

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15 (d) of the
Securities Exchange Act of 1934

January 7, 2013
Date of Report (Date of earliest event reported)

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
(Exact Name of Registrant as specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-15943
(Commission File Number)

06-1397316
(I.R.S. Employer
Identification No.)

251 Ballardvale Street
Wilmington, Massachusetts 01887
(Address of Principal Executive Offices) (Zip Code)

781-222-6000
(Registrant's Telephone Number, including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01. Regulation FD Disclosure

The following information (including Exhibit 99.1) shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On January 7, 2013, Charles River Laboratories International, Inc. (the "Registrant" or "Charles River") issued a press release which announced that it had closed the acquisition of Vital River, the premier commercial provider of research models and related services in China. In addition, the Registrant will be presenting at the J.P. Morgan 31st Annual Healthcare Conference in San Francisco, California, on Tuesday, January 8th, at 10:00 a.m. PT (1:00 p.m. ET). Management of the Registrant intends to present an overview of the Registrant's strategic focus and business developments. Included in this overview will be information related to the effect of the Vital River acquisition on Charles River's 2013 guidance. In advance of the presentation, the Registrant has posted the accompanying slide presentation on the Investor Relations section of the Registrant's website. In addition, a copy of the slide presentation is incorporated herein by reference and filed as Exhibit 99.1 hereto.

The slide presentation, attached as an exhibit to this report, includes "safe harbor" language pursuant to the Private Securities Litigation Reform Act of 1995, as amended, indicating that certain statements contained in the slide presentation are "forward-looking" rather than historic. The slide presentation also states that these and other risks relating to Charles River are set forth in the documents filed by Charles River with the Securities and Exchange Commission.

ITEM 9.01. Financial Statements and Exhibits

- (a) Not applicable.
- (b) Not applicable.
- (c) Exhibits.

99.1 J.P. Morgan 31st Annual Healthcare Conference Slide Presentation, dated January 8, 2013

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHARLES RIVER LABORATORIES
INTERNATIONAL, INC.

Dated: January 8, 2013

By: /s/ Matthew L. Daniel
Matthew L. Daniel, Corporate Vice President,
Deputy General Counsel and Assistant Secretary

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | J.P. Morgan 31 st Annual Healthcare Conference Slide Presentation, dated January 8, 2013 |



J.P. Morgan 31st Annual Healthcare Conference

January 8, 2013

James C. Foster
Chairman, President & CEO

Thomas F. Ackerman
Executive Vice President & CFO



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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," "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 2013 financial performance including sales, earnings per share, free cash flow, operating margin, specified costs, net interest expense, effective tax rate, profit improvement program savings, annual cost increases, and the expected impact of foreign exchange rates; the pursuit of our initiatives to optimize returns for shareholders, including efforts to improve our operating margins, improve free cash flow, invest in growth businesses, and return value to shareholders; goodwill and asset impairments, including future large model write-downs; the future demand for drug discovery and development products and services, and in particular, endotoxin and microbial detection and non-regulated discovery; our expectations regarding stock repurchases and debt repayment; the development and performance of our services and products, including the In Vitro Multi-Cartridge System; market and industry conditions including the outsourcing of these services and spending trends by our customers; the impact of our acquisitions, including Accugenix and Vital River, and Charles River's future performance as otherwise delineated in our forward-looking guidance, and particularly our expectations with respect to sales, future market share and foreign exchange impact. 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 (including divestitures and site closures); 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. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Charles River's Annual Report on Form 10-K as filed on February 27, 2012, as well as other filings we make with the Securities and Exchange Commission. Because forward-looking statements involve risks and uncertainties, actual results and events may differ materially from results and events currently expected by Charles River, and Charles River assumes no obligation and expressly disclaims any duty to update information contained in this news release except as required by law.

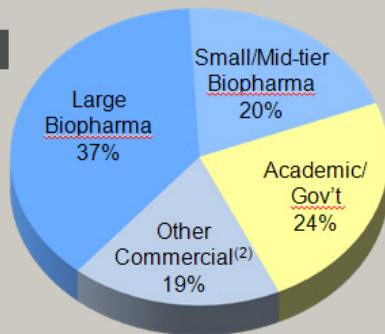
Regulation G

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.

