

4Q24/FY24 Regulation G Financial Reconciliations & Appendix



FX Exchange (FX) Impact <i>(% of total revenue)</i>	2024 Revenue	2025E FX Rates
U.S. Dollar	68%	—
Euro	18%	1.04
British Pound	6%	1.25
Chinese Yuan (renminbi)	3%	0.14
Canadian Dollar	2%	0.69
Other currencies	3%	—

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

	Three Months Ended		Twelve Months Ended	
	December 28, 2024	December 30, 2023	December 28, 2024	December 30, 2023
Research Models and Services				
Revenue	\$ 204,257	\$ 195,781	\$ 829,377	\$ 792,343
Operating income	13,770	37,013	114,411	154,666
Operating income as a % of revenue	6.7 %	18.9 %	13.8 %	19.5 %
Add back:				
Amortization related to acquisitions ⁽²⁾	11,327	5,359	38,058	21,742
Acquisition and integration-related adjustments ⁽³⁾	93	311	430	2,742
Severance	1,220	215	4,905	1,180
Site consolidation and impairment charges	20,129	2,299	39,021	2,299
Total non-GAAP adjustments to operating income	<u>\$ 32,769</u>	<u>\$ 8,184</u>	<u>\$ 82,414</u>	<u>\$ 27,963</u>
Operating income, excluding non-GAAP adjustments	\$ 46,539	\$ 45,197	\$ 196,825	\$ 182,629
Non-GAAP operating income as a % of revenue	22.8 %	23.1 %	23.7 %	23.0 %
Depreciation and amortization	\$ 20,762	\$ 14,260	\$ 73,812	\$ 55,570
Capital expenditures	\$ 27,591	\$ 17,050	\$ 64,134	\$ 52,819
Discovery and Safety Assessment				
Revenue	\$ 603,349	\$ 625,785	\$ 2,451,280	\$ 2,615,623
Operating income	62,859	126,288	442,510	606,076
Operating income as a % of revenue	10.4 %	20.2 %	18.1 %	23.2 %
Add back:				
Amortization related to acquisitions ⁽²⁾	22,301	19,477	81,013	72,457
Acquisition and integration-related adjustments ⁽³⁾	9,636	256	17,133	3,489
Severance	8,095	1,739	28,558	3,740
Site consolidation and impairment charges	7,454	13,804	11,122	25,023
Third-party legal costs and certain related items ⁽⁴⁾	38,634	991	49,648	7,387
Total non-GAAP adjustments to operating income	<u>\$ 86,120</u>	<u>\$ 36,267</u>	<u>\$ 187,474</u>	<u>\$ 112,096</u>
Operating income, excluding non-GAAP adjustments	\$ 148,979	\$ 162,555	\$ 629,984	\$ 718,172
Non-GAAP operating income as a % of revenue	24.7 %	26.0 %	25.7 %	27.5 %
Depreciation and amortization	\$ 49,857	\$ 45,057	\$ 191,126	\$ 174,719
Capital expenditures	\$ 37,180	\$ 49,414	\$ 128,356	\$ 204,891
Manufacturing Solutions				
Revenue	\$ 194,943	\$ 191,910	\$ 769,332	\$ 721,443
Operating income (loss)	(182,552)	35,545	(71,453)	88,329
Operating income (loss) as a % of revenue	(93.6)%	18.5 %	(9.3)%	12.2 %
Add back:				
Amortization related to acquisitions ⁽²⁾	20,108	11,083	52,471	45,393
Acquisition and integration-related adjustments ⁽³⁾	53	127	1,439	6,417
Severance	3,091	1,757	11,177	5,802
Goodwill impairment ⁽⁵⁾	215,000	—	215,000	—
Site consolidation and impairment charges	206	219	1,798	3,337
Third-party legal costs ⁽⁴⁾	—	39	—	8,233
Total non-GAAP adjustments to operating income	<u>\$ 238,458</u>	<u>\$ 13,225</u>	<u>\$ 281,885</u>	<u>\$ 69,182</u>
Operating income, excluding non-GAAP adjustments	\$ 55,906	\$ 48,770	\$ 210,432	\$ 157,511
Non-GAAP operating income as a % of revenue	28.7 %	25.4 %	27.4 %	21.8 %
Depreciation and amortization	\$ 29,788	\$ 20,305	\$ 89,964	\$ 79,982
Capital expenditures	\$ 10,320	\$ 11,185	\$ 38,500	\$ 58,134

