



Charles River Laboratories Closes Sale of \$300 Million Convertible Senior Notes and Reaffirms 2006 Guidance

June 12, 2006

WILMINGTON, Mass.--(BUSINESS WIRE)--June 12, 2006--Charles River Laboratories International, Inc. (NYSE: CRL), today announced the closing of its sale of \$300 million principal amount of Convertible Senior Notes due 2013 in an offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The net proceeds from this offering were approximately \$293 million, after deducting estimated discounts, commissions and expenses.

Charles River repurchased approximately \$150 million or 3.7 million shares of its common stock in negotiated transactions from purchasers of the notes concurrently with the offering. In addition, Charles River used approximately \$28 million of the proceeds to fund the net cost of the convertible note hedge and warrant transactions that Charles River entered into with certain of the initial purchasers of the notes or their affiliates. The warrants have an exercise price that is 50% higher than the closing price of Charles River's common stock on June 6, 2006. The convertible note hedge transactions have an exercise price equal to the conversion price of the notes and, together with the warrant transactions, are expected to reduce potential dilution upon conversion of the notes.

The remaining proceeds from the notes offering will be used for general corporate purposes, including repurchase of shares of Charles River common stock in the open market from time to time, which may be made pursuant to an accelerated share repurchase program.

Company Reaffirms 2006 Guidance

Following the closing of the sale of notes and repurchase of approximately \$150 million of Charles River common stock described above, the Company is reaffirming its 2006 guidance which was originally provided in the first-quarter financial results on May 9, 2006. As the Company stated at that time, sales growth is expected to be in a range of 6% to 8%. On a GAAP basis, the Company expects to report a net loss per share in a range of \$0.09 to \$0.15, and on a non-GAAP basis, earnings per share in a range of \$2.12 to \$2.18. (See Exhibit 1.)

For the second half of 2006, including the repurchase of approximately 3.7 million shares of Charles River common stock, the Company estimates that it will have slightly more than 69 million diluted shares outstanding. This estimate is subject to change based on the number of stock options outstanding and stock price changes, and does not include the effect of additional share repurchases which the Company may make under the existing share repurchase authorization.

Use of Non-GAAP Financial Measures

This press release contains non-GAAP financial measures which exclude, among other items, amortization of intangible assets and other charges related to our acquisition of Inveresk. We exclude these items from the non-GAAP financial measures because they are outside our normal operations. We believe that the inclusion of non-GAAP financial measures in this press release helps investors to gain a meaningful understanding of our core operating results and future prospects without the effect of one-time charges, and is consistent with how management measures and forecasts the Company's performance, especially when comparing such results to prior periods or forecasts. Non-GAAP results also allow investors to compare the Company's operations against the financial results of other companies in the industry who similarly provide non-GAAP results. The non-GAAP financial measures included in this press release are not meant to be considered superior to or a substitute for results of operations prepared in accordance with GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules and regulations. Reconciliations of the non-GAAP financial measures used in this press release to the most directly comparable GAAP financial measures are set forth in the text of, and the accompanying exhibits to, this press release, and can also be found on the Company's website at ir.criver.com.

Caution Concerning Forward-Looking Statements. This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate," "believe," "expect," "will," "may," "estimate," "plan," "outlook," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These statements also include statements regarding sales growth projections for fiscal 2006 on a GAAP and non-GAAP basis; estimates regarding the number of diluted shares we may have outstanding at future times, the impact of specific actions intended to improve overall operating efficiencies and profitability; the intended divestiture of the Company's Phase II - IV Clinical Services business; expectations regarding future stock option, restricted stock and other equity grants to the Company's employees and directors; expectations regarding stock repurchases; and Charles River's future performance as delineated in our forward-looking guidance, and particularly our expectations with respect to sales growth, efficiency improvements and operating synergies. Forward-looking statements are based on Charles River's current expectations and beliefs, and involve a number of risks and uncertainties that are difficult to predict and that could cause actual results to differ materially from those stated or implied by the forward-looking statements. Those risks and uncertainties include, but are not limited to: the potential dilutive effect on our earnings per share that could result from the warrants being exercised at a time when the price of our common stock exceeds the strike price of the warrants; the ability to successfully divest the Phase II - IV Clinical Services business without diverting attention or resources from the Company's core businesses; a decrease in research and development spending or a decrease in the level of outsourced services; the ability to convert backlog to sales; special interest groups; contaminations; industry trends; new displacement technologies; USDA and FDA regulations; changes in law; continued availability of products and supplies; loss of key personnel; interest rate and foreign currency exchange rate fluctuations; changes in tax regulation and laws; changes in generally accepted accounting principles; and any changes in business, political, or economic conditions due to the threat of future terrorist activity in the U.S. and other parts of the world, and related U.S. military action overseas. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Charles River's Annual Report on Form 10-K as filed on March 14, 2006, as well as other filings we make with the Securities and Exchange Commission. Because forward-looking statements involve risks and uncertainties, actual results and events may differ materially from results and events currently expected by Charles River, and Charles River assumes no obligation and expressly

disclaims any duty to update information contained in this news release except as required by law.

About Charles River Laboratories

Charles River Laboratories, based in Wilmington, Massachusetts, is a global provider of solutions that advance the drug discovery and development process.

EXHIBIT 1

RECONCILIATION OF 2006 GAAP TO NON-GAAP EPS GUIDANCE

GAAP EPS estimates (from continuing operations)	($\$0.09$) - ($\0.15)
Q2 Strategic initiatives charge	$\$0.07$
Goodwill impairment charge from divestiture of Phase II-IV Clinical Services	$\$1.81$
Inveresk-related charges	$\$0.39$
Non-GAAP estimates (from continuing operations)	$\$2.12$ - $\$2.18$

Additional information regarding the items comprising this reconciliation chart can be found in Charles River's press release dated May 9, 2006.

Charles River management believes that non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of one-time charges, consistent with the manner in which management measures and forecasts the Company's performance. The non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules and regulations.

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SOURCE: Charles River Laboratories International, Inc.