4Q 2014 Results/ 2015 Guidance

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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

- 2014 was an exceptional year
- Financial results demonstrate 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

4Q14 Revenue

($ in millions)	4Q14	4Q13	YOY Δ
Net revenue, reported	$329.5	$289.2	13.9%
Less: FX			(2.9%)
Net revenue, constant $			16.8%

- Early Discovery acquisitions contributed 9.3% to 4Q14 revenue
- Organic growth was driven by Safety Assessment, EMD, North American Research Models, and Avian businesses
- Mid-tier biotechnology clients again generated a double-digit revenue increase
- Achieved market share gains in each of our client segments

4Q14 Operating Margin

From Continuing Operations ($ in Millions)	4Q14	4Q13	%Δ
GAAP OM%	12.4%	8.5%	390 bps
Non-GAAP OM%	16.6%	16.4%	20 bps

- Both DSA and Manufacturing segments reported significantly increased operating margins
  - DSA non-GAAP OM% +260 bps; Manufacturing non-GAAP OM% +290bps
- Higher unallocated corporate costs largely offset segment margin improvement
  - Improved financial performance drove higher incentive and stock-based compensation
    - Due primarily to performance stock units (PSUs) issued to management to align interests with shareholders
  - Invested in new projects to strengthen financial and scientific systems

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

4Q14 EPS

From Continuing Operations	4Q14	4Q13	%Δ
GAAP EPS	$0.59	$0.40	47.5%
Non-GAAP EPS	$0.81	$0.73	11.0%

- EPS improvement primarily driven by higher revenue and operating income

FY 2014 Results

From Continuing Operations ($ in millions)	FY14	FY13	%Δ
Revenue	$1,298	$1,166	11.3%
GAAP OI margin	13.7%	13.0%	70 bps
Non-GAAP OI margin	17.6%	17.3%	30 bps
GAAP EPS	$2.70	$2.15	25.6%
Non-GAAP EPS	$3.46	$2.93	18.1%

- Organic revenue growth was 5.0% in 2014
  - Top end of our original guidance range of 3%-5%
- Operating margin and EPS improvement primarily the result of leverage from higher revenue and benefits of efficiency and productivity initiatives
  - 2014 non-GAAP EPS exceeded upper end of our original guidance range
  - Lower diluted share count also drove EPS increase
  - 2014 EPS included $0.12 of limited-partnership investment gains, compared to $0.08 of investment gains in 2013

2015 Guidance

(from Continuing Operations)

GAAP EPS	$3.15-$3.25
Non-GAAP EPS	$3.55-$3.65

- Optimistic about the opportunities in 2015, given our strong performance in 2014 and belief that CRL is very well positioned to win new business in 2015
  - Potential for expanding strategic relationships, market share gains in each of our client segments, and a robust pipeline of acquisitions candidates
- 2015 constant-currency revenue growth expected to range from 6.0%-7.5%
- 2015 reported revenue growth of 1.0%-2.5% includes the unfavorable impact from foreign exchange
- 2015 non-GAAP EPS guidance represents YOY increase of ~4% at midpoint
  - EPS growth rate would be ~10.5% at midpoint, when adjusting for the limited-partnership investment gains in 2014 and 2015 and foreign exchange

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

Early Discovery Acquisitions

- Argenta/BioFocus and ChanTest acquisitions proving importance when clients look for an early-stage outsourcing partner
- Ability to work with clients from target discovery through preclinical development
  - A unique product and service portfolio in the CRO industry that solves many of our clients' challenges when dealing with multiple providers
- Our scientific expertise enables clients to rationalize their internal capacity
  - Confidence that we can provide the expertise that they can no longer afford to maintain in house
  - CRL scientists are solving complex challenges to identify disease targets and unlock therapies to treat diseases

Early Discovery Acquisitions, cont.

- Scientists at Argenta/BioFocus have identified and delivered 60 drug candidates to clients over the last 15 years
  - We are very proud of this record, which few biopharmaceutical companies can claim
- Establishment of Early Discovery franchise has completely changed the dialog with clients
  - Ongoing discussions with most of our biopharmaceutical clients have taken on an added dimension
    - Discussing new working models to support their drug research efforts
- Believe we will add new strategic relationships and expand existing ones in 2015
  - Clients will take advantage of our seamless, early-stage research portfolio

Early Discovery Acquisitions, cont.

- Integration of Early Discovery acquisitions has proceeded on plan
  - Acquisitions performing very well – either in line with or ahead of plan
- Actively evaluating additional acquisitions to build our Early Discovery franchise
  - Also add other capabilities to enhance the support we can provide our clients

RMS Results – Revenue

($ in millions)	4Q14	4Q13	YOY Δ
Revenue, reported	$117.7	$122.5	(3.9%)
Less: FX			(3.7%)
Revenue, constant $			(0.2%)

- North American Research Models (NARM) sales increased significantly
  - Resulted in part from the sale of NCI models
    - Now recorded as product sales instead of services due to the termination of the NCI contract last fall
    - Successfully executed our plan to convert researchers to purchasing models directly from CRL

RMS Results – Models

- NARM also saw increased demand for inbred research models
  - Believe demand is being driven primarily by a shift to these models for use in oncology research
- NARM demand continued to improve throughout the year
  - Believe this indicates that the effects of consolidation of biopharma industry are moderating in North America
- Strong RM revenue in China
- RM revenue in Europe and Japan continued to be soft in 4Q14
  - Consistent with experience in 2014
- Expect similar demand trends in 2015 in all geographic areas
- Expect to realize price increases of 2-3% in 2015