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		Twelve Months Ended	
	December 28, 2024	December 30, 2023	December 28, 2024	December 30, 2023
CONTINUED FROM PREVIOUS SLIDE				
Unallocated Corporate Overhead	\$ (61,764)	\$ (65,924)	\$ (258,121)	\$ (231,810)
Add back:				
Acquisition and integration-related adjustments ⁽³⁾	8,120	2,462	15,839	11,422
Severance	309	889	9,546	889
Site consolidation and impairment charges	1,439	—	1,439	—
Total non-GAAP adjustments to operating expense	\$ 9,868	\$ 3,351	\$ 26,824	\$ 12,311
Unallocated corporate overhead, excluding non-GAAP adjustments	\$ (51,896)	\$ (62,573)	\$ (231,297)	\$ (219,499)
Total				
Revenue	\$ 1,002,549	\$ 1,013,476	\$ 4,049,989	\$ 4,129,409
Operating income (loss)	(167,687)	132,922	227,347	617,261
Operating income (loss) as a % of revenue	(16.7)%	13.1 %	5.6 %	14.9 %
Add back:				
Amortization related to acquisitions ⁽²⁾	53,736	35,919	171,542	139,592
Acquisition and integration-related adjustments ⁽³⁾	17,902	3,156	34,841	24,070
Severance	12,715	4,600	54,186	11,611
Goodwill impairment ⁽⁵⁾	215,000	—	215,000	—
Site consolidation and impairment charges	29,228	16,322	53,380	30,659
Third-party legal costs and certain related items ⁽⁴⁾	38,634	1,030	49,648	15,620
Total non-GAAP adjustments to operating income	\$ 367,215	\$ 61,027	\$ 578,597	\$ 221,552
Operating income, excluding non-GAAP adjustments	\$ 199,528	\$ 193,949	\$ 805,944	\$ 838,813
Non-GAAP operating income as a % of revenue	19.9 %	19.1 %	19.9 %	20.3 %
Depreciation and amortization	\$ 102,104	\$ 80,514	\$ 361,741	\$ 314,124
Capital expenditures	\$ 75,616	\$ 78,323	\$ 232,967	\$ 318,528

⁽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 includes \$9.4 million of accelerated amortization of certain client relationships in the Biologics Solutions reporting unit within the Manufacturing Solutions segment. The remaining value of this client relationship is \$75.9 million and will be amortized over the remaining useful life of approximately 6 months in fiscal year 2025.

⁽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⁾ Third-party legal costs are related to (a) an environmental litigation related to the Microbial Solutions business, which concluded in 2023 and (b) investigations by the U.S. government into the NHP supply chain applicable to our DSA business. Additionally within DSA, a \$27 million inventory charge was incurred to write down inventory associated with the Cambodia-sourced non-human primate matter from February 16, 2023.

⁽⁵⁾ In December 2024, a triggering event was identified for the Biologics Solutions reporting unit from a loss of key customers, ultimately resulting in a reduction in Biologics Solutions' long range financial outlook. As a result, the Company recognized a goodwill impairment charge of \$215.0 million.

