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4Q 2015 Results/ 2016 Guidance

Safe Harbor Statement

Caution Concerning Forward-Looking Statements. This presentation 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,” “intend,” “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 2016 and other future financial performance whether reported, constant currency, organic, and/or factoring acquisitions, including, with respect to Charles River as a whole and/or any of our reporting segments or business units, sales, operating margin, earnings per share, capital expenditures, operating and free cash flow, specified costs (including unallocated corporate expenses), net interest expense, effective tax rate, average share count, global efficiency initiatives, cost increases, pricing, foreign exchange rates, LIBOR rates, leverage ratios, days sales outstanding, and the operating results of our businesses; the expected effect of the 53rd week in 2016; the expected performance of our limited partnership investments; the future demand for drug discovery and development products and services, and our intentions to expand those businesses (including opening new facilities and reopening the Shrewsbury, Massachusetts facility); the impact of our facility consolidations; our expectations regarding stock repurchases and debt repayment; the development and performance of our services and products; market and industry conditions including industry consolidation, outsourcing of services and identification of spending trends by our customers and funding available to them; the potential outcome of and impact to our business and financial operations due to litigation and legal proceedings and tax law changes; our success in identifying, consummating, and integrating, and the impact of, our acquisitions (including ChanTest, Argenta and BioFocus, Sunrise, and Celsis) including the attainment of synergies; our strategic agreements with our clients and opportunities for future similar arrangements; our ability to achieve market share gains in targeted market segments; the impact of our investments in specified business lines and products; and Charles River’s future performance as otherwise delineated in our forward-looking guidance. In addition, this presentation includes forward-looking statements specific to the acquisition of WIL Research, such as expectations regarding the timing of the closing of the acquisition, and Charles River’s expectations with respect to the impact of WIL Research on the Company, its service offerings, client perception, revenue, revenue growth rates, earnings, financing, stock repurchase activity, share count, credit facility, interest rates, tax rates, and operating margin; WIL Research’s final 2015 reported financial results; Charles River’s projected future performance including revenue and earnings per share; Charles River’s expected operational synergies; as well as Charles River’s future growth in the area of safety assessment and contract development and manufacturing; and the ability to successfully complete the acquisition of WIL Research. 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 ability to successfully integrate businesses we acquire; the ability to execute our cost-savings actions and the steps to optimize returns to shareholders on an effective and timely basis; the timing and magnitude of our share repurchases; negative trends in research and development spending, negative trends 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. 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Regulation G

This presentation includes discussion of non-GAAP financial measures. We believe that the inclusion of these non-GAAP financial measures provides 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 in this presentation 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. In accordance with Regulation G, you can find the comparable GAAP measures and reconciliations to those GAAP measures on our website at ir.criver.com.

Opening Remarks

- 2015 was another exceptional year for CRL
- Financial results demonstrated what we've worked very hard to achieve:
  - Strongest portfolio we have ever had, with the ability to support clients from target discovery through preclinical development;
  - Deep client relationships, where we are a respected and trusted partner;
  - Streamlined organization, with the flexibility to respond to a changing industry and client requirements; and
  - Employees who are committed to providing exceptional service to our clients
- Extremely proud that we worked on 50% of drugs approved by the FDA over the last two years
- Testament to the value our clients place on our contribution to their research efforts

4Q15 Revenue

($ in millions)	4Q15	4Q14	YOY Δ
Net revenue, reported	$353.9	$329.5	7.4%
Less: FX			(3.9%)
Net revenue, constant $			11.3%

- Acquisitions contributed 3.4% to 4Q15 revenue
- Organic growth was driven by the Safety Assessment, Microbial Solutions, Biologics, and Research Models businesses
- Mid-size biotechnology clients again generated a double-digit revenue increase, and sales to global accounts also increased

4Q15 Operating Margin

From Continuing Operations ($ in Millions)	4Q15	4Q14	%Δ
GAAP OM%	14.8%	12.4%	240 bps
Non-GAAP OM%	20.7%	16.6%	410 bps

- Operating margin benefited both from higher revenue and efficiency initiatives
- DSA operating margin reported the most significant increase
  - 27.1%, or +770 bps, reported
  - 23.1%, or +370 bps, excluding Quebec tax law change and foreign exchange
- RMS operating margin also improved 220 bps YOY to 25.4% due primarily to efficiency initiatives

4Q15 EPS

From Continuing Operations	4Q15	4Q14	%Δ
GAAP EPS	$0.69	$0.59	16.9%
Non-GAAP EPS	$1.00	$0.81	23.5%

- EPS improvement primarily driven by higher revenue and operating income
- Shares outstanding, in both the quarter and full year, were relatively unchanged due to our share repurchase program

2015 Results

From Continuing Operations ($ in millions)	2015	2014	%Δ
Revenue	$1,363	$1,298	5.1%
Less: FX			(5.3%)
Net revenue, constant $			10.4%
GAAP OI margin	15.1%	13.7%	140 bps
Non-GAAP OI margin	19.4%	17.6%	180 bps
GAAP EPS	$3.15	$2.70	16.7%
Non-GAAP EPS	$3.76	$3.46	8.7%

- Acquisitions contributed 4.0% to revenue growth
- Operating margin and EPS improvement primarily the result of leverage from higher revenue and benefits of efficiency and productivity initiatives
- EPS increased 14.0% when adjusted for the negative impact of FX and gains from limited partnerships

2016 Guidance, cont.
(from Continuing Operations)

- Strong 2015 performance thoroughly demonstrates the successful execution of our strategy to position CRL as the early-stage research partner of choice
- Believe our position will be enhanced by the pending acquisition of WIL Research
- Optimistic about the opportunities in 2016 and confident of our 2016 guidance
  - Strong demand for our unique portfolio of products and services
  - Potential for expanding strategic relationships
  - Continuing gains from productivity and efficiency initiatives

2016 Guidance

(from Continuing Operations)

From Continuing Operations	
CRL revenue growth, reported	8%-10%
Contribution from WIL Research	11%-12.5%
CRL revenue growth including WIL, reported	19%-22.5%
Negative impact of FX	(~1%)
Revenue growth including WIL, constant $	20%-23.5%
CRL GAAP EPS	$3.60-$3.70
CRL Non-GAAP EPS	$4.07-$4.17
Contribution from WIL Research	At least $0.20
Non-GAAP EPS including WIL	$4.27-$4.40

- Non-GAAP EPS growth rate of ~9.5% at the mid-point, excluding WIL
- Non-GAAP EPS growth rate of ~15% at the mid-point, including WIL

RMS Results – Revenue

($ in millions)	4Q15	4Q14	YOY Δ
Revenue, reported	$114.7	$117.7	(2.5%)
Less: FX			(4.6%)
Revenue, constant $			2.1%