RMS Results – Services

- RM Services revenue declined in 4Q14
- Resulted from the loss of the NCI contract and the significant reduction by one client of a number of GEMS colonies we maintain (noted in 3Q14)
  - Believe this is normal assessment of the value of specific models by this client
  - Not indicative of any shift away from genetically engineered models, or from our GEMS business
- Continue to believe RM Services will benefit from increased outsourcing by global biopharma, and mid-tier clients utilizing better funding to invest in their pipelines

RMS Results – Operating Margin

From Continuing Operations	4Q14	4Q13	Δ
RMS GAAP OM%	20.1%	15.6%	450 bps
RMS Non-GAAP OM%	23.2%	22.9%	30 bps

- Margin improvement due primarily to the benefit from efficiency initiatives, partially offset by lower margins for the RM Services businesses
- Efficiency initiatives generated a significant benefit in 4Q14
  - Particularly the facility rationalizations in California and Michigan
  - Expect additional benefit in 2015 from two facility consolidations in Japan
- Maintain our belief that annual RMS operating margin in the high-20% range is achievable
  - Continue to identify opportunities to streamline RMS operation

Manufacturing Results – Revenue

($ in millions)	4Q14	4Q13	YOY Δ
Net revenue, reported	$62.3	$56.3	10.6%
Less: FX			(3.7%)
Net revenue, constant $			14.3%

- EMD was the primary driver of the revenue increase

Manufacturing Results – EMD PTS™

- PTS™ franchise continued to drive growth as a result of continuous product innovation
- Each new PTS™ model is enabling us to target additional market opportunities
  - Faster processing, like Nexus™
  - Better connectivity, like Nexgen-PTS™
- Because of these capabilities, we are converting clients who use our traditional LAL testing methods to the PTS™
- Taking market share as new clients make the change from other providers

Introduction of PTS-Micro

- Introduced PTS-Micro™ in late October
- PTS-Micro™ is a rapid test for bacterial contamination, or bioburden
- Like the PTS™, it is an important advance over current technologies because it delivers significantly faster results than traditional testing methods
- PTS-Micro™ positions CRL as the only provider of real-time quality control monitoring products and services for biopharma manufacturers who can offer a combination of FDA-licensed rapid endotoxin testing, rapid bioburden testing, and microbial identification (Accugenix®)
- Believe this is a clear distinction between CRL and other competitors
- Like PTS™, expect sales of PTS-Micro™ to ramp slowly over the next few years
- Believe our ability to provide a total microbial testing solution with PTS-Micro™ will be a key driver of EMD's ability to deliver at least a low-double-digit organic revenue growth rate for the foreseeable future

Manufacturing Results – Biologics

- Although Biologics business was not a major driver of 4Q14 revenue, it delivered double-digit revenue growth in 2014
- Believe that our investments in enhancing our service offering, improving our facilities, and restructuring our sales effort have enabled us to achieve our goal to become the premier provider of these services
- Exceptionally pleased to accomplish this goal at a time when biologics represent an increasing percentage of drugs in development and biotech companies are enjoying robust funding
- Will continue to invest in Biologics, which is well-positioned to benefit as the number of large molecule drugs in development and on the market increases

Manufacturing – Operating Margin

From Continuing Operations	4Q14	4Q13	%Δ
Manufacturing GAAP OM%	33.0%	26.0%	700 bps
Mfg Non-GAAP OM%	35.0%	32.1%	290 bps

- Improvement due to all three segment businesses: EMD, Biologics, and Avian
  - Leverage from higher revenue
  - Improved efficiency
- Although very pleased with this result, believe that our stated margin target in the low-30% range is a more sustainable level

DSA Results – Revenue

($ in millions)	4Q14	4Q13	YOY Δ
Net revenue, reported	$149.6	$110.5	35.4%
Less: FX			(1.5%)
Net revenue, constant $			36.9%

- Early Discovery acquisitions contributed 24.3% to growth, significantly ahead of our expectations
- Integration is progressing extremely well
- We have continued to make progress on our outreach to heads of R&D and other decision makers at leading biopharma companies, as well as the larger mid-tier companies

DSA Results – Operating Margin

From Continuing Operations	4Q14	4Q13	%Δ
DSA GAAP OM%	14.0%	7.9%	610 bps
DSA Non-GAAP OM%	19.4%	16.8%	260 bps

- Margin improvement was driven by leverage from higher revenue and a benefit from foreign exchange
- Safety Assessment business also benefited from a greater proportion of specialty toxicology in the sales mix
  - Achieved our operating margin target of 20%
- Early Discovery margin improved in the fourth quarter, as expected
- Margins for DSA segment vary from quarter to quarter, based on a number of factors
- Margin improvement may not be linear, but will improve YOY
- Continuing our efforts to achieve a 20% margin for the segment

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

DSA Results – Safety Assessment

- Safety Assessment business reported a low double-digit increase over 4Q13, and a 3.5% sequential increase from 3Q14: a combination of:
  - Improved client demand—especially from the mid-tier
  - Our intense focus on scientific expertise, exceptional execution, and outstanding client service
- Believe these factors are critical to our clients' decision to choose CRL as their outsourcing partner
- As we work with clients "on the same side of the table," they gain confidence in our ability to provide a superior level of scientific expertise
- Also recognize our commitment to supporting their requirements as efficiently and cost effectively as possible

DSA Results – Capacity Expansion

- Backlog has continued to build steadily and we are nearing optimal capacity utilization
- Evaluating our global network of facilities to determine best method for capacity expansion in 2015
- To accommodate demand, will continue to open small numbers of rooms
  - Goal is to fill rooms quickly, with minimal impact on the operating margin
- Seriously evaluating the option to reopen Shrewsbury, MA, facility
  - Facility is located only a 1-hour drive from Cambridge and Boston—arguably the hub of the global biopharma industry
  - We believe the facility is ideally situated to support the improving demand for our services

DSA Results – Capacity Expansion, cont.

