

1Q26

Regulation G Financial Reconciliations & Appendix



CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)⁽¹⁾
(in thousands, except percentages)

	Three Months Ended	
	March 28, 2026	March 29, 2025
Research Models and Services		
Revenue	\$ 208,367	\$ 213,073
Operating income	49,773	43,605
Operating income as a % of revenue	23.9 %	20.5 %
Add back:		
Amortization related to acquisitions	7,380	12,687
Acquisition, integration, and divestiture-related adjustments ⁽³⁾	—	14
Severance	789	229
Asset impairment	15,561	319
Cost savings and efficiency initiatives ⁽⁴⁾	(21,964)	876
Total non-GAAP adjustments to operating income	<u>\$ 1,766</u>	<u>\$ 14,125</u>
Operating income, excluding non-GAAP adjustments	\$ 51,539	\$ 57,730
Non-GAAP operating income as a % of revenue	24.7 %	27.1 %
Depreciation and amortization	\$ 16,140	\$ 21,761
Capital expenditures	\$ 11,568	\$ 7,286
Discovery and Safety Assessment		
Revenue	\$ 596,923	\$ 592,609
Operating income	103,875	93,952
Operating income as a % of revenue	17.4 %	15.9 %
Add back:		
Amortization related to acquisitions	16,497	18,171
Acquisition, integration, and divestiture-related adjustments ⁽³⁾	2,542	1,061
Severance	2,626	4,979
Asset impairment	—	9,786
Cost savings and efficiency initiatives ⁽⁴⁾	4,987	2,777
Third-party legal and advisory costs and certain related items ⁽⁵⁾	(5,455)	10,970
Total non-GAAP adjustments to operating income	<u>\$ 21,197</u>	<u>\$ 47,744</u>
Operating income, excluding non-GAAP adjustments	\$ 125,072	\$ 141,696
Non-GAAP operating income as a % of revenue	21.0 %	23.9 %
Depreciation and amortization	\$ 39,914	\$ 42,084
Capital expenditures	\$ 37,509	\$ 34,521
Manufacturing Solutions		
Revenue	\$ 190,540	\$ 178,486
Operating income (loss)	46,839	(8,620)
Operating income (loss) as a % of revenue	24.6 %	(4.8)%
Add back:		
Amortization related to acquisitions ⁽²⁾	1,945	46,077
Severance	(868)	2,204
Asset impairment	—	201
Cost savings and efficiency initiatives ⁽⁴⁾	1,371	1,306
Total non-GAAP adjustments to operating income	<u>\$ 2,448</u>	<u>\$ 49,788</u>
Operating income, excluding non-GAAP adjustments	\$ 49,287	\$ 41,168
Non-GAAP operating income as a % of revenue	25.9 %	23.1 %
Depreciation and amortization	\$ 8,399	\$ 54,623
Capital expenditures	\$ 6,274	\$ 17,279

CONTINUED ON NEXT SLIDE

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)⁽¹⁾
(in thousands, except percentages)

	Three Months Ended	
	March 28, 2026	March 29, 2025
CONTINUED FROM PREVIOUS SLIDE		
Unallocated Corporate Overhead	\$ (80,590)	\$ (54,268)
Add back:		
Acquisition, integration, and divestiture-related adjustments ⁽³⁾	16,589	730
Severance	3,671	1,002
Cost savings and efficiency initiatives ⁽⁴⁾	(2,915)	166
Total non-GAAP adjustments to operating expense	<u>\$ 17,345</u>	<u>\$ 1,898</u>
Unallocated corporate overhead, excluding non-GAAP adjustments	\$ (63,245)	\$ (52,370)
Total		
Revenue	\$ 995,830	\$ 984,168
Operating income	119,897	74,669
Operating income as a % of revenue	12.0 %	7.6 %
Add back:		
Amortization related to acquisitions ⁽²⁾	25,822	76,935
Acquisition, integration, and divestiture-related adjustments ⁽³⁾	19,131	1,805
Severance	6,218	8,414
Asset impairment	15,561	10,306
Cost savings and efficiency initiatives ⁽⁴⁾	(18,521)	5,125
Third-party legal and advisory costs and certain related items ⁽⁵⁾	(5,455)	10,970
Total non-GAAP adjustments to operating income	<u>\$ 42,756</u>	<u>\$ 113,555</u>
Operating income, excluding non-GAAP adjustments	\$ 162,653	\$ 188,224
Non-GAAP operating income as a % of revenue	16.3 %	19.1 %
Depreciation and amortization	\$ 67,151	\$ 120,364
Capital expenditures	\$ 55,908	\$ 59,324

⁽¹⁾ Charles River management believes that supplementary 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 often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

⁽²⁾ Amortization related to acquisitions for the three months ended March 29, 2025 includes \$35.5 million of accelerated amortization of certain client relationships in the Biologics Solutions reporting unit within the Manufacturing Solutions reportable segment.