- Research Models sales were the primary contributor to the revenue increase
  - Driven in nearly equal parts by North America and Europe
  - In Asia, higher revenue in China more than offset the decline in Japan
  - China continues to present a significant opportunity
    - Moving ahead with plans to expand our footprint in China to increase our research model production capacity and provide associated services

RMS Results – Models & Services

MODELS

- Effects of consolidation in biopharma industry moderated in 2015 in both North America and Europe
- Demand in China continued to increase
- Expect similar demand trends in 2016 in all geographic areas
- Expect to realize price increases of 2-3% in 2016

SERVICES

- RM Services revenue increased slightly in 4Q15
- Indicated our expectation for a better 2H15
  - Anniversaried the termination of the NCI contract in 3Q15 and the significant reduction by one client of a GEMS colony in 4Q15)
- Insourcing Solutions reported 4Q15 growth due to new contracts

RMS Results – Operating Margin

From Continuing Operations	4Q15	4Q14	Δ
RMS GAAP OM%	24.1%	20.1%	400 bps
RMS Non-GAAP OM%	25.4%	23.2%	220 bps

- Margin improvement due primarily to higher revenue and the benefit of efficiency initiatives
  - Benefit in 2015 from two facility consolidations in Japan and other initiatives
- Continue to identify opportunities to streamline RMS operation
  - Automation of manual processes and implementation of systems to improve data availability and accuracy
- Maintain our belief that annual RMS operating margin in the high-20% range is achievable and sustainable

Manufacturing Results – Revenue

($ in millions)	4Q15	4Q14	YOY Δ
Net revenue, reported	$78.6	$62.3	26.3%
Less: FX			(6.1%)
Net revenue, constant $			32.4%

- Acquisitions of Celsis and Sunrise contributed 13.7% to revenue growth
- Organic growth was 18.7%, driven by double-digit growth in each of the businesses in the segment: Microbial Solutions, Biologics, and Avian

Mfg. Results – Microbial Solutions

- Microbial Solutions was the primary driver of revenue growth, gaining >20% on an organic basis
- Client conversion to our rapid endotoxin testing methods has increased demand for PTS™ machines and associated cartridge use
- Continuous product innovation has expanded the applications for the PTS™
  - Faster processing, like Nexus™
  - Better connectivity, like Nexgen-PTS™

Mfg. Results – Microbial Solutions, cont.

- Continued to broaden our capabilities with the Celsis acquisition
- Positions Microbial Solutions as the only provider that can offer a unique, comprehensive solution for rapid quality control testing of both sterile and non-sterile biopharma and consumer products
- Integration of Celsis has progressed well
- Sales organization has been extensively trained on selling the broader portfolio
- Optimistic that execution of sales strategies for both the sterile and non-sterile markets will be a key component of revenue growth in 2016
- Believe our ability to provide a total microbial testing solution will be a key driver of EMD's ability to deliver at least low-double-digit organic revenue growth rate for the foreseeable future

Manufacturing Results – Biologics

- Biologics business reported one of its strongest performances ever in 4Q15, delivering robust revenue growth and an improved operating margin
- Our continued investment in expanding our Biologics portfolio through development of new assays and additional capabilities has enabled us to provide a broader testing solution for clients
- Investment is particularly important now, when biologics represent an increasing percentage of drugs in development
- Our goal is to be well-positioned to participate in this expanding opportunity
  - Pleased with the progress we have made to date

Manufacturing – Operating Margin

From Continuing Operations	4Q15	4Q14	%Δ
Manufacturing GAAP OM%	23.6%	33.0%	(940 bps)
Mfg Non-GAAP OM%	33.8%	35.0%	(120 bps)

- Well in line with our stated margin target in the low-30% range

DSA Results – Revenue

($ in millions)	4Q15	4Q14	YOY Δ
Net revenue, reported	$160.5	$149.6	7.3%
Less: FX			(2.5%)
Net revenue, constant $			9.8%

- Discovery acquisitions of ChanTest and Oncotest contributed 1.7% to 4Q15 growth
- Organic growth of 8.1% driven primarily by Safety Assessment
  - Reported a low double-digit revenue increase YOY
  - The fifth consecutive quarter with growth above 10%
- Exceptionally pleased with this performance, which resulted from:
  - Improved client demand—especially from small and mid-size biotech clients
  - Successful execution of targeted sales strategies

DSA Results – Operating Margin

From Continuing Operations	4Q15	4Q14	%Δ
DSA GAAP OM%	23.1%	14.0%	910 bps
DSA Non-GAAP OM%	27.1%	19.4%	770 bps
Less: Quebec tax change and FX	4.0%	---	400 bps
DSA Non-GAAP OM%	23.1%	19.4%	370 bps

- Margin improvement was driven primarily by leverage from higher Safety Assessment revenue
  - Safety Assessment margin exceeded 20% for the third consecutive quarter
  - Believe we will continue to drive further improvement
- Margins for DSA segment vary from quarter to quarter, based on a number of factors, so margin improvement may not be linear
- In addition, WIL operating margin is lower than DSA, which will moderate the DSA segment's potential for margin expansion in 2016

See website for reconciliations of Non-GAAP to GAAP results.

DSA Results – Discovery

- Expansion of our portfolio to include Discovery capabilities greatly enhances our ability to support clients’ research efforts
- Selectively acquired assets and combined with in-house capabilities to create a Discovery business which can assist clients in solving complex challenges of early-stage research
- Discovery is especially important now
  - Global biopharma are increasingly relying on CROs
  - Small and mid-size biotechs, which have always relied on external resources, are investing in their pipelines

DSA Results – Discovery, cont.

- Discovery business had a challenging 2015, primarily due to the cancelation of a large contract at the end of 2014
  - Client re-prioritized pipeline
- Expect 2016 to be a more robust year because of strength of demand and enhanced strategies for partnering with clients
- We are adept at developing flexible working arrangements, which have become increasingly important to clients
- Higher revenue and efficiency initiatives will drive margin expansion
- Recently implemented plans to consolidate two smaller sites by transferring employees and workstreams to larger sites
- In addition to improving efficiency, these initiatives will centralize scientific expertise, enhancing the opportunities for collaboration and implementation of best practices

DSA Results – Sales Strategies

- Continuing to have extensive discussions with heads of research at global biopharma and small and mid-size biotech companies
  - Identifying opportunities to work together across discovery and safety assessment
- 2015 results demonstrate the success of targeted sales strategies
- Biotech companies were the primary driver of DSA revenue growth, with sales increasing at a mid-teens rate in 2015
- Revenue from global biopharma clients increased at a mid-single digit rate in 2015
  - Due primarily to strong demand for safety assessment services, as clients chose to work with CRL
- We continued to initiate new and expand existing strategic relationships
- Revenue from strategic relationships gained ~300 bps, representing >30% of total revenue in 2015