- Have received considerable client indications of interest
- Believe this is the right environment in which to reopen, but are proceeding prudently
- Will take at least one year to open
- Expect to open only a portion of the facility
- Initially will offer only non-GLP services
- Validation and staffing for GLP services will follow later, depending on demand
- Very enthusiastic that having Shrewsbury back online will give us the capacity we require in order to accommodate demand and continue to grow

Successful Sales Strategies

- Targeted sales strategies have been successful with each of our client segments: Global key accounts, Mid-tier biotechs, and Academic institutions
- Continued to take market share in each of these segments, as the breadth of our portfolio, scientific expertise, and best-in-class client service resonated with clients
- Sales to Global key accounts remained stable, despite consolidation in Europe and Japan, and the changes at other global biopharmas as they realigned their early-stage drug research processes
- Continued to initiate new and expand existing strategic relationships
- Although sales to a few existing partners declined YOY, revenue from strategic relationships as a percent of total revenue increased to the high-20% range

Successful Sales Strategies, cont.

- Sales to Academic clients were stable, as softer sales due to funding uncertainty were offset with expanded relationships and market share gains
- Mid-tier biotechs were the primary drivers of revenue growth in 4Q14 and FY2014
  - Excluding Argenta and BioFocus, sales to the Mid-Tier increased 11% for Q4 and 13% for 2014
- Total sales to the Mid-Tier exceeded sales to our Global key account in 2013 and 2014
  - Mid-Tier is benefiting from robust funding from the capital markets and global biopharma and investing heavily in their pipelines
  - Biotech model has always required outsourcing, since these companies did not invest in infrastructure

Successful Sales Strategies, cont.

- We have built long-term relationships with many biotech companies
- Executing our plan to extend these relationships and add new ones with a broader cross-section of the Mid-Tier
- Our investment in limited venture capital partnerships is one of the strategies we are employing to reach emerging biotech companies
  - Has worked very well to date
- Through the limited partnerships, we have access to a significant number of virtual biotechs, as well as the scientific acumen resident in the venture capital community

Strategies to Create Value

- Strategies are key to our ability to provide a compelling value proposition for clients:
  - Portfolio expansion, sales targeting, scientific expertise, investment in personnel, efficiency initiatives
- Pursuing all of these strategies in order to maintain and enhance our position as the leading early-stage research CRO
- Especially important now, when structural changes are occurring in the CRO industry
- We believe these changes afford CRL a unique opportunity to continue to gain market share
- We intend to capitalize on the opportunity by leveraging the investments we have made, and new ones we intend to make

Value Creation Through Portfolio Expansion

- We do not view any single strategy as more important than others, but do believe that continuing to broaden our early-stage portfolio will definitely increase our relevance to clients
- Addition of Early Discovery capabilities is an excellent example, which serves to reinforce this point for us
- Intend to continue to identify and acquire businesses which will enhance the role we can play in supporting our clients
    - Providing critical capabilities which they do not have in-house, or which enable them to eliminate internal investment
- Believe that global biopharma, mid-tier biotech, and academic clients are searching for the right partner to support them by taking on a broader role within their organizations
- CRL intends to be that partner

2015 Foreign Exchange (FX) Impact

- Expect constant-currency revenue growth of 6.0%-7.5% in 2015
- Current spot rates in all currencies are less favorable than in October
- Based on current rates, FX would reduce:
  - 2015 revenue by ~5%
    - More than double the impact provided in October
  - 2015 EPS by ~$0.12
- Unfavorable FX impact expected to result in reported revenue growth of 1.0%-2.5% in 2015
  - Consensus analysts' estimate does not fully reflect current FX rates

2015 Segment Outlook

- Expect 2015 revenue growth to be driven by:
  - DSA segment – low-double-digit growth (constant currency)
  - Manufacturing segment – high-single-digit growth (constant currency)
- RMS revenue expected to be relatively flat in 2015 (constant currency)
- FX expected to have a greater impact on the revenue growth rates for the RMS and Manufacturing segments
  - Slightly smaller impact on the DSA segment

2015 Operating Margin Outlook

- Higher revenue and improved operating income driving 2015 non-GAAP EPS guidance of $3.55-$3.65
  - Global productivity and efficiency initiatives are also contributing
- Expect ~75-100 bps of non-GAAP operating margin improvement in 2015
  - Compared to a non-GAAP operating margin of 17.6% in 2014
- Expect operating margin improvement in each segment
  - Particularly the DSA and RMS segments
- RMS operating margin improvement due to benefit from global productivity and efficiency initiatives
- DSA operating margin improvement is due to both leverage from higher sales and operating efficiencies

2015 Operating Margin Outlook, cont.

- DSA operating margin also expected to benefit from foreign exchange
  - Contribute ~100 bps to the 2015 non-GAAP operating margin
  - Similar to the benefit in 2014
- DSA operating margin benefit related to FX exposure in Canada
  - Invoice more than half of revenue in USD, but incur most of costs in CAD
- Expect only a small improvement in the Manufacturing operating margin in 2015
  - Expect to gain leverage from higher sales and operating efficiencies
  - Continue to invest in new products to support growth
  - Believe a low-30% margin is the appropriate target for this segment

Productivity and Efficiency Initiatives

- Facility consolidation
- Operational efficiency
- Procurement synergies
- Client-facing initiatives

Incremental Savings Generated Per Year *	
2014	2015 Outlook
>$35M	~$35M

- ➢ Continue to make progress on global productivity and efficiency initiatives
- ➢ Savings in both 2014 and 2015 are above our prior outlook of $25-$30M
  - New projects and larger savings on planned initiatives
  - Benefits of these initiatives help offset annual cost increases

Factors Affecting 2015 EPS Growth

- At recent rates, FX expected to reduce 2015 non-GAAP EPS by ~$0.12

	2015 Non-GAAP EPS	**2015 GAAP EPS**
2015 Guidance	$3.55-3.65	$3.15-3.25
Less: Negative FX impact	($0.12)	($0.11)
2015 Guidance, constant currency	$3.67-$3.77	$3.26-$3.36

- Limited-partnership investment gains create a $0.09 EPS headwind in 2015
  - Generated $0.12 of investment gains in 2014
  - Estimated ~$0.03 of investment gains in 2015
  - These gains are reported in Other Income

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

Factors Affecting 2015 EPS Growth, cont.