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

	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>December 28, 2024</u>	<u>December 30, 2023</u>	<u>December 28, 2024</u>	<u>December 30, 2023</u>
Net income (loss) available to Charles River Laboratories International, Inc. common shareholders	\$ (215,699)	\$ 187,084	\$ 10,297	\$ 474,624
Add back:				
Adjustment of redeemable noncontrolling interest ⁽²⁾	(1,081)	—	—	—
Incremental dividends attributable to noncontrolling interest holders ⁽³⁾	2,285	—	11,906	—
Non-GAAP adjustments to operating income ⁽⁴⁾	365,993	61,027	575,324	221,552
Venture capital and strategic equity investment (gains) losses, net	21,690	(105,919)	12,519	(93,515)
(Gain) loss on divestitures ⁽⁵⁾	—	(34)	658	961
Other ⁽⁶⁾	—	877	—	1,372
Tax effect of non-GAAP adjustments:				
Non-cash tax provision related to international financing structure ⁽⁷⁾	314	991	1,818	4,694
Enacted tax law changes	230	—	3,826	—
Tax effect of the remaining non-GAAP adjustments	(37,122)	(16,860)	(83,445)	(60,789)
Net income attributable to Charles River Laboratories International, Inc. common shareholders, excluding non-GAAP adjustments	<u>\$ 136,610</u>	<u>\$ 127,166</u>	<u>\$ 532,903</u>	<u>\$ 548,899</u>
Weighted average shares outstanding - Basic	51,138	51,311	51,380	51,227
Effect of dilutive securities:				
Stock options, restricted stock units and performance share units	<u>219</u>	<u>313</u>	<u>248</u>	<u>224</u>
Weighted average shares outstanding - Diluted	<u>51,357</u>	<u>51,624</u>	<u>51,628</u>	<u>51,451</u>
Earnings (loss) per share attributable to common shareholders:				
Basic	\$ (4.22)	\$ 3.65	\$ 0.20	\$ 9.27
Diluted ⁽⁸⁾	\$ (4.22)	\$ 3.62	\$ 0.20	\$ 9.22
Basic, excluding non-GAAP adjustments	\$ 2.67	\$ 2.48	\$ 10.37	\$ 10.72
Diluted, excluding non-GAAP adjustments	\$ 2.66	\$ 2.46	\$ 10.32	\$ 10.67

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⁽²⁾ This amount represents accretion adjustments of the Noveprim redeemable noncontrolling interest.

⁽³⁾ This amount represents incremental declared and undeclared dividends attributable to Noveprim noncontrolling interest holders who receive preferential dividends for fiscal year 2024.

⁽⁴⁾ This amount excludes Non-GAAP adjustments attributable to noncontrolling interest holders.

⁽⁵⁾ The amount included in 2024 relates to a loss on the sale of a Safety Assessment site. Adjustments included in 2023 relate to the gain on the sale of our Avian Vaccine business, which was divested in 2022.

⁽⁶⁾ Amounts included in 2023 relate to transfer taxes paid in connection with the Noveprim Group acquisition and a final adjustment on the termination of a Canadian pension plan.

⁽⁷⁾ This amount relates to the recognition of deferred tax assets expected to be utilized as a result of changes to the Company's international financing structure.

⁽⁸⁾ 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 December 28, 2024

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

Three Months Ended December 28, 2024	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	(1.1)%	4.3 %	(3.6)%	1.6 %
(Increase) decrease due to foreign exchange	0.1 %	0.1 %	(0.1)%	0.5 %
Contribution from acquisitions ⁽²⁾	(0.9)%	(4.8)%	— %	— %
Impact of divestitures ⁽³⁾	0.1 %	— %	0.2 %	— %
Non-GAAP revenue growth, organic ⁽⁴⁾	(1.8)%	(0.4)%	(3.5)%	2.1 %
Twelve Months Ended December 28, 2024	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	(1.9)%	4.7 %	(6.3)%	6.6 %
(Increase) decrease due to foreign exchange	(0.1)%	0.2 %	(0.2)%	0.2 %
Contribution from acquisitions ⁽²⁾	(1.0)%	(5.0)%	— %	— %
Impact of divestitures ⁽³⁾	0.2 %	— %	0.3 %	— %
Non-GAAP revenue growth, organic ⁽⁴⁾	(2.8)%	(0.1)%	(6.2)%	6.8 %

(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) The contribution from acquisitions reflects only completed acquisitions.

(3) Impact of divestitures relates to the sale of a site within our Safety Assessment business.