⁽³⁾ These adjustments are related to the evaluation and integration of acquisitions and divestitures, and primarily include transaction, advisory, certain third-party integration, certain compensation costs, and related costs; as well as fair value adjustments associated with contingent consideration arrangements.

⁽⁴⁾ Cost savings and efficiency initiatives in 2026 primarily include site consolidation charges related to recent site optimization activities, cost of professional services related to certain improvement initiatives, and a pre-tax gain of \$38.5 million in connection with the sale of certain assets in Wilmington, Massachusetts. The gain was recognized within RMS reportable segment and unallocated corporate for \$23.2 million and \$15.3 million, respectively.

⁽⁵⁾ Within the DSA business, third-party legal and advisory costs incurred during fiscal 2025 relate to U.S. government investigations into the NHP supply chain, which were concluded in fiscal 2025. Also included within DSA results for fiscal 2026 is the utilization of previously written-down NHP inventory, resulting in partial reversals of the \$27 million inventory charge recorded in fiscal 2024 following the resolution of the matter in fiscal 2025.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP EARNINGS (LOSS) TO NON-GAAP EARNINGS (UNAUDITED)⁽¹⁾
(in thousands, except per share data)

	Three Months Ended	
	March 28, 2026	March 29, 2025
Net income (loss) available to Charles River Laboratories International, Inc. common shareholders	\$ (14,843)	\$ 25,469
Add back:		
Non-GAAP adjustments to operating income ⁽²⁾	41,710	112,393
Venture capital and strategic equity investment losses and impairments, net	1,752	9,969
(Gain) loss on divestitures ⁽³⁾	117,981	(3,376)
Tax effect of non-GAAP adjustments:		
Tax impact of divestitures	(43,069)	—
Interest on acquired uncertain tax positions	4,969	—
Tax effect of the remaining non-GAAP adjustments	(6,804)	(25,345)
Net income available to Charles River Laboratories International, Inc. common shareholders, excluding non-GAAP adjustments	\$ 101,696	\$ 119,110
Weighted average shares outstanding - Basic	48,951	50,677
Effect of dilutive securities:		
Stock options, restricted stock units and performance share units	402	176
Weighted average shares outstanding - Diluted	49,353	50,853
Earnings (loss) per share attributable to common shareholders:		
Basic	\$ (0.30)	\$ 0.50
Diluted ⁽⁴⁾	\$ (0.30)	\$ 0.50
Basic, excluding non-GAAP adjustments	\$ 2.08	\$ 2.35
Diluted, excluding non-GAAP adjustments	\$ 2.06	\$ 2.34

(1) Charles River management believes that supplementary 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 often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) This amount excludes non-GAAP adjustments attributable to noncontrolling interest holders.

(3) The amount included in 2026 relates to a pre-tax loss on assets held for sale in connection with the CDMO and Cell Solutions Divestiture while the amount included in 2025 relates to a gain on the sale of a DSA site.

(4) Net loss available to Charles River Laboratories International, Inc. per common share excludes the effect of dilution and is computed using basic weighted-average number of shares outstanding for the three month period ended March 28, 2026.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP REVENUE GROWTH
TO NON-GAAP REVENUE GROWTH, ORGANIC (UNAUDITED) ⁽¹⁾

Three Months Ended March 28, 2026	<u>Total CRL</u>	<u>RMS Segment</u>	<u>DSA Segment</u>	<u>MS Segment</u>
Revenue growth, reported	1.2 %	(2.2)%	0.7 %	6.8 %
(Increase) decrease due to foreign exchange	(2.8)%	(3.3)%	(2.2)%	(3.9)%
Impact of divestitures ⁽²⁾	0.1 %	— %	0.1 %	— %
Non-GAAP revenue growth, organic ⁽³⁾	<u>(1.5)%</u>	<u>(5.5)%</u>	<u>(1.4)%</u>	<u>2.9 %</u>

(1) Charles River management believes that supplementary 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 often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) Impact of divestitures relates to the sale of a site within DSA.