- Believe it is prudent in 2015 to forecast some level of return on the capital invested in these life science venture capital funds
  - Historically, we have not forecast these investment gains since they are largely based on market returns
  - There can be volatility in these types of investments
- Normalizing for FX and investment gains, non-GAAP EPS growth would be 9%-12% in 2015
  - Compared to 2.5%-5.5% growth using 2015 non-GAAP EPS guidance range of $3.55-$3.65

Unallocated Corporate Overhead

($ in millions)	FY 14	FY 13	4Q14	4Q13
GAAP	$92.1	$74.0	$24.3	$17.9
Non-GAAP	$85.7	$72.1	$23.3	$17.2

- Expect unallocated corporate costs to be ~6.5% of total revenue in 2015
  - Essentially in line with 2014 level of 6.6% of total revenue
- 2014 unallocated corporate costs slightly higher than expected due primarily to higher compensation costs
  - CRL performed very well in 2014
  - Led to higher performance-based bonus accruals and stock compensation expense related to performance stock units, or PSUs
    - Cost associated with PSUs increased in 2014 due to CRL's financial performance and increase in managers included in the program

Net Interest Expense

($ in millions)	FY 14	FY 13	4Q14	4Q13
GAAP interest expense, net	$10.8	$20.2	$2.4	$2.6
Non-GAAP interest expense, net	$10.8	$13.0	$2.4	$2.6

- Net interest expense expected to be in a range of $12-$14M in 2015
  - Outlook based on our assumption that LIBOR rates will edge higher later in 2015
  - Full year of debt from Argenta/BioFocus and ChanTest acquisitions, offset by debt repayment during the year

Tax Rate

	FY 14	FY 13	4Q14	4Q13
GAAP	26.8%	23.8%	29.0%	15.5%
Non-GAAP	27.4%	26.6%	28.0%	22.8%

- 2015 non-GAAP tax rate expected to be similar to 2014 at 27%-28%
  - 2014 GAAP tax rate expected to be 22%-23%
- Anniversaried the UK tax law change in 2014
  - Will not have a meaningful impact on the YOY comparisons going forward
- 4Q13 tax rate benefitted from several discrete items that did not repeat in 2014

Cash Flow

($ in millions)	FY 14	FY 13	2015 Guidance
Free cash flow	$195.2	$169.9	$195-$205
FCF per share	*$4.10*	*$3.50*	*~$4.10-$4.30*
Capex	$56.9	$39.2	Up to $70M
Depreciation	$70.5 (1)	$78.8 (1)	~$70
Amortization	$26.0	$17.8	~$21
	4Q14	**4Q13**	**DSOs**
Free cash flow	$72.8	$48.7	4Q14: 52 days
Capex	$27.0	$13.8	3Q14: 59 days
Depreciation	$18.9 (1)	$24.4 (1)	4Q13: 56 days
Amortization	$7.1	$4.9	

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

(1) Includes accelerated depreciation related to the consolidation of RMS production operations and Biologics (in 2013) operations.

Capex / Safety Assessment Capacity

- Capex increase to up to $70M in 2015 primarily as a result of additional projects to drive revenue growth
- Earmarked a larger capital budget in 2015 for capacity expansion
  - Capacity utilization in safety assessment business in nearing more optimal levels
- Continue to evaluate appropriate manner and timing to add capacity
  - Contemplating both client needs and minimizing the margin impact

Capital Priorities

- Intend to continue to invest capital in strategic acquisitions, stock repurchases, and debt repayment in 2015
  - In addition to investing in our infrastructure to support growth
- **Acquisitions:** Our top priority remains M&A
  - Continue to rigorously evaluate acquisitions candidates and intend to pursue additional M&A opportunities in 2015
  - Timing of acquisitions is difficult to predict
  - Strategy to continue to supplement our organic growth with disciplined, strategic acquisitions that are accretive to earnings
- We regularly evaluate our capital priorities over the course of the year
  - May invest more or less in certain areas depending on a number of factors, including the availability and timing of acquisitions

Capital Priorities, cont.

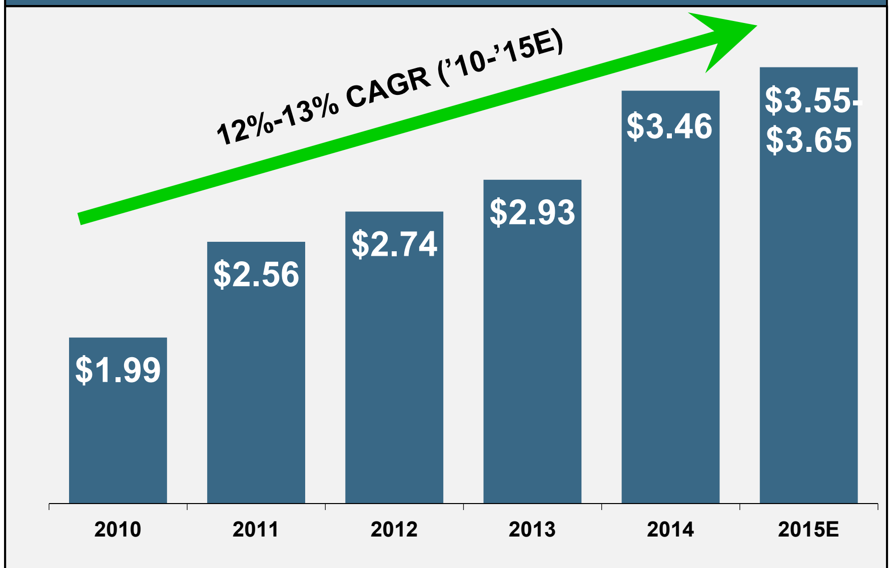
- **Stock repurchases:** Current goal for stock repurchases in 2015 is to offset dilution from option exercises and equity awards
  - Expect average diluted share count to remain relatively flat in 2015
- Repurchased 2.1M shares in FY14 for $110.6M
- Board increased stock repurchase authorization by $150M to $1.15B in December
  - $178.5M remaining under current authorization as of 12/27/14
- **Debt repayment:** Expect to repay debt in 2015, in line with to slightly ahead of scheduled installments
  - Leverage ratio remains low at just under 2.5x (total debt-to-2014 non-GAAP EBITDA)
  - Interest rate environment continues to remain favorable