DSA Results – Capacity Expansion

- Now operating at near-optimal utilization levels in most of our facilities
- Opened additional study rooms in 2014 and 2015 to accommodate demand and ensure we have sufficient capacity for future growth
- Reopened a portion of CR-MA in 1Q16
  - Most required positions have been filled
  - Have shifted workstreams to the facility
  - Actively marketing CR-MA to positive client response
    - Site visits are accelerating
    - Clients placing first studies
  - Optimistic that CR-MA will meet its targets in 2016

WIL Research Acquisition

- Pending acquisition of WIL Research will be another key element of our ability to support clients' early-stage research efforts and CRL's long-term growth goals
- WIL provides capacity for growth, as well as a needed footprint in continental Europe
- Strengthens our service offerings in different geographic regions
  - Enables CRL to provide broader support to clients more proximate to their locations in North America and Europe
- Moving forward with integration planning, in order to be well prepared for early 2Q16 close
  - Working on a comprehensive management structure for CRL's Safety Assessment business which maximizes the talents and best in class processes of both organizations
  - Preparing detailed plans for Sales, Finance, IT, and ERP
- Goal is to get off to a strong start as soon as the acquisition closes

Capital Deployment

- Focus for capital deployment in 2016 will be on repayment of debt associated with the WIL acquisition
  - Expect to lower our leverage ratio to <3x EBITDA within 18 months
- Intend to continue to assess opportunities to broaden our portfolio with small, strategic acquisitions and in-house development to increase our capabilities and therapeutic area expertise; however, priority is to integrate acquisitions we have made
  - Ensure we obtain expected benefits
- Will continue with very successful productivity and efficiency initiatives
- Ability to offer our unique portfolio, world-class scientific expertise, and best-in-class client service at an effective price is the cornerstone of our value proposition

Investing in Growth

- Disciplined investments we are making in infrastructure—both systems and personnel—are as important as the investments we make to expand and enhance our portfolio
- We have implemented systems to improve access to data
  - e.g. ERP, inventory, client portals
- We have added to management to augment scientific expertise and operational capabilities
  - e.g. dedicated integration team established in 2015
- Continuing to identify and hire the best scientific and operational personnel is a critical component of our business strategy, which is the foundation of our future growth
- Leveraging investment we have made, and new ones we intend to make in our portfolio and infrastructure, will enhance the role we play in supporting our clients' early-stage drug research processes

Creating Value for Clients

- Enthusiastic about the opportunities for growth in 2016
- Focused on positioning CRL as the premier early-stage CRO, with a unique portfolio and the scientific expertise to partner with all types of clients
  - Global biopharmas which are increasingly making a more significant commitment to outsourcing to improve operating efficiency and pipeline productivity
  - Biotech companies which have always preferred outsourcing to building infrastructure
  - Academic institutions which are partnering with biopharma and require partners to provide expertise in drug discovery and development
- Believe that global biopharma, biotech, and academic clients are searching for the right partner to support them by taking on a broader role in their organizations
- CRL intends to be that partner

2016 Outlook

- Pleased with growth prospects for 2016
  - Highlighted by the potential for higher organic growth in 2016 and the planned addition of WIL Research
  - Expect businesses that performed well in 2015 to continue to do so
  - Believe other businesses will return to growth
  - WIL acquisition will enhance our ability to partner with clients and drive profitable growth, both this year and over the longer term
- Supporting growth opportunities by investing in our processes and our people to advance our position as a leading early-stage CRO
- Confident we will be able to leverage our growth and enhanced infrastructure to drive greater margin expansion over the longer term
  - Investments and strong 4Q15 operating margin improvement will compress margin expansion in 2016

2016 Guidance excluding WIL

From Continuing Operations	
Revenue growth, reported	8%-10%
Negative impact of foreign exchange	(~1%)
Revenue growth, constant currency	9%-11%
GAAP EPS	\$3.60-\$3.70
Non-GAAP EPS	\$4.07-\$4.17

- 2016 guidance based on current rates
- FX headwind expected to be less of a headwind than 2015
  - Moderate benefit to 2016 EPS, compared to a \$0.09 headwind in 2015
    - Due to recent volatility in CAD
    - CAD rates currently at near historic lows vs. USD
    - FX exposure in Canada generates 2016 OI\$/EPS benefit at current CAD rates
      - Invoice the majority of revenue in USD, but incur most costs in CAD

53^{rd} Week Impact

- 53^{rd} week included in fiscal year 2016, which ends on December 31^{st}
  - Periodically required to true-up to a December 31^{st} year end as a result of our 13-week quarterly reporting structure
  - Characterized by a light week of sales due to the holidays, but a normal week of costs
  - Expected to contribute ~1% to 2016 revenue growth
    - Offsets the FX headwind
  - Expected to provide a nominal benefit to 2016 EPS
    - De minimus impact on the operating margin

2016 Guidance including WIL

From Continuing Operations	
CRL revenue growth, reported	8%-10%
Contribution from WIL Research	11%-12.5%
Revenue growth including WIL, reported	19%-22.5%
Negative impact of FX	(~1%)
Revenue growth including WIL, constant $	20%-23.5%
CRL Non-GAAP EPS	$4.07-$4.17
Contribution from WIL Research	At least $0.20
Non-GAAP EPS including WIL	$4.27-$4.40

- Combined CRL-WIL guidance assumes the transaction closes in early 2Q16

2016 Organic Revenue Growth

	2014	2015	2016E
Organic revenue growth	5.0%	6.5%	6%-8%

- Expect organic growth trends to continue to improve and begin to approach longer-term strategic plan target in the high-single digits
- 2016 organic revenue growth expected to be driven by:
  - Improving trends in RMS and Discovery businesses
  - Continued robust growth in Safety Assessment and Microbial Solutions businesses

2016 Segment Revenue Growth Outlook

From Continuing Operations	2016 Revenue Growth, Constant Currency
RMS	Low- to mid-single digits
DSA (excluding WIL)	Low-teens*
Manufacturing	Mid- to high-teens*

* Includes contribution from acquisitions completed prior to 2016.

2016 Operating Margin Outlook

- Excluding WIL, 2016 non-GAAP operating margin expected to be similar to or slightly higher than 19.4% in 2015
  - Benefits of higher revenue and global efficiency initiatives expected to be largely offset by:
    - Higher corporate costs
      - ~7.5% of 2016 revenue vs. 7.1% of 2015 revenue
    - OI$ impact of Quebec tax law change
      - 40 bps net headwind to 2016 consolidated non-GAAP operating margin (vs. 2015)
  - FX and 53rd week not expected to have a meaningful impact on the 2016 operating margin

Productivity and Efficiency Initiatives

- **Infrastructure optimization**
- **Operational efficiency**
- **Procurement synergies**
- **Client-facing initiatives**

Incremental Savings Generated Per Year *	
2015	**2016 Outlook**
~$38M	At least ~$35M

- Savings in both 2015 and 2016 are above our prior outlook of $35M and $30M, respectively
  - New projects identified and larger savings on planned initiatives
- Focus of 2016 projects includes:
  - Automation to replace manual processes
  - Enhanced use of IT/data systems
  - Optimizing capacity utilization

* Does not include efficiency initiatives in conjunction with planned acquisition of WIL Research.