(3) Organic revenue growth is defined as reported revenue growth adjusted for divestitures and foreign exchange.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP REVENUE AND EARNINGS PER SHARE (EPS)
Guidance for the Twelve Months Ended December 26, 2026E

2026 GUIDANCE (1)	CURRENT	PRIOR
Revenue growth/(decrease), reported	(5.5)% - (4.0)%	(5.0)% - (3.5)%
Less: Contribution from acquisitions	0.0% - (0.5)%	0.0% - (0.5)%
Add: Impact from divestitures	~5.0%	~5.0%
Less: Favorable impact of foreign exchange	(0.5)% - (1.0)%	(1.0)% - (1.5)%
Revenue growth/(decrease), organic (2)	(1.5)% - (0.5)%	(1.5)% - (0.5)%
GAAP EPS estimate	\$5.35 – \$5.85	—
Acquisition-related amortization (3)	~\$2.30	—
Acquisition- and divestiture-related costs (4)	~\$2.30	—
Costs associated with restructuring and efficiency initiatives (5)	~\$0.85	—
Other, net (6)	NM	—
Non-GAAP EPS estimate	\$10.80 – \$11.30	\$10.80 – \$11.30

Footnotes to Guidance Table:

(1) Revenue and earnings per share guidance assumes the planned divestiture of certain European Discovery Services sites will be completed in May 2026, and that the CDMO and Cell Solutions divestiture was completed on May 6, 2026.

(2) Organic revenue growth is defined as reported revenue growth adjusted for completed acquisitions and both completed and previously announced divestitures (including the CDMO and Cell Solutions businesses, as well as certain European Discovery Services sites), as well as foreign currency translation.

(3) These adjustments primarily include amortization related to intangible assets, as well as the purchase accounting step-up on inventory and certain long-term biological assets.

(4) These adjustments include costs related to the evaluation and integration of acquisitions and divestitures, as well as a loss on assets held for sale related to divestitures and other transaction-related tax adjustments.

(5) These adjustments primarily include site consolidation (including site transition costs), severance, impairment, third-party consulting and professional services, and other costs related to the Company's restructuring actions and efficiency initiatives. These adjustments also include gains and/or losses on the sale of certain assets and real estate.

(6) These adjustments primarily include immaterial items related to: (i) certain venture capital and other strategic investment losses/(gains), net. This item only includes recognized gains or losses on certain investments. The Company does not forecast the future performance of these investments; and (ii) reductions to a previous \$27 million inventory charge associated with an NHP supply matter. As a result of the resolution of the U.S. government investigations during fiscal year 2025, certain NHPs were subsequently utilized.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TAX RATE TO NON-GAAP TAX RATE (UNAUDITED) ⁽¹⁾
(in thousands)

	Three Months Ended	
	March 28, 2026	March 29, 2025
Income (loss) before income taxes & noncontrolling interests	\$ (29,942)	\$ 35,978
Add back:		
Amortization related to acquisitions ⁽²⁾	25,822	76,935
Acquisition, integration, and divestiture-related adjustments ⁽³⁾	19,131	1,805
Severance	6,218	8,414
Asset impairments	15,561	10,306
Cost savings and efficiency initiatives ⁽⁴⁾	(18,521)	5,125
Third-party legal and advisory costs and certain related items ⁽⁵⁾	(5,455)	10,970
Venture capital and strategic equity investment (gains) losses and impairments, net	1,752	9,969
(Gain) loss on divestitures ⁽⁶⁾	117,981	(3,376)
Income before income taxes & noncontrolling interests, excluding specified charges (Non-GAAP)	<u>\$ 132,547</u>	<u>\$ 156,126</u>
Provision for (benefit from) income taxes (GAAP)	\$ (15,140)	\$ 10,100
Tax impact of divestitures	43,069	—
Interest on acquired uncertain tax positions	(4,969)	—
Tax effect of the remaining non-GAAP adjustments	6,804	25,345
Provision for income taxes (Non-GAAP)	<u>\$ 29,764</u>	<u>\$ 35,445</u>
Total rate (GAAP)	50.6 %	28.1 %
Total rate, excluding specified charges (Non-GAAP)	22.5 %	22.7 %

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⁽²⁾ Amortization related to acquisitions for the three months ended March 29, 2025 includes \$35.5 million of accelerated amortization of certain client relationships in the Biologics Solutions reporting unit within the Manufacturing Solutions reportable segment.

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⁽⁵⁾ Third-party legal costs incurred are associated with investigations by the U.S. government into the NHP supply chain. In fiscal year 2024, a \$27 million inventory charge was incurred within DSA to write down inventory associated with the Cambodia sourced non-human primate matter from February 16, 2023. Additionally, due to the utilization of NHPs, are reductions to the previous \$27 million inventory charge, as a result of the resolution of the case during fiscal year 2025.