1Q15 Outlook

- Expect 1Q15 revenue to be slightly below the 4Q14 level
  - Primarily reflects a more pronounced impact from FX
  - FX expected to reduce YOY revenue growth by ~6% at current rates
    - 1Q15 revenue not expected to decline nearly this much due to sequential increases in RMS and Manufacturing revenue
- DSA segment: Typically fewer study and project starts during the holidays and into January
  - Leads to a slower start to the year for the DSA segment
- 1Q15 non-GAAP EPS expected to be similar to 4Q14 level
  - Slight sequential revenue decline expected to be offset by modest operating margin improvement
    - Particularly in the RMS segment following normal Q4 seasonality

Well Positioned to Continue to Deliver Increasing Shareholder Returns

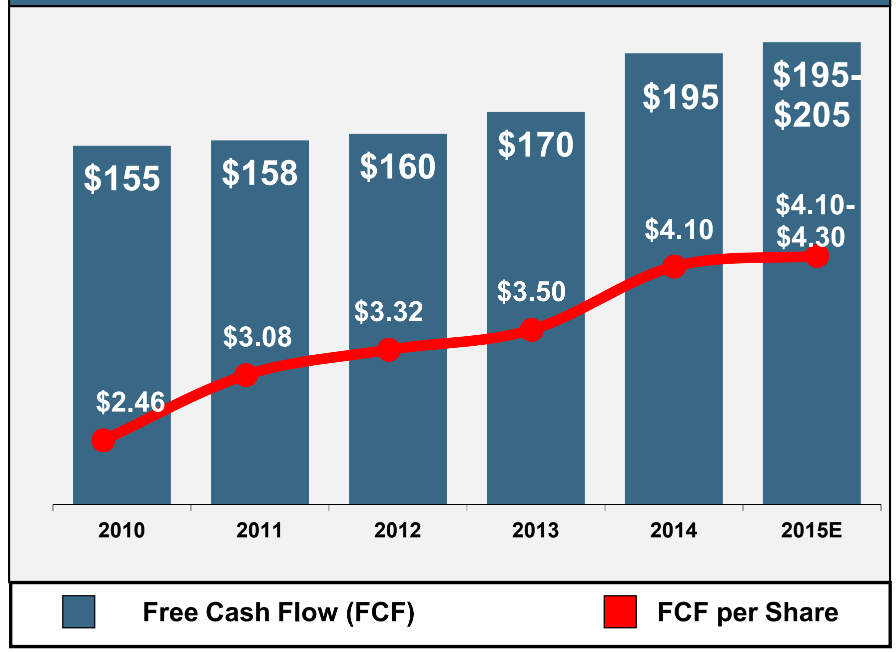
Non-GAAP Earnings Per Share



GAAP($5.38) EPS	*$2.14*	*$2.01*	*$2.12*	*$2.66*	*$3.15-$3.25*

Free Cash Flow

($ in millions, except per share amounts)



- Progress in 2014 was a result of the success of our targeted sales strategies, continued focus on driving productivity and efficiency through our global organization, and the critical, upstream expansion of our portfolio to truly differentiate CRL as the only full service, early-stage CRO
  - Momentum positions us well to achieve our 2015 financial targets

APPENDIX

Foreign Exchange (FX) Impact

	% of FY 14 Revenue by Currency
US Dollar	53%
Canadian Dollar	5%
Euro	19%
British Pound	15%
Japanese Yen	4%
Chinese Yuan (renminbi)	3%
Other currencies	1%

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Revenue Breakout by Product/Service Line*

($ in millions)	4Q14	4Q13	YOY Δ	Less: FX	YOY Δ ex. FX
Research Models	$77.2	$76.5	0.9%	(4.4%)	5.3%
RM Services	$40.5	$46.0	(11.9%)	(2.5%)	(9.4%)
Total RMS Segment	**$117.7**	**$122.5**	**(3.9%)**	**(3.7%)**	**(0.2%)**
Total DSA Segment	**$149.6**	**$110.5**	**35.4%**	**(1.5%)**	**36.9%**
EMD	$34.3	$29.7	15.6%	(4.0%)	19.6%
Other Mfg. Support**	$27.9	$26.6	5.1%	(3.3%)	8.4%
Total Mfg. Support	**$62.3**	**$56.3**	**10.6%**	**(3.7%)**	**14.3%**
Total Revenue	**$329.5**	**$289.2**	**13.9%**	**(2.9%)**	**16.8%**

* *May not add due to rounding.*
** *Other Mfg. Support includes the Biologics Testing Solutions and Avian Vaccine business units.*