Unallocated Corporate Overhead

($ in millions)	2015	2014	4Q15	4Q14
GAAP	$111.1	$92.1	$31.1	$24.3
Non-GAAP	$97.4	$85.7	$25.9	$23.3

- Excluding WIL, 2016 unallocated corporate costs expected to be ~7.5% of total revenue on a non-GAAP basis
- Higher than 2015 level of 7.1% of revenue, primarily due to:
  - Disciplined infrastructure investments to support future growth: people, processes, and systems
    - Believe investments will generate benefits over time by providing a scalable platform to leverage revenue growth and accommodate future acquisitions with a more efficient infrastructure
  - Performance-based compensation has trended higher due to our strong performance in the past few years, including 2015
  - 53rd week adds nearly $2M in 2016

See website for reconciliations of Non-GAAP to GAAP results.

2016 Segment Operating Margin Outlook

From Continuing Operations	**2016 Non-GAAP Operating Margin**
RMS	Similar to 2015
DSA (excluding WIL)	Slightly higher than 2015
Manufacturing	Modest improvement from 2015

- Manufacturing: Microbial Solutions expected to drive margin improvement
  - Primarily driven by infrastructure enhancements and synergies from Celsis
- DSA: Leverage from robust revenue growth partially offset by a net ~80-basis-point headwind related to Quebec tax law change

2016 Segment Operating Margin Outlook, cont.

From Continuing Operations	**2016 Non-GAAP Operating Margin**
RMS	Similar to 2015
DSA (excluding WIL)	Slightly higher than 2015
Manufacturing	Modest improvement from 2015

- DSA, cont.: Re-opening of CR-MA expected to have a minimal impact on 2016 operating margin of ~20 bps, and a negligible impact on 2016 consolidated operating margin
- DSA with WIL: WIL currently has a non-GAAP operating margin in the mid-teens
  - Expected to reduce DSA non-GAAP operating margin by ~150 bps in 2016

Factors Affecting 2016 Non-GAAP EPS

	2016 Incremental Non-GAAP EPS Impact vs. 2015
Net interest expense (excl. WIL financing)	(~$0.06-$0.09)
Quebec tax law change	(~$0.05)
Limited-partnership investment gains	(~$0.01)

- 2016 Non-GAAP EPS growth expected to be 8%-11% excluding WIL
  - Primarily driven by revenue and operating income growth, partially offset by non-operating items
- Limited-partnership investment gains forecast at ~$0.04 in 2016, compared to a $0.05 gain in 2015
  - Believe it is prudent to forecast a return on our investments in certain life science venture capital funds

Net Interest Expense

($ in millions)	2015	2014	4Q15	4Q14
GAAP interest expense, net	$14.0	$10.8	$3.5	$2.4
Non-GAAP interest expense, net	$13.1	$10.8	$3.5	$2.4

- Excluding WIL, net interest expense expected to be in a range of $17-$19M in 2016
  - Outlook based on our assumption that LIBOR rates will increase by ~25 bps per quarter in 2016, reflecting anticipated actions of Federal Reserve
- Financing for WIL acquisition expected to add incremental interest expense of $6-$8M in 2016, assuming an early 2Q16 close
  - Intend to expand credit facility by $350M to $1.65B
  - Post-closing interest rate expected to increase to LIBOR+150 bps for drawn amounts, based on estimated pro forma leverage ratio of ~3.5x

Quebec Tax Law Change

Impact of Quebec Tax Law Change	4Q15	2015	2016E
Non-GAAP operating income $	$3.7M	$3.7M	(~$1M)
Non-GAAP operating margin %	100 bps	30 bps	(10 bps)
DSA non-GAAP operating margin %	230 bps	60 bps	(20 bps)
Non-GAAP tax rate	280 bps	90 bps	30 bps
Non-GAAP EPS	$0.01	$0.01	($0.04)

- In October 2015, the province of Quebec enacted new legislation related to R&D tax credits which impacts our Canadian operations (DSA segment)
  - **Operating income:** Reduces the benefit of provincial R&D tax credits to 14% from 17.5% of qualified expenditures
  - **Income tax:** R&D tax credits are now subject to tax in Quebec, which increases the non-GAAP tax rate
  - **EPS:** Expect a ~$0.05 net headwind to non-GAAP EPS in 2016 (vs. 2015)
- 4Q15 one-time, retroactive benefit from Quebec tax law change related to R&D tax credits claimed between 2012-2014

Tax Rate

	2015	2014	4Q15	4Q14
GAAP	22.2%	26.8%	33.5%	29.0%
Non-GAAP	29.0%	27.4%	32.9%	28.0%

- Higher 4Q15 tax rate primarily driven by the retroactive impact of Quebec tax law change
- Excluding WIL, both GAAP and non-GAAP tax rates expected to be 27.5%-28.5% in 2016
  - Slight decrease in non-GAAP rate from 2015 due primarily to the effect of the one-time provision of the Quebec tax legislation on the 2015 rate
- Including WIL, CRL's combined 2016 non-GAAP tax rate expected to increase by an incremental ~50 bps
  - WIL's tax rate expected to be ~35% due to its geographic earnings mix
  - Continue to evaluate initiatives to mitigate pressure on the tax rate

Cash Flow

($ in millions)	2015	2014	2016 Outlook excl. WIL
Free cash flow	$225.0	$195.2	$235-$245
FCF per share	*$4.72*	*$4.10*	*~$4.95-$5.15*
Capex	$63.3	$56.9	~$70
Depreciation	$70.6	$70.5 (2)	~$77
Amortization	$24.2 (1)	$26.0	~$27
	4Q15	**4Q14**	**DSOs**
Free cash flow	$74.1	$72.8	4Q15: 51 days
Capex	$28.2	$27.0	3Q15: 56 days
Depreciation	$18.7	$18.9 (2)	4Q14: 52 days
Amortization	$6.8 (1)	$7.1	

See website for reconciliations of Non-GAAP to GAAP results.

(1) Amortization excludes inventory purchase accounting adjustment.

(2) Depreciation includes accelerated depreciation related to the consolidation of global research model production operations.

Cash Flow, cont.