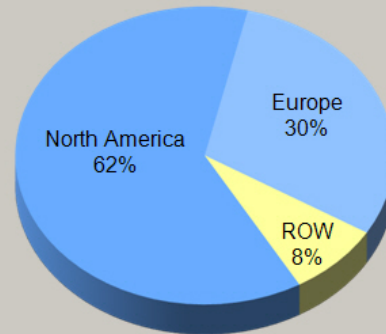
Charles River Snapshot

- A leading ***in vivo* biology** company
 - **\$1.14B** in net sales⁽¹⁾
- **Unique portfolio** of products and services focused on the research and development continuum for new drugs
- A **multinational** company with ~7,500 employees worldwide
 - ~64 facilities in 15 countries

Client Base⁽¹⁾



Geographic Sales⁽¹⁾

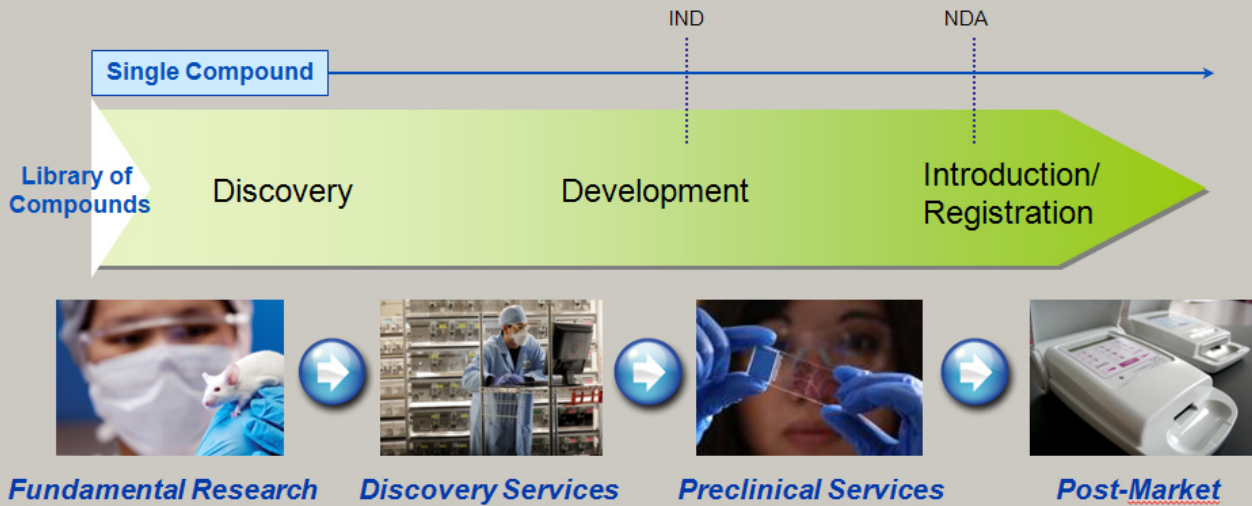


1) Based on Charles River's FY 2011 net sales.

2) Other Commercial includes CROs, ag/chem, life science, veterinary medicine, CMOs, medical device and other commercial entities.