Revenue Breakout by Product/Service Line*

($ in millions)	FY14	FY13	YOY Δ	Less: FX	YOY Δ ex. FX
Research Models(1)	$333.7	$335.6	(0.6%)	(0.9%)	0.3%
RM Services	$173.7	$177.3	(2.0%)	(0.2%)	(1.8%)
Total RMS Segment(1)	**$507.3**	**$512.8**	**(1.1%)**	**(0.7%)**	**(0.4%)**
Total DSA Segment	**$538.2**	**$432.4**	**24.5%**	**0.3%**	**24.2%**
EMD	$132.2	$112.9	17.1%	--	17.1%
Other Mfg. Support**	$119.9	$108.9	10.1%	0.4%	9.7%
Total Mfg. Support	**$252.1**	**$221.8**	**13.7%**	**0.2%**	**13.5%**
Total Revenue(1)	**$1,297.7**	**$1,167.0**	**11.2%**	**(0.1%)**	**11.3%**

(1) Non-GAAP revenue excludes $1.5M government billing adjustment in 2013.

* *May not add due to rounding.*

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

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CRL Segment Structure

Research Models and Services (RMS)	Discovery and Safety Assessment (DSA)	Manufacturing Support
➢ Research Models ➢ Research Model Services ▪ Genetically Engineered Models & Services (GEMS) ▪ Research Animal Diagnostic Services (RADS) ▪ Insourcing Solutions (IS)	➢ Discovery Services ▪ Early Discovery *(Argenta/BioFocus & ChanTest)* ▪ *In Vivo* Discovery *(NC, Finland & MA sites)* ➢ Safety Assessment	➢ Endotoxin & Microbial Detection (EMD) ➢ Avian Vaccine Services ➢ Biologics Testing Solutions (formerly BPS)

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

	Three Months Ended December 27, 2014	Three Months Ended December 28, 2013	Twelve Months Ended December 27, 2014	Twelve Months Ended December 28, 2013
Research Models and Services				
Revenue	$ 117,691	$ 122,482	$ 507,327	$ 511,350
Add back government billing adjustment	-	-	-	1,495
Non-GAAP revenue	$ 117,691	$ 122,482	$ 507,327	$ 512,845
Operating income	23,642	19,161	121,376	116,737
Operating income as a % of revenue	20.1%	15.6%	23.9%	22.8%
Add back:				
Amortization of intangible assets related to acquisitions	451	1,076	2,466	2,778
Severance related to cost-savings actions	619	1,123	4,593	1,424
Government billing adjustment and related expenses	554	226	848	2,402
Impairment and other items (2)	2,002	6,440	7,109	13,678
Operating losses (3)	-	14	27	270
Operating income, excluding specified charges (Non-GAAP)	$ 27,268	$ 28,040	$ 136,419	$ 137,289
Non-GAAP operating income as a % of non-GAAP revenue	23.2%	22.9%	26.9%	26.8%
Discovery and Safety Assessment				
Revenue	$ 149,604	$ 110,470	$ 538,218	$ 432,378
Operating income	20,909	8,741	69,749	47,413
Operating income as a % of revenue	14.0%	7.9%	13.0%	11.0%
Add back:				
Amortization of intangible assets related to acquisitions	5,458	2,401	18,110	9,593
Severance related to cost-savings actions	1,794	915	2,912	1,625
Impairment and other items (2)	-	5,829	-	5,829
Operating losses (3)	619	629	2,600	3,101
Costs associated with the evaluation and integration of acquisitions	208	-	404	-
Operating income, excluding specified charges (Non-GAAP)	$ 28,988	$ 18,515	$ 93,775	$ 67,561
Non-GAAP operating income as a % of revenue	19.4%	16.8%	17.4%	15.6%
Manufacturing Support				
Revenue	$ 62,253	$ 56,276	$ 252,117	$ 221,800
Operating income	20,529	14,651	78,620	61,227
Operating income as a % of revenue	33.0%	26.0%	31.2%	27.6%
Add back:				
Amortization of intangible assets related to acquisitions	1,235	1,438	5,381	5,435
Severance related to cost-savings actions	16	123	166	169
Impairment and other items (2)	-	1,874	-	1,874
Operating income, excluding specified charges (Non-GAAP)	$ 21,780	$ 18,086	$ 84,167	$ 68,705
Non-GAAP operating income as a % of revenue	35.0%	32.1%	33.4%	31.0%
Unallocated Corporate Overhead	$ (24,313)	$ (17,946)	$ (92,075)	$ (73,976)
Add back:				
Severance related to cost-savings actions	-	-	121	-
Costs associated with the evaluation and integration of acquisitions	1,028	766	6,284	1,752
Convertible debt accounting	-	-	-	107
Unallocated corporate overhead, excluding specified charges (Non-GAAP)	$ (23,285)	$ (17,180)	$ (85,670)	$ (72,117)
Total				
Revenue	$ 329,548	$ 289,228	$ 1,297,662	$ 1,165,528
Add back government billing adjustment	-	-	-	1,495
Non-GAAP revenue	$ 329,548	$ 289,228	$ 1,297,662	$ 1,167,023
Operating income	40,767	24,607	177,670	151,401
Operating income as a % of revenue	12.4%	8.5%	13.7%	13.0%
Add back:				
Amortization of intangible assets related to acquisitions	7,144	4,915	25,957	17,806
Severance related to cost-savings actions	2,429	2,161	7,792	3,218
Government billing adjustment and related expenses	554	226	848	2,402
Impairment and other items (2)	2,002	14,143	7,109	21,381
Operating losses (3)	619	643	2,627	3,371
Costs associated with the evaluation and integration of acquisitions	1,236	766	6,688	1,752
Convertible debt accounting (4)	-	-	-	107
Operating income, excluding specified charges (Non-GAAP)	$ 54,751	$ 47,461	$ 228,691	$ 201,438
Non-GAAP operating income as a % of non-GAAP revenue	16.6%	16.4%	17.6%	17.3%