(4) Organic revenue growth is defined as reported revenue growth adjusted for acquisitions, 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 27, 2025E

2025 GUIDANCE	
Revenue growth/(decrease), reported	(7.0)% – (4.5)%
Impact of divestitures/(acquisitions), net	N/M
(Favorable)/unfavorable impact of foreign exchange	1.0% – 1.5%
Revenue growth/(decrease), organic (1)	(5.5)% – (3.5)%
GAAP EPS estimate	\$4.30 - \$4.80
Acquisition-related amortization and other acquisition- and integration-related costs (2)	~\$3.50
Costs associated with restructuring actions (3)	~\$1.00
Other items (4)	~\$0.30
Non-GAAP EPS estimate	\$9.10 – \$9.60

Footnotes to Guidance Table:

(1) Organic revenue growth is defined as reported revenue growth adjusted for completed acquisitions and divestitures, as well as foreign currency translation.

(2) These adjustments include amortization related to intangible assets, as well as the purchase accounting step-up on inventory and certain long-term biological assets. In addition, these adjustments include some costs related to the evaluation and integration of acquisitions and divestitures.

(3) These adjustments primarily include site consolidation (including site transition costs), severance, impairment, and other costs related to the Company's restructuring actions.

(4) These items primarily relate to certain third-party legal costs related to investigations by the U.S. government into the NHP supply chain related to our Safety Assessment business.

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

	Three Months Ended			Twelve Months Ended	
	December 28, 2024	September 28, 2024	December 30, 2023	December 28, 2024	December 30, 2023
Income (loss) before income taxes & noncontrolling interests	\$ (216,791)	\$ 91,241	\$ 208,706	\$ 93,114	\$ 581,284
Add back:					
Amortization related to acquisitions ⁽²⁾	53,736	39,706	35,919	171,542	139,592
Acquisition and integration-related adjustments ⁽³⁾	17,902	5,939	3,156	34,841	24,070
Severance	12,715	26,536	4,600	54,186	11,611
Goodwill impairment ⁽⁴⁾	215,000	—	—	215,000	—
Site consolidation and impairment charges	29,228	4,144	16,322	53,380	30,659
Third-party legal costs and certain related items ⁽⁵⁾	38,634	6,713	1,030	49,648	15,620
Venture capital and strategic equity investment (gains) losses, net	21,690	(2,507)	(105,919)	12,519	(93,515)
(Gain) loss on divestitures ⁽⁶⁾	—	—	(34)	658	961
Other ⁽⁷⁾	—	—	877	—	1,372
Income before income taxes & noncontrolling interests, excluding specified charges (Non-GAAP)	<u>\$ 172,114</u>	<u>\$ 171,772</u>	<u>\$ 164,657</u>	<u>\$ 684,888</u>	<u>\$ 711,654</u>
Provision for (benefit from) income taxes (GAAP)	\$ (3,044)	\$ 20,946	\$ 19,754	\$ 67,823	\$ 100,914
Non-cash tax benefit related to international financing structure ⁽⁸⁾	(314)	(292)	(991)	(1,818)	(4,694)
Enacted tax law changes	(230)	(3,596)	—	(3,826)	—
Tax effect of the remaining non-GAAP adjustments	37,122	19,608	16,860	83,445	60,789
Provision for income taxes (Non-GAAP)	<u>\$ 33,534</u>	<u>\$ 36,666</u>	<u>\$ 35,623</u>	<u>\$ 145,624</u>	<u>\$ 157,009</u>
Total rate (GAAP)	1.4 %	23.0 %	9.5 %	72.8 %	17.4 %
Total rate, excluding specified charges (Non-GAAP)	19.5 %	21.3 %	21.6 %	21.3 %	22.1 %

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⁽⁶⁾ The amount included in 2024 relates to a loss on the sale of a Safety Assessment site. Adjustments included in 2023 relate to the gain on the sale of our Avian Vaccine business, which was divested in 2022.

⁽⁷⁾ Amounts included in 2023 relate to transfer taxes paid in connection with the Noveprim Group acquisition and a final adjustment on the termination of a Canadian pension plan.

⁽⁸⁾ This amount relates to the recognition of deferred tax assets expected to be utilized as a result of changes to the Company's international financing structure.