- 2015 free cash flow outperformed prior outlook of $205-$210M due primarily to significant improvement in DSOs during 4Q15
- Undertaken an initiative to enhance our cash generation, primarily through improvements to working capital management
  - These efforts, coupled with continued strong operating performance, expected to drive 2016 free cash flow
- 2016 capex projects focused on:
  - Increasing capacity in safety assessment business, including CR-MA
  - Expanding RMS business in China
  - Improving manufacturing efficiency in Microbial Solutions business
  - Enhancing automation and efficiency through IT and related investments
- Intend to update free cash flow and capex guidance after the transaction has been completed

Capital Priorities

- Intend to focus on debt repayment in 2016
  - Plan to achieve goal to drive pro forma leverage ratio below 3x within 18 months of the close of the WIL acquisition
- Focus on debt repayment expected to limit stock repurchase and M&A activity in 2016
- Keenly focused on integrating acquisitions and managing our existing businesses in 2016
- Plan to update free cash flow and capex guidance after acquisition is closed

Capital Priorities / Stock Repurchases

- Ended 2015 with ~47.8M diluted shares outstanding
- Repurchased ~1.5M shares in 2015 for $108.8M
  - Did not repurchase any shares during 4Q15
  - $69.7M remaining under current authorization as of 12/26/15
- Do not expect any meaningful stock repurchases in 2016
  - Expect average diluted share count to increase in 2016 due to dilution from option exercises and equity awards
  - Expect average diluted share count to be:
    - 1Q16: Similar to ~47.8M shares at end of 2015
    - 2016: Between 48M-48.5M

1Q16 Outlook

	1Q16 Outlook
Revenue	Modest sequential increase vs. 4Q15
Non-GAAP operating margin	Lower on a sequential basis vs. 4Q15
Non-GAAP EPS	~10% below 4Q15

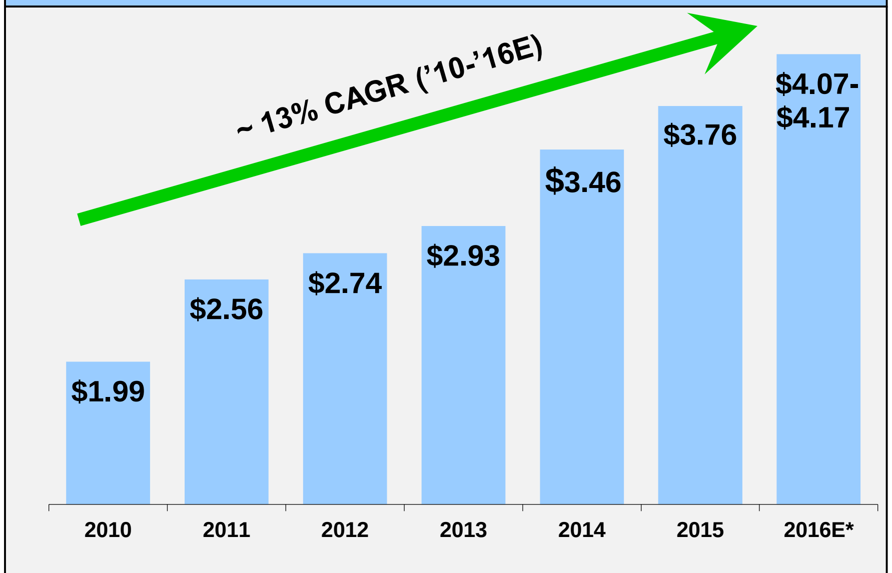
- Expect sequential revenue increase to be primarily driven by higher research model sales after seasonally soft Q4
- Expect DSA non-GAAP operating margin to decline sequentially
  - Typical seasonal trends, with fewer study starts during the holidays and in January leading to a slower start to the year
  - Quebec tax law change also expected to negatively impact the sequential DSA margin comparison by ~250 bps (1Q16 vs. 4Q15)

1Q16 Outlook, cont.

- Unallocated corporate cost expected to increase significantly vs. 4Q15
  - Disciplined investments in people, processes, and systems
  - Performance-based compensation costs
  - Seasonally higher corporate costs, primarily driven by health and fringe-related costs
- Quarterly gating in 2016 expected to be similar to previous years
  - 1Q starts slowly, with results improving in subsequent quarters
- 1Q16 revenue and non-GAAP EPS outlook represents robust, double-digit YOY growth over 1Q15
  - Also substantial non-GAAP operating margin expansion over 1Q15

Well Positioned to Support Future Growth

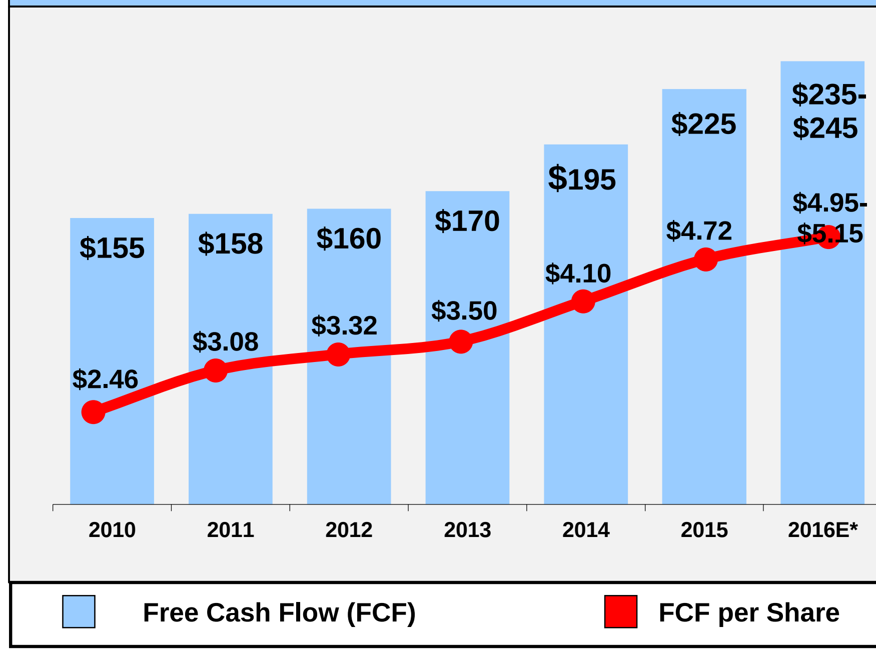
Non-GAAP Earnings Per Share



GAAP EPS ($5.38)	*$2.14*	*$2.01*	*$2.12*	*$2.66*	*$3.15*	*$3.60-$3.70*

Free Cash Flow

($ in millions, except per share amounts)



➢ Expect to continue on our journey of revenue and EPS improvement in 2016

See website for reconciliations of Non-GAAP to GAAP results.

* 2016 guidance excluding planned WIL acquisition.