(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) For the three and twelve months ended December 27, 2014, impairment and other items included $1.9 million and $6.5 million of asset impairments and accelerated depreciation related to the consolidation of research model production operations, respectively; $0 and $1.6 million of charges related to a dispute with a large model supplier, respectively; and a $0.1 million charge and a $1.0 million gain related to the sale of a former research model facility in France, respectively. For the three and twelve months ended December 28, 2013, impairment and other items included $6.6 million and $13.5 million of accelerated depreciation related to the consolidation of research model production operations in California, respectively; and $0.2 million and $0.6 million of impairments in Germany, respectively. In addition, for both the three and twelve months ended December 28, 2013, impairment and other items included $1.9 million of accelerated depreciation related to Biologics Testing Solutions operations; $3.8 million for an impairment charge related to the Company's Shrewsbury, Massachusetts facility; and $1.6 million for an adjustment to prior-period accrued compensated absences.

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

(4) The year ended December 28, 2013 includes the impact of convertible debt accounting adopted at the beginning of 2009, which increased depreciation expense by $0.1 million.

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

	Three Months Ended		Twelve Months Ended	
	December 27, 2014	December 28, 2013	December 27, 2014	December 28, 2013
Net income attributable to common shareholders	$ 27,166	$ 19,099	$ 126,698	$ 102,828
Less: Discontinued operations	864	82	1,726	1,265
Net income from continuing operations attributable to common shareholders	28,030	19,181	128,424	104,093
Add back:				
Amortization of intangible assets related to acquisitions	7,144	4,915	25,957	17,806
Severance related to cost-savings actions	2,429	2,161	7,792	3,218
Government billing adjustment and related expenses	554	226	848	2,402
Impairment and other items [2]	2,002	14,143	7,109	21,381
Operating losses [3]	619	643	2,627	3,371
Costs associated with the evaluation and integration of acquisitions	1,236	766	6,688	1,752
Convertible debt accounting, net [4]	-	-	-	6,710
Write-off of deferred financing costs and fees related to debt refinancing	-	-	-	645
Tax effect of items above	(3,506)	(6,919)	(14,987)	(19,126)
Net income from continuing operations attributable to common shareholders, excluding specified charges (Non-GAAP)	$ 38,508	$ 35,116	$ 164,458	$ 142,252
Weighted average shares outstanding - Basic	46,459,512	47,150,688	46,626,997	47,740,167
Effect of dilutive securities:				
Stock options and contingently issued restricted stock	1,057,147	984,304	930,709	749,155
Weighted average shares outstanding - Diluted	47,516,659	48,134,992	47,557,706	48,489,322
Basic earnings per share from continuing operations	$ 0.60	$ 0.41	$ 2.76	$ 2.18
Diluted earnings per share from continuing operations	$ 0.59	$ 0.40	$ 2.70	$ 2.15
Basic earnings per share from continuing operations, excluding specified charges (Non-GAAP)	$ 0.83	$ 0.74	$ 3.53	$ 2.98
Diluted earnings per share from continuing operations, excluding specified charges (Non-GAAP)	$ 0.81	$ 0.73	$ 3.46	$ 2.93

(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) For the three and twelve months ended December 27, 2014, impairment and other items included $1.9 million and $6.5 million of asset impairments and accelerated depreciation related to the consolidation of research model production operations, respectively; $0 and $1.6 million of charges related to a dispute with a large model supplier, respectively; and a $0.1 million charge and a $1.0 million gain related to the sale of a former research model facility in France, respectively. For the three and twelve months ended December 28, 2013, impairment and other items included $6.6 million and $13.5 million of accelerated depreciation related to the consolidation of research model production operations in California, respectively; and $0.2 million and $0.6 million of impairments in Germany, respectively. In addition, for both the three and twelve months ended December 28, 2013, impairment and other items included $1.9 million of accelerated depreciation related to Biologics Testing Solutions operations; $3.8 million for an impairment charge related to the Company's Shrewsbury, Massachusetts facility; and $1.6 million for an adjustment to prior-period accrued compensated absences.

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

(4) The year ended December 28, 2013 includes the impact of convertible debt accounting adopted at the beginning of 2009, which increased interest expense by $6.6 million and depreciation expense by $0.1 million.

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CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

RECONCILIATION OF GAAP TO NON-GAAP REVENUE GROWTH (YEAR-OVER-YEAR)

EXCLUDING THE IMPACT OF FOREIGN EXCHANGE AND A GOVERNMENT BILLING ADJUSTMENT

For the Three and Twelve Months Ended December 27, 2014

For the three months ended December 27, 2014:	**Total CRL**	**RMS Segment**	**DSA Segment**	**MS Segment**
Revenue growth, reported	**13.9%**	**(3.9%)**	**35.4%**	**10.6%**
Impact of foreign exchange	(2.9%)	(3.7%)	(1.5%)	(3.7%)
Non-GAAP revenue growth, constant currency	**16.8%**	**(0.2%)**	**36.9%**	**14.3%**

For the twelve months ended December 27, 2014:	**Total CRL**	**RMS Segment**	**DSA Segment**	**MS Segment**
Revenue growth, reported	**11.3%**	**(0.8%)**	**24.5%**	**13.7%**
Impact of foreign exchange	(0.1%)	(0.7%)	0.3%	0.2%
Impact of government billing adjustment	0.1%	0.3%	0.0%	0.0%
Non-GAAP revenue growth, constant currency	**11.3%**	**(0.4%)**	**24.2%**	**13.5%**

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
For the Twelve Months Ended December 27, 2014