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

	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021	December 26, 2020	December 28, 2019
DEBT ⁽²⁾:						
Total Debt & Finance Leases	\$ 2,243,134	\$ 2,652,717	\$ 2,711,208	\$ 2,666,359	\$ 1,979,784	\$ 1,888,211
Plus: Other adjustments per credit agreement	49,311	33,265	13,431	37,244	2,328	712
Less: Unrestricted Cash and Cash Equivalents up to \$150M	(150,000)	(150,000)	(150,000)	(150,000)	—	—
Total Indebtedness per credit agreement	\$ 2,142,445	\$ 2,535,982	\$ 2,574,639	\$ 2,553,603	\$ 1,982,112	\$ 1,888,924
Less: Cash and cash equivalents (net of \$150M above)	(44,606)	(126,771)	(83,912)	(91,214)	(228,424)	(238,014)
Net Debt	\$ 2,097,839	\$ 2,409,211	\$ 2,490,727	\$ 2,462,389	\$ 1,753,688	\$ 1,650,910

	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021	December 26, 2020	December 28, 2019
ADJUSTED EBITDA ⁽²⁾:						
Net income available to Charles River Laboratories International, Inc. common shareholders	\$ 10,297	\$ 474,624	\$ 486,226	\$ 390,982	\$ 364,304	\$ 252,019
Adjustments:						
Adjust: Non-cash gains/losses of VC partnerships & strategic investments	20,627	(79,288)	35,498	66,004	—	—
Less: Aggregate non-cash amount of nonrecurring gains	—	—	(32,638)	(42,247)	(1,361)	(310)
Plus: Interest expense	126,288	136,710	108,870	107,224	76,825	79,586
Plus: Provision for income taxes	67,823	100,914	130,379	81,873	81,808	50,023
Plus: Depreciation and amortization	361,741	314,124	303,870	265,540	234,924	198,095
Plus: Non-cash nonrecurring losses	299,976	44,077	16,572	8,573	16,810	427
Plus: Non-cash stock-based compensation	69,891	72,048	73,617	71,461	56,341	57,271
Plus: Permitted acquisition-related costs	11,612	15,639	34,453	51,256	18,750	34,827
Plus: Pro forma EBITDA adjustments for permitted acquisitions	—	18,542	5,306	4,008	8	12,320
Adjusted EBITDA (per the calculation defined in compliance certificates)	\$ 968,255	\$ 1,097,390	\$ 1,162,153	\$ 1,004,675	\$ 848,408	\$ 684,259

	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021	December 26, 2020	December 28, 2019
LEVERAGE RATIO:						
Gross leverage ratio per credit agreement (total debt divided by adjusted EBITDA)	2.21	2.31	2.22	2.54	2.34	2.76
Net leverage ratio (net debt divided by adjusted EBITDA)	2.2	2.2	2.1	2.5	2.1	2.4

	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021
INTEREST COVERAGE RATIO:				
Capital Expenditures	232,967	323,050	326,338	232,149
Cash Interest Expense	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)	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) ⁽¹⁾
(in thousands)

	Three Months Ended		Twelve Months Ended		2025 Guidance
	December 28, 2024	December 30, 2023	December 28, 2024	December 30, 2023	FYE December 27, 2025E
Net cash provided by operating activities	\$ 159,362	\$ 220,943	\$ 734,577	\$ 683,898	\$580,000-\$620,000
Less: Capital expenditures	(75,616)	(78,323)	(232,967)	(318,528)	~(230,000)
Free cash flow	\$ 83,746	\$ 142,620	\$ 501,610	\$ 365,370	\$350,000-\$390,000

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

	Three Months Ended
	September 28, 2024
Unallocated Corporate Overhead	\$ (76,763)
Add back:	
Acquisition and integration-related adjustments ⁽²⁾	4,082
Severance	6,443
Total non-GAAP adjustments to operating expense	\$ 10,525
Unallocated corporate overhead, excluding non-GAAP adjustments	\$ (66,238)

- (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) 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.

CRL

LISTED

NYSE


charles river