## Charles River Acquires Springborn Laboratories, Inc.

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WILMINGTON, Mass., Oct 1, 2002 (BUSINESS WIRE) -- Charles River Laboratories International, Inc. (NYSE: CRL) announced that it has acquired privately-held Springborn Laboratories, Inc. (SLI). SLI is a leading provider of testing services for pre-clinical drug discovery and development, principally in evaluating the safety of new drug candidates before they enter clinical (human) trials. This Ohio based company is a strong strategic fit with Charles River's growing portfolio of value-added drug development outsourcing services. SLI will expand Charles River's market share geographically, as well as add to Charles River's customer base a number of medium and smaller pharmaceutical companies that often rely on outsourcing services to a greater degree than large pharmaceutical companies to develop new products.

Charles River paid $27 million to acquire SLI, free of indebtedness and cash, or a multiple of five to six times trailing twelve months EBITDA (earnings before interest, taxes, depreciation, and amortization). SLI's net revenues were more than $15 million for the last twelve months, with an operating margin in excess of 20%. SLI's compound annual revenue growth has exceeded 20% since 1999 and SLI presently has a substantial and growing backlog. Charles River paid $21 million in up-front cash for all of the shares of SLI, and issued a three-year $6 million unsecured, subordinated note for the balance of the purchase price. Charles River expects the acquisition of SLI to be neutral or slightly accretive to earnings per share (EPS) in 2002 and to add between $0.05 and $0.06 to EPS in 2003 before amortization of acquisition-related intangibles.

SLI employs a staff of 130 people, with particular expertise in short to mid-term toxicology studies, which typically determine whether a drug candidate will move to the next phase in its pre-clinical development. A small but growing portion of this work involves the use of transgenic research models, providing opportunities for future growth that are complementary to Charles River's rapidly growing transgenic services business.

The demand for additional higher quality drug safety testing has become particularly evident in the FDA's recent reviews of new drug applications. New drug candidates that demonstrate significant efficacy are sometimes delayed or prevented from going to market as a result of inadequate or incomplete safety analyses. Charles River is focused on being the leading outsourcing resource to companies in need of highly predictive safety testing models as well as services that can accelerate and otherwise improve the process for obtaining regulatory approval of important new products. SLI expands Charles River's existing safety testing capabilities, while broadening its customer base and strengthening the depth of its management and scientific staff.

Charles River's Chairman and CEO, James C. Foster, commented: "We're very pleased to add SLI and its dedicated and experienced staff to our diverse and expanding portfolio of outsourcing services that accelerate drug discovery and development. SLI's strong financial performance meets our stringent standards for acquisitions, and its technical expertise and dedication to customer service are exceptional. We're particularly excited about SLI's work with medium-sized and smaller pharmaceutical companies, which outsource a great deal of their development work. We see a number of long-term synergy opportunities, where SLI can benefit from our extensive infrastructure and global reach. We believe SLI is an exceptional strategic fit, and long-term growth opportunity, for Charles River. We intend to carry on the wonderful legacy of Dr. Robert Springborn, who for many years provided extraordinary leadership and vision to enable SLI to grow and prosper."

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 16 countries worldwide.

SLI's selling shareholders were represented in the transaction by Kerry C. Dustin of The Falls River Group of Naples, Florida.

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, 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 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.

CONTACT:
Charles River Laboratories
Investors:
Susan E. Hardy, 978/658-6000, ext. 1616
or
Charles River Laboratories
Media:
Christopher DiFrancesco, 978/658-6000, ext. 1508

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