20
Diluted	\$0.31	\$0.18
Earnings (loss) per common share after extraordinary item		
Basic	(\$0.05)	\$0.19
Diluted	(\$0.03)	\$0.17

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

	March 30 2002	December 29, 2001
Assets	(Unaudited)	
Current assets		
Cash and cash equivalents	\$135,398	\$ 58,271
Trade receivables	105,127	98,478
Inventories	39,125	39,056
Other current assets	14,487	14,349
Total current assets	294,137	210,154
Property, plant and equipment, net	153,901	155,919
Goodwill and other intangibles	90,674	90,374
Deferred tax asset	95,421	87,781
Other assets	30,059	27,134
Total assets	\$664,192	\$571,362
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	\$2,967	\$759
Accounts payable	11,777	13,868
Accrued compensation	19,342	25,736
Other current liabilities	55,609	58,169
Total current liabilities	89,695	98,532
Long-term debt	259,207	155,506
Other long-term liabilities	14,943	14,826
Total liabilities	363,845	268,864
Minority interests	11,941	12,988
Total shareholders' equity	288,406	289,510
Total liabilities and shareholders' equity	\$664,192	\$571,362

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.  
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)  
(dollars in thousands)

	Three Months Ended	
	March 30, 2002	March 31, 2001
Research Models		
Net sales	\$56,899	\$49,474
Gross margin	26,060	20,549
Gross margin as a % of sales	45.8%	41.5%
Operating income	19,532	13,271
Operating income as a % of sales	34.3%	26.8%
Depreciation and amortization	2,215	2,405
Capital expenditures	1,455	1,913
Biomedical Products and Services		
Net sales	\$76,921	\$49,557
Gross margin	23,899	16,113
Gross margin as a % of sales	31.1%	32.5%
Operating income	14,121	8,480
Operating income as a % of sales	18.4%	17.1%
Depreciation and amortization	3,219	3,034
Capital expenditures	3,080	2,340
Unallocated Corporate Overhead	(\$5,243)	(\$2,377)
Total		
Net sales	\$133,820	\$99,031
Gross margin	49,959	36,662
Gross margin as a % of sales	37.3%	37.0%
Operating income	28,410	19,374
Operating income as a % of sales	21.2%	19.6%
Depreciation and amortization	5,434	5,439
Capital expenditures	4,535	4,253

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