APPENDIX

Revenue Breakout by Product/Service Line*

($ in millions)	4Q15	4Q14	YOY Δ	Less: FX	YOY Δ ex. FX
RMS Segment	**$114.7**	**$117.7**	**(2.5%)**	**(4.6%)**	**2.1%**
DSA Segment	**$160.5**	**$149.6**	**7.3%**	**(2.5%)**	**9.8%**
Microbial Solutions**	$45.3	$34.3	32.1%	(7.0%)	39.1%
Other Mfg. Support***	$33.3	$27.9	19.1%	(5.1%)	24.2%
Total Mfg. Support	**$78.6**	**$62.3**	**26.3%**	**(6.1%)**	**32.4%**
Total Revenue	**$353.9**	**$329.5**	**7.4%**	**(3.9%)**	**11.3%**

* *May not add due to rounding.*
** *Microbial Solutions was formerly known as the Endotoxin and Microbial Detection (EMD) business.*
** *Other Mfg. Support includes the Biologics Testing Solutions and Avian Vaccine business units.*

Revenue Breakout by Product/Service Line*

($ in millions)	FY15	FY14	YOY Δ	Less: FX	YOY Δ ex. FX
RMS Segment	**$473.2**	**$507.3**	**(6.7%)**	**(6.3%)**	**(0.4%)**
DSA Segment	**$612.2**	**$538.2**	**13.7%**	**(3.4%)**	**17.1%**
Microbial Solutions**	$150.9	$132.2	14.2%	(8.4%)	22.6%
Other Mfg. Support***	$127.0	$119.9	5.9%	(6.7%)	12.6%
Total Mfg. Support	**$277.9**	**$252.1**	**10.2%**	**(7.6%)**	**17.8%**
Total Revenue	**$1,363.3**	**$1,297.7**	**5.1%**	**(5.3%)**	**10.4%**

* *May not add due to rounding.*

** *Microbial Solutions was formerly known as the Endotoxin and Microbial Detection (EMD) business.*

** *Other Mfg. Support includes the Biologics Testing Solutions and Avian Vaccine business units.*

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 26, 2015	December 27, 2014	December 26, 2015	December 27, 2014
Research Models and Services				
Revenue	$ 114,724	$ 117,691	$ 473,230	$ 507,327
Operating income	27,647	23,642	121,447	121,376
Operating income as a % of revenue	24.1%	20.1%	25.7%	23.9%
Add back:				
Amortization of intangible assets related to acquisitions	792	451	3,083	2,466
Severance	172	619	1,338	4,593
Government billing adjustment and related expenses	141	554	477	848
Site consolidation costs, impairments and other items	418	2,002	1,833	7,136
Operating income, excluding specified charges (Non-GAAP)	$ 29,170	$ 27,268	$ 128,178	$ 136,419
Non-GAAP operating income as a % of revenue	25.4%	23.2%	27.1%	26.9%
Discovery and Safety Assessment				
Revenue	$ 160,514	$ 149,604	$ 612,173	$ 538,218
Operating income	37,125	20,909	121,981	69,749
Operating income as a % of revenue	23.1%	14.0%	19.9%	13.0%
Add back:				
Amortization of intangible assets related to acquisitions	3,337	5,458	13,969	18,110
Severance	354	1,794	1,068	2,912
Operating losses (2)	2,654	619	5,517	2,600
Acquisition related adjustments (3)	84	208	244	404
Operating income, excluding specified charges (Non-GAAP)	$ 43,554	$ 28,988	$ 142,779	$ 93,775
Non-GAAP operating income as a % of revenue	27.1%	19.4%	23.3%	17.4%
Manufacturing Support				
Revenue	$ 78,612	$ 62,253	$ 277,899	$ 252,117
Operating income	18,548	20,529	74,201	78,620
Operating income as a % of revenue	23.6%	33.0%	26.7%	31.2%
Add back:				
Amortization of intangible assets and inventory step-up related to acquisitions	5,672	1,235	12,322	5,381
Severance	384	16	1,640	166
Site consolidation costs, impairments and other items	407	-	407	-
Acquisition related adjustments (3)	1,582	-	2,593	-
Operating income, excluding specified charges (Non-GAAP)	$ 26,593	$ 21,780	$ 91,163	$ 84,167
Non-GAAP operating income as a % of revenue	33.8%	35.0%	32.8%	33.4%
Unallocated Corporate Overhead	$ (31,051)	$ (24,313)	$ (111,180)	$ (92,075)
Add back:				
Severance and executive transition costs	96	-	2,127	121
Acquisition related adjustments (3)	5,027	1,028	11,676	6,284
Unallocated corporate overhead, excluding specified charges (Non-GAAP)	$ (25,928)	$ (23,285)	$ (97,377)	$ (85,670)
Total				
Revenue	$ 353,850	$ 329,548	$ 1,363,302	$ 1,297,662
Operating income	52,269	40,767	206,449	177,670
Operating income as a % of revenue	14.8%	12.4%	15.1%	13.7%
Add back:				
Amortization of intangible assets and inventory step-up related to acquisitions	9,801	7,144	29,374	25,957
Severance and executive transition costs	1,006	2,429	6,173	7,792
Site consolidation costs, impairments and other items	825	2,002	2,240	7,136
Operating losses (2)	2,654	619	5,517	2,600
Acquisition related adjustments (3)	6,693	1,236	14,513	6,688
Government billing adjustment and related expenses	141	554	477	848
Operating income, excluding specified charges (Non-GAAP)	$ 73,389	$ 54,751	$ 264,743	$ 228,691
Non-GAAP operating income as a % of non-GAAP revenue	20.7%	16.6%	19.4%	17.6%

(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 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 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 item includes operating losses related primarily to the Company's Shrewsbury, Massachusetts facility.

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

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

RECONCILIATION OF GAAP EARNINGS TO NON-GAAP EARNINGS (UNAUDITED)[1]

(in thousands, except per share data)

	Three Months Ended		Twelve Months Ended	
	December 26, 2015	December 27, 2014	December 26, 2015	December 27, 2014
Net income attributable to common shareholders	$ 31,884	$ 27,166	$ 149,313	$ 126,698
Less: Discontinued operations	902	864	950	1,726
Net income from continuing operations attributable to common shareholders	32,786	28,030	150,263	128,424
Add back:				
Amortization of intangible assets and inventory step-up related to acquisitions	9,801	7,144	29,374	25,957
Severance and executive transition costs	1,006	2,429	6,173	7,792
Site consolidation costs, impairments and other items	825	2,002	2,240	7,136
Operating losses (2)	2,654	619	5,517	2,600
Acquisition related adjustments (3)	6,693	1,236	14,513	6,688
Government billing adjustment and related expenses	141	554	477	848
Reversal of an indemnification asset associated with acquisition and corresponding interest (4)	-	-	10,411	-
Write-off of deferred financing costs and fees related to debt refinancing	-	-	721	-
Gain on bargain purchase (5)	96	-	(9,837)	-
Tax effect of non-GAAP adjustments:				
Reversal of uncertain tax position associated with acquisition and corresponding interest (4)	-	-	(10,411)	-
Tax effect of the remaining non-GAAP adjustments and certain other tax items	(6,684)	(3,506)	(20,106)	(14,987)
Net income from continuing operations attributable to common shareholders, excluding specified charges (Non-GAAP)	$ 47,318	$ 38,508	$ 179,335	$ 164,458
Weighted average shares outstanding - Basic	46,269	46,460	46,496	46,627
Effect of dilutive securities:				
Stock options, restricted stock units, performance stock units, and contingently issued restricted stock	1,146	1,057	1,138	931
Weighted average shares outstanding - Diluted	47,415	47,517	47,634	47,558
Basic earnings per share from continuing operations	$ 0.71	$ 0.60	$ 3.23	$ 2.76
Diluted earnings per share from continuing operations	$ 0.69	$ 0.59	$ 3.15	$ 2.70
Basic earnings per share from continuing operations, excluding specified charges (Non-GAAP)	$ 1.02	$ 0.83	$ 3.86	$ 3.53
Diluted earnings per share from continuing operations, excluding specified charges (Non-GAAP)	$ 1.00	$ 0.81	$ 3.76	$ 3.46

(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 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 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 item includes operating losses related primarily to the Company's Shrewsbury, Massachusetts facility.