	FY 2014
Revenue growth, reported	**11.3%**
Impact of foreign exchange	**(0.1%)**
Impact of government billing adjustment	**0.1%**
Non-GAAP revenue growth, constant currency	**11.3%**
Impact of Early Discovery acquisitions	**6.3%**
Organic revenue growth, constant currency (Non-GAAP)	**5.0%**

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 26, 2015E

	2015E Guidance
Revenue growth, reported	**1.0%-2.5%**
Less: Unfavorable impact of foreign exchange	(~5%)
Revenue growth, constant currency	**6.0%-7.5%**
GAAP EPS estimate	**\$3.15 - \$3.25**
Add back:	
Amortization of intangible assets	\$0.31
Operating losses (1)	\$0.04
Charges related to global efficiency initiative (2)	\$0.05
Non-GAAP EPS estimate	**\$3.55 - \$3.65**

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) These costs relate primarily to the Company's Shrewsbury, Massachusetts, facility.

(2) These charges relate primarily to the Company's planned efficiency initiatives in 2015. Other projects in support of the global productivity and efficiency initiative are expected, but these charges reflect only the decisions that have already been finalized.

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

	Three Months Ended		Twelve Months Ended	
	December 27, 2014	December 28, 2013	December 27, 2014	December 28, 2013
Income from continuing operations before income taxes & noncontrolling interest	$ 40,186	$ 23,106	$ 177,595	$ 138,327
Add back:				
Amortization of intangible assets related to acquisitions	7,144	4,915	25,957	17,806
Severance related to cost-savings actions	2,429	2,161	7,792	3,218
Government billing adjustment and related expenses	554	226	848	2,402
Impairment and other items [2]	2,002	14,143	7,109	21,381
Operating losses [3]	619	643	2,627	3,371
Costs associated with the evaluation and integration of acquisitions	1,236	766	6,688	1,752
Convertible debt accounting, net [4]	-	-	-	6,710
Write-off of deferred financing costs and fees related to debt refinancing	-	-	-	645
Income before income taxes & noncontrolling interest, excluding specified charges (Non-GAAP)	$ 54,170	$ 45,960	$ 228,616	$ 195,612
Provision for income taxes	$ 11,650	$ 3,580	$ 47,671	$ 32,911
Tax effect on amortization, severance and other charges	3,506	6,919	14,987	19,126
Provision for income taxes (Non-GAAP)	$ 15,156	$ 10,499	$ 62,658	$ 52,037
Tax rate (GAAP)	29.0%	15.5%	26.8%	23.8%
Tax rate, excluding specified charges (Non-GAAP)	28.0%	22.8%	27.4%	26.6%

(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) For the three and twelve months ended December 27, 2014, impairment and other items included $1.9 million and $6.5 million of asset impairments and accelerated depreciation related to the consolidation of research model production operations, respectively; $0 and $1.6 million of charges related to a dispute with a large model supplier, respectively; and a $0.1 million charge and a $1.0 million gain related to the sale of a former research model facility in France, respectively. For the three and twelve months ended December 28, 2013, impairment and other items included $6.6 million and $13.5 million of accelerated depreciation related to the consolidation of research model production operations in California, respectively; and $0.2 million and $0.6 million of impairments in Germany, respectively. In addition, for both the three and twelve months ended December 28, 2013, impairment and other items included $1.9 million of accelerated depreciation related to Biologics Testing Solutions operations; $3.8 million for an impairment charge related to the Company's Shrewsbury, Massachusetts facility; and $1.6 million for an adjustment to prior-period accrued compensated absences.

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

(4) The year ended December 28, 2013 includes the impact of convertible debt accounting adopted at the beginning of 2009, which increased interest expense by $6.6 million and depreciation expense by $0.1 million.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP TAX RATE GUIDANCE

	Fiscal Year Ended December 26 2015E
GAAP Tax Rate	**22.0%-23.0%**
Amortization of intangible assets, operating losses primarily related to Shrewsbury, Massachusetts facility, and charges related to global efficiency initiative	~5%
Non-GAAP Tax Rate	**27.0%-28.0%**

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 FREE CASH FLOW (NON-GAAP)
(dollars in thousands)

	Three Months Ended		Fiscal Year Ended		Fiscal Year Ended
	December 27, 2014	December 28, 2013	December 27, 2014	December 28, 2013	December 26, 2015E
Net cash provided by operating activities	$ 99,849	$ 62,495	$ 252,132	$ 209,045	$265,000-$275,000
Less: Capital expenditures	(27,018)	(13,835)	(56,925)	(39,154)	Up to (70,000)
Free cash flow	$ 72,831	$ 48,660	$ 195,207	$ 169,891	$195,000-$205,000

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/NOA RETURN (NON-GAAP)
(dollars in thousands)

	December 25, 2010	December 31, 2011	December 29, 2012	December 28, 2013	December 27, 2014	December 26, 2015E
Free Cash Flow Reconciliation						
Net cash provided by operating activities	$ 168,236	$ 206,998	$ 208,006	$ 209,045	$ 252,132	$265,000-$275,000
Add: WuXi PharmaTech termination fee	30,000	-	-	-	-	-
Less: Capital expenditures	(42,860)	(49,143)	(47,534)	(39,154)	(56,925)	Up to (70,000)
Free cash flow	**$ 155,376**	**$ 157,855**	**$ 160,472**	**$ 169,891**	**$ 195,207**	**$195,000-$205,000**
Free Cash Flow Per Share Calculation						
Diluted shares outstanding - average (in thousands)	63,119,523	51,318,242	48,406,320	48,489,322	47,557,706	~47,500,000
Free Cash Flow Per Share	**$ 2.46**	**$ 3.08**	**$ 3.32**	**$ 3.50**	**$ 4.10**	**~$4.10-$4.30**

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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every step of the way.

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