



## Charles River Laboratories Reaffirms GAAP Guidance for 2006 and Provides Guidance for 2007

December 13, 2006

### Non-GAAP EPS Guidance Adjusted for Amortization Expense

WILMINGTON, Mass.--(BUSINESS WIRE)--Dec. 13, 2006--Charles River Laboratories International, Inc. (NYSE:CRL) today reaffirmed its previously announced GAAP guidance for 2006, adjusted its non-GAAP earnings per diluted share guidance to exclude all amortization of intangible assets related to acquisitions, and provided guidance for 2007.

#### 2006 Guidance

For 2006, Charles River is maintaining its previously announced sales growth guidance in a range of 6-8% and guidance for GAAP earnings per diluted share from continuing operations of \$1.73 to \$1.79. The Company is adjusting its guidance for 2006 non-GAAP earnings per diluted share from continuing operations to a range of \$2.15 to \$2.21 from its previous guidance of \$2.12 to \$2.18, as a result of its decision to consistently exclude amortization of intangible assets related to acquisitions from non-GAAP earnings per share. This decision resulted in the exclusion of \$3.3 million, or \$0.03 per diluted share, of amortization expense primarily related to acquisitions which the Company made prior to 2004. In total, estimated non-GAAP earnings per diluted share in 2006 exclude \$0.37 of amortization of intangible assets related to acquisitions.

A reconciliation of 2006 GAAP to non-GAAP earnings per diluted share is as follows:

2006 EPS GUIDANCE (from continuing operations)	PRIOR	ADJUSTED
GAAP EPS estimates	\$1.73 - \$1.79	\$1.73 - \$1.79
Q2 Cost saving initiatives	\$0.05	\$0.05
Amortization of intangible assets	\$0.34	\$0.37
Non-GAAP EPS estimates	\$2.12 - \$2.18	\$2.15 - \$2.21

#### 2007 Guidance

For 2007, the Company announced that based on current exchange rates, revenue growth is expected to be in a range of 9-12%, including approximately 2% from Northwest Kinetics, which was acquired on October 30, 2006. The Research Models and Services segment is expected to grow in the mid-single digits, driven principally by higher growth in the North America research models, large research models and In Vitro businesses. Benefiting by strong demand for outsourced development services, the addition of new capacity and the Northwest Kinetics acquisition, the Preclinical Services business is expected to grow at a mid-teens rate.

As a result of higher sales and improved operating efficiency, partially offset by increased investment in information technology and higher equity compensation expense, GAAP earnings per diluted share from continuing operations for 2007 are expected to be in a range of \$2.11 to \$2.21. Non-GAAP earnings per diluted share from continuing operations, which exclude approximately \$31.1 million, or \$0.32 per diluted share, of amortization of intangible assets related to acquisitions including Northwest Kinetics, are expected to be in a range of \$2.43 to \$2.53, a growth rate of approximately 13-15% over expected 2006 results. A reconciliation of GAAP to non-GAAP earnings per diluted share is as follows:

2007 EPS GUIDANCE (from continuing operations)	
GAAP EPS estimates	\$2.11 - \$2.21
Amortization of intangible assets	\$0.32
Non-GAAP estimates	\$2.43 - \$2.53

#### Webcast

Charles River Laboratories has scheduled a live webcast on Thursday, December 14, at 8:30 a.m. ET to discuss matters relating to this press release. To participate, please go to [ir.criver.com](http://ir.criver.com) and select the webcast link. You can also find the associated slide presentation and reconciliations to comparable GAAP measures on the website. The webcast will be available until 5:00 p.m. ET on December 29, 2006.

#### Use of Non-GAAP Financial Measures

This press release contains non-GAAP financial measures, such as non-GAAP earnings per diluted share, which exclude amortization of intangible assets and other charges related to our acquisitions. We exclude these items from the non-GAAP financial measures because they are outside our normal operations. There are limitations in using non-GAAP financial measures, as they are not prepared in accordance with generally accepted accounting principles, and may be different than non-GAAP financial measures used by other companies. We believe that the inclusion of supplementary 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. We believe that the financial impact of our acquisitions is often large relative to our overall financial performance, which can adversely affect the comparability of our results on a period-to-period basis. In addition, certain activities, such as business acquisitions, happen infrequently and the underlying costs associated with such activities do not recur. 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 this press release, and can also be found on the Company's website at [ir.criver.com](http://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 our projected 2006 and 2007 earnings; the future demand for drug discovery and development products and services, including the outsourcing of these services; 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: a decrease in research and development spending, a decrease in the level of outsourced services, or other cost reduction actions by our customers; 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, partners with global pharmaceutical and biotechnology companies, government agencies and leading academic institutions to advance the drug discovery and development process, bringing drugs to market faster and more efficiently. Charles River's 7,500 employees serve clients worldwide. For more information on Charles River, visit our website at [www.criver.com](http://www.criver.com).

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