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

(4) These amounts represent the reversal of an uncertain tax position and an offsetting indemnification asset related to the acquisition of BioFocus.

(5) The amount relates to the acquisition of Sunrise Farms, Inc. and represents the excess of the estimated fair value of the net assets acquired over the preliminary purchase price.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP REVENUE GROWTH (UNAUDITED)
EXCLUDING THE IMPACT OF FOREIGN EXCHANGE
For the Three and Twelve Months Ended December 26, 2015

For the three months ended December 26, 2015	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	7.4%	(2.5%)	7.3%	26.3%
Impact of foreign exchange	(3.9%)	(4.6%)	(2.5%)	(6.1%)
Non-GAAP revenue growth, constant currency	**11.3%**	**2.1%**	**9.8%**	**32.4%**

For the twelve months ended December 26, 2015	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	5.1%	(6.7%)	13.7%	10.2%
Impact of foreign exchange	(5.3%)	(6.3%)	(3.4%)	(7.6%)
Non-GAAP revenue growth, constant currency	**10.4%**	**(0.4%)**	**17.1%**	**17.8%**

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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

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

	Fiscal Year Ended		
	December 27, 2014	**December 26, 2015**	**December 31, 2016E Excluding WIL**
Revenue growth, reported	**11.3%**	**5.1%**	**8%-10%**
Impact of foreign exchange	(0.1%)	(5.3%)	(~1%)
Impact of government billing adjustment	0.1%	--	--
Non-GAAP revenue growth, constant currency	**11.3%**	**10.4%**	**9%-11%**
Impact of acquisitions	6.3%	4.0%	~3%
Organic revenue growth, constant currency (Non-GAAP)	**5.0%**	**6.5%**	**6%-8%**

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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations, and guidance.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

RECONCILIATION OF GAAP TO NON-GAAP REVENUE AND EARNINGS PER SHARE (EPS)

Guidance for the Twelve Months Ended December 31, 2016E

	2016E Guidance Excluding WIL
Revenue growth, reported	**8%-10%**
Less: Unfavorable impact of foreign exchange	(~1%)
Revenue growth, constant currency	**9%-11%**
GAAP EPS estimate (1)	**$3.60 - $3.70**
Add back:	
Amortization of intangible assets	$0.40
Charges related to global efficiency initiatives (2)	$0.02
Acquisition-related adjustments (3)	$0.05
Non-GAAP EPS estimate	**$4.07 - $4.17**

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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations, and guidance.

(1) GAAP EPS guidance and related adjustments do not include any acquisition-related costs and charges associated with the planned acquisition of WIL Research because the transaction has not been completed and estimates for these costs have not been finalized.

(2) These charges relate primarily to the Company's planned efficiency initiatives in 2016, including site consolidation costs, asset impairments, and severance. Other projects in support of the global productivity and efficiency initiatives are expected, but these charges reflect only the decisions that have already been finalized.

(3) These adjustments are related to the evaluation and integration of acquisitions that were completed prior to 2016, and do not include any costs related to the planned acquisition of WIL Research. These adjustments primarily include transaction and certain third-party integration costs.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP NET INTEREST EXPENSE
(dollars in thousands)

	Twelve Months Ended December 26, 2015
GAAP Interest Expense, net	$ 14,029
Exclude:	
Write-off of deferred financing costs and fees related to debt refinancing	(733)
Reversal of an indemnification asset associated with an acquisition and corresponding interest	(180)
Non-GAAP Interest Expense, net	$ 13,116

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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

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 26, 2015	**December 27, 2014**	**December 26, 2015**	**December 27, 2014**
Income from continuing operations before income taxes & noncontrolling interests	$ 49,992	$ 40,186	$ 195,428	$ 177,595
Add back:				
Amortization of intangible assets and inventory step-up related to acquisitions	9,801	7,144	29,374	25,957
Severance and executive transition costs	1,006	2,429	6,173	7,792
Site consolidation costs, impairments and other items	825	2,002	2,240	7,136
Operating losses (2)	2,654	619	5,517	2,600
Acquisition related adjustments (3)	6,693	1,236	14,513	6,688
Government billing adjustment and related expenses	141	554	477	848
Reversal of an indemnification asset associated with acquisition and corresponding interest (4)	-	-	10,411	-
Write-off of deferred financing costs and fees related to debt refinancing	-	-	721	-
Gain on bargain purchase (5)	96	-	(9,837)	-
Net income from continuing operations attributable to common shareholders, excluding specified charges (Non-GAAP)	$ 71,208	$ 54,170	$ 255,017	$ 228,616
Provision for income taxes (GAAP)	$ 16,729	$ 11,650	$ 43,391	$ 47,671
Tax effect from reversal of uncertain tax position associated with acquisition and corresponding interest (4)	-	-	10,411	-
Tax effect on amortization, severance and other charges	6,684	3,506	20,106	14,987
Provision for income taxes (Non-GAAP)	$ 23,413	$ 15,156	$ 73,908	$ 62,658
Total rate (GAAP)	33.5%	29.0%	22.2%	26.8%
Total rate, excluding specified charges (Non-GAAP)	32.9%	28.0%	29.0%	27.4%

(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 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 GAAP. The

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

(4) These amounts represent the reversal of an uncertain tax position and an offsetting indemnification asset related to the acquisition of BioFocus.

(5) The amount relates to the acquisition of Sunrise Farms, Inc. and represents the excess of the estimated fair value of the net assets acquired over the preliminary purchase price.

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

	Three Months Ended December 26, 2015	Three Months Ended December 27, 2014	Fiscal Year Ended December 26, 2015	Fiscal Year Ended December 27, 2014	Fiscal Year Ended December 31, 2016E Excluding WIL
Net cash provided by operating activities	$ 102,339	$ 99,849	$ 288,234	$ 252,132	$305,000-$315,000
Less: Capital expenditures	(28,244)	(27,018)	(63,252)	(56,925)	~(70,000)
Free cash flow	$ 74,095	$ 72,831	$ 224,982	$ 195,207	$235,000-$245,000

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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations, and guidance.