⁽⁶⁾ The amount included in 2026 relates to a pre-tax loss on assets held for sale in connection with the CDMO and Cell Solutions Divestiture while the amount included in 2025 relates to a gain on the sale of a DSA site.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GROSS/NET LEVERAGE RATIO, INCLUDING GAAP NET INCOME TO ADJUSTED EBITDA (UNAUDITED) ⁽¹⁾
(dollars in thousands, except for per share data)

	March 28, 2026	December 27, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021
DEBT ⁽²⁾:						
Total Debt & Finance Leases	\$ 2,687,904	\$ 2,139,754	\$ 2,243,134	\$ 2,652,717	\$ 2,711,208	\$ 2,666,359
Plus: Other adjustments per credit agreement	30,000	30,000	49,311	33,265	13,431	37,244
Less: Unrestricted Cash and Cash Equivalents up to \$150M	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Total Indebtedness per credit agreement	\$ 2,567,904	\$ 2,019,754	\$ 2,142,445	\$ 2,535,982	\$ 2,574,639	\$ 2,553,603
Less: Cash and cash equivalents (net of \$150M above)	(38,990)	(63,770)	(44,606)	(126,771)	(83,912)	(91,214)
Net Debt	\$ 2,528,914	\$ 1,955,984	\$ 2,097,839	\$ 2,409,211	\$ 2,490,727	\$ 2,462,389

	March 28, 2026	December 27, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021
ADJUSTED EBITDA ⁽²⁾:						
Net income (loss) available to Charles River Laboratories International, Inc. common shareholders	\$ (184,650)	\$ (144,338)	\$ 10,297	\$ 474,624	\$ 486,226	\$ 390,982
Adjustments:						
Adjust: Non-cash gains/losses of VC partnerships & strategic investments	17,755	27,628	20,627	(79,288)	35,498	66,004
Less: Aggregate non-cash amount of nonrecurring gains	—	—	—	—	(32,638)	(42,247)
Plus: Interest expense	105,887	107,029	126,288	136,710	108,870	107,224
Plus: Provision for income taxes	17,420	42,660	67,823	100,914	130,379	81,873
Plus: Depreciation and amortization	350,099	403,312	361,741	314,124	303,870	265,540
Plus: Non-cash nonrecurring losses	545,682	427,286	299,976	44,077	16,572	8,573
Plus: Non-cash stock-based compensation	80,328	71,083	69,891	72,048	73,617	71,461
Plus: Permitted acquisition-related costs	42,896	25,376	11,612	15,639	34,453	51,256
Plus: Pro forma EBITDA adjustments for permitted acquisitions	—	—	—	18,542	5,306	4,008
Adjusted EBITDA (per the calculation defined in compliance certificates)	\$ 975,417	\$ 960,036	\$ 968,255	\$ 1,097,390	\$ 1,162,153	\$ 1,004,675

	March 28, 2026	December 27, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021
LEVERAGE RATIO:						
Gross leverage ratio per credit agreement (total debt divided by adjusted EBITDA)	2.63	2.10	2.21	2.31	2.22	2.54
Net leverage ratio (net debt divided by adjusted EBITDA)	2.6	2.0	2.2	2.2	2.1	2.5

	March 28, 2026	December 27, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021
INTEREST COVERAGE RATIO:						
Capital Expenditures	215,736	219,152	232,967	323,050	326,338	232,149
Cash Interest Expense	106,303	107,329	127,119	139,545	110,731	107,389
Interest Coverage ratio per the credit agreement (Adjusted EBITDA minus Capital Expenditures divided by cash interest expense)	7.15x	6.9x	5.78x	5.55x	7.55x	7.19x

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⁽²⁾ Pursuant to the definition in its credit agreement dated December 13, 2024, the Company has defined its pro forma leverage ratio as total debt divided by adjusted EBITDA for the trailing-twelve-month period. The Company has defined interest coverage ratio as adjusted EBITDA for the trailing-twelve-month period less the aggregate amount of capital expenditures for the trailing-twelve-period; divided by the consolidated interest expense for the period of four consecutive fiscal quarters.

Total Debt represents third-party debt and financial lease obligations minus up to \$150M of unrestricted cash and cash equivalents. Adjusted EBITDA represents net income, prepared in accordance with accounting principles generally accepted in the U.S. (GAAP), adjusted for interest, taxes, depreciation and amortization, and certain items that management believes are not reflective of the operational performance of the business. These adjustments include, but are not limited to, non-cash gains/loss on venture capital portfolios and strategic partnerships, acquisition and divestiture-related expenses including transaction and advisory costs; asset impairments; changes in fair value of contingent consideration obligations; employee stock compensation; historical EBITDA of companies acquired during the period; and other items identified by the company.

Total Debt and EBITDA have not been restated for periods prior to Q4 2024 for the most recent amendment or any previous amendments.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF FREE CASH FLOW (NON-GAAP) (UNAUDITED)⁽¹⁾
(in thousands)

	Three Months Ended		2026 Guidance
	March 28, 2026	March 29, 2025	FYE December 26, 2026E
Net cash provided by operating activities	\$ 41,077	\$ 171,697	\$575,000-\$600,000
Less: Capital expenditures	(55,908)	(59,324)	~(200,000)
Free cash flow	<u>\$ (14,831)</u>	<u>\$ 112,373</u>	<u>\$375,000-\$400,000</u>

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NYSE


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