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

	Twelve Months Ended				
	December 27, 2014	**December 28, 2013**	**December 29, 2012**	**December 31, 2011**	**December 25, 2010**
Net income (loss) attributable to common shareholders	$ 126,698	$ 102,828	$ 97,295	$ 109,566	$ (336,669)
Less: Discontinued operations	1,726	1,265	4,252	5,545	8,012
Net income (loss) from continuing operations	128,424	104,093	101,547	115,111	(328,657)
Add back:					
Amortization of intangible assets related to acquisitions	25,957	17,806	18,067	21,795	24,405
Severance related to cost-savings actions	7,792	3,218	2,580	5,462	16,504
Impairment and other items (2)	7,109	21,381	3,963	473	384,896
Adjustment of acquisition-related contingent consideration and related items	-	-	-	(721)	2,865
Operating losses (3)	2,627	3,371	3,738	6,471	13,387
Costs associated with the evaluation of acquisitions	6,688	1,752	3,774	215	8,319
Government billing adjustment and related expenses	848	2,402	-	-	-
Acquisition agreement termination fee	-	-	-	-	30,000
Gain on settlement of life insurance policy	-	-	-	(7,710)	-
U.S. pension curtailment	-	-	-	-	-
Gain on sale of U.K. real estate	-	-	-	-	-
Write-off of deferred financing costs and fees related to debt refinancing	-	645	-	1,450	4,542
Loss on sale of auction rate securities	-	-	712	-	-
Convertible debt accounting, net (4)	-	6,710	14,741	13,978	12,948
Deferred tax revaluation	-	-	-	-	-
Tax benefit from disposition of Phase I clinical business	-	-	-	(11,111)	-
Massachusetts tax law change	-	-	-	-	-
Reduction of tax benefits - PCS Massachusetts	-	-	-	-	-
Costs and taxes associated with corporate legal entity restructuring and repatriation	-	-	-	1,637	15,689
Tax effect of items above	(14,987)	(19,126)	(16,604)	(15,710)	(59,274)
Net income, excluding specified charges (Non-GAAP)	$ 164,458	$ 142,252	$ 132,518	$ 131,340	$ 125,624
Weighted average shares outstanding - Basic	46,626,997	47,740,167	47,912,135	50,823,063	62,561,294
Effect of dilutive securities:					
Stock options and contingently issued restricted stock	930,709	749,155	494,185	495,179	558,229
Weighted average shares outstanding - Diluted	47,557,706	48,489,322	48,406,320	51,318,242	63,119,523
Basic earnings (loss) per share	$ 2.72	$ 2.15	$ 2.03	$ 2.16	$ (5.38)
Diluted earnings (loss) per share	$ 2.66	$ 2.12	$ 2.01	$ 2.14	$ (5.38)
Basic earnings per share, excluding specified charges (Non-GAAP)	$ 3.53	$ 2.98	$ 2.77	$ 2.58	$ 2.01
Diluted earnings per share, excluding specified charges (Non-GAAP)	$ 3.46	$ 2.93	$ 2.74	$ 2.56	$ 1.99

See next page for footnotes to this reconciliation.

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

Footnotes to reconciliation on previous page.

(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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations, and guidance.

(2) Reported results in 2014 include: (i) asset impairments and accelerated depreciation related to the consolidation of research model production operations; (ii) charges related to a dispute with a large model supplier; and (iii) a gain related to the sale of a former research model facility in France. Reported results in 2013 include: (i) accelerated depreciation related to the consolidation of research model production operations in California and Biologics Testing Solutions operations; (ii) an impairment charge related to the Company's PCS Massachusetts facility; (iii) an adjustment to prior-period accrued compensated absences; and (iv) asset impairments at certain European facilities. Reported results in 2012 include: (i) the impairment of long-lived assets for certain RMS Europe facilities; (ii) the gain on the sale of land for an RMS facility; and (iii) a write-off associated with large model inventory held at a vendor. Reported results in 2011 include: (i) asset impairments associated with certain RMS and PCS operations; (ii) gains on the disposition of RMS facilities in Michigan and Europe; (iii) costs associated with exiting a defined benefit plan in RMS Japan; and (iv) costs associated with vacating a corporate leased facility. Reported results in 2010 primarily include to goodwill and asset impairments associated with the Company's PCS business segment. Additionally, these amounts were reduced by $4.3 million to account for the portion of the asset impairment charge associated with the non-controlling interest in the company's former PCS facility in China. Reported results in 2009 primarily include an asset impairment and costs associated with the Company's planned disposition of its PCS facility in Arkansas, as well as additional miscellaneous expenses. Reported results in 2008 primarily include a goodwill impairment related to the Company's PCS business segment, as well as asset impairments and other charged related to the sale of the Company's Vaccine business in Mexico and closure of the Company's facility in Hungary; the disposition of and accelerated exit from the Company's Worcester, MA facility; severance costs related to cost-saving actions and advisory fees incurred in connection with repatriation of accumulated foreign earnings.

(3) Operating losses are primarily related to the curtailment of operations and subsequent operating costs at the Company's PCS facilities in China, Massachusetts and Arkansas.

(4) Reported results in 2013, 2012, 2011, 2010, 2009, and 2008 include the impact of convertible debt accounting adopted at the beginning of 2009, which increased interest expense by $6.6 million, $14.5 million, $13.8 million, $12.7 million, $11.9 million, and $11.1 million and depreciation expense by $0.1 million, $0.2 million, $0.2 million, $0.2 million, $0.2 million, and $0.1 million, respectively; and capitalized interest by $1.0 million in 2009 and $2.8 million in 2008.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF FREE CASH FLOW AND FCF PER SHARE (NON-GAAP)
(dollars in thousands)

	Fiscal Year Ended						
	December 25, 2010	December 31, 2011	December 29, 2012	December 28, 2013	December 27, 2014	December 26, 2015	December 31, 2016E Excluding WIL
Free Cash Flow Reconciliation							
Net cash provided by operating activities	$ 168,236	$ 206,998	$ 208,006	$ 209,045	$ 252,132	$ 288,234	$305,000-$315,000
Add: WuXi PharmaTech termination fee	30,000	-	-	-	-	-	-
Less: Capital expenditures	(42,860)	(49,143)	(47,534)	(39,154)	(56,925)	(63,252)	~(70,000)
Free cash flow	**$ 155,376**	**$ 157,855**	**$ 160,472**	**$ 169,891**	**$ 195,207**	**$ 224,982**	**$235,000-$245,000**
Free Cash Flow Per Share Calculation							
Diluted shares outstanding - average	63,120	51,318	48,406	48,489	47,558	47,634	~47,500
Free Cash Flow Per Share	**$ 2.46**	**$ 3.08**	**$ 3.32**	**$ 3.50**	**$ 4.10**	**$ 4.72**	**$4.95-$5.15**

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 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 GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations, and guidance.

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