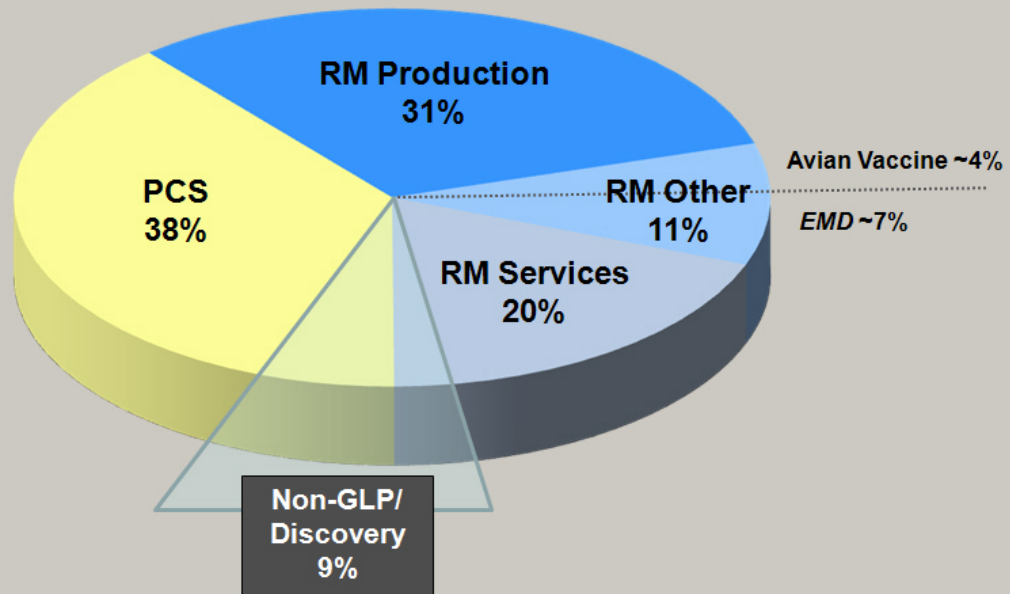
Our Role in Drug Development

Only CRO with a portfolio that spans the early-stage development platform from research models through preclinical development



Ability to work with clients at the earliest stages when critical decisions are made, and move downstream with them through preclinical development

Our Leading Early-Stage Portfolio



Leading global franchises in research models and preclinical services

A Leading Global Franchise: Research Models & Services

- Global leader in breeding and distribution of research models
 - Largest selection of the most widely used strains in the world
 - **1 of every 2 models sold** anywhere in the world comes from Charles River
- Strategically located in close proximity to clients
 - 21 facilities in 8 countries
- Expertise in **biosecurity** ensures animals are free of known contaminants, reducing risk to critical research



Improved confidence due to biosecurity,
standardization and continuous availability

A Leading Global Franchise: Research Models & Services

- Premier provider of services which support the use of research models in discovery / development of new molecules
 - Services represent ~31% of RMS revenues (FY2011)
- Genetically Engineered Models and Services (**GEMS**)
 - Contract breeding and associated services for clients' models
- Insourcing Solutions (**IS**)
 - Management of client *in vivo* operations
- Research Animal Diagnostics (**RADS**)
 - Health monitoring and diagnostics
- Discovery Research Services (**DRS**)
 - Non-regulated efficacy testing and druggability (PK/ADME)



Discovery Services

- Combining our discovery, research models and regulated safety assessment expertise enables us to offer clients an **early-stage value proposition** that no other CRO can match
 - Enables clients to reduce multiple suppliers, in favor of a strategic research partner who can offer an **end-to-end *in vivo* biology solution**
- Particularly important when large biopharmas are making **earlier go/no-go decisions** on molecules progressing to regulated testing
- Working throughout the early-stage spectrum with Charles River enables clients to **reduce time and costs**, while maintaining the **high-quality scientific expertise** they require
 - The reason we were selected by a major global pharma company to provide discovery services in addition to regulated services

A Leading Global Franchise: Preclinical Services

- A **global leader** in regulated **safety assessment** services
- Providing clients with expertise for integrated drug development
 - **Non-GLP efficacy** studies
 - Safety studies including general and **specialty toxicology**
 - Inhalation, infusion, developmental and reproductive, juvenile / neonatal, ocular, bone, immunotoxicology and phototoxicology
 - **Expert pathology** services



Partnering with clients using flexible solutions
to enhance their scientific breadth and depth

A Leading Global Franchise: Preclinical Services

- Our **Biopharmaceutical Services (BPS)** business is a **global leader** in safety testing and manufacturing support for large molecules
- **Global platform** supports clients in both North America and Europe
- **Biotechs** are primary developers of large molecules
 - **Biotechs** are **net outsourcers**
 - Large pharma providing **funding** for these companies



Partnering with clients using flexible solutions
to enhance their scientific breadth and depth

Endotoxin and Microbial Detection

- The **only FDA-approved *in vitro*** non-clinical endotoxin test
 - Used for lot release testing and in-process quality measurement
- Strategy is to enhance our position as the **premier provider of rapid microbial identification and endotoxin detection products and services** to the biopharmaceutical industry
 - Intend to enhance capabilities through product extensions and acquisitions, such as Accugenix
- **Fastest-growing product line (10%+)** over last few years
 - Expected to continue in 2013 and beyond
- **PTS** (Portable Testing System) cartridge-based technology is a significant advance over existing technology, which has enabled us to **take market share**
- **MCS** (Multi-Cartridge System) launched in 2011 to drive penetration of **high-throughput** central testing labs
 - Plan to launch the **automated MCS Nexus™** in 1H13



Key Competitive Advantages

- **Scientific expertise**
 - Broad portfolio of early-stage products and services
 - Continued investment in our capabilities to maintain and enhance our **leadership in *in vivo* biology**
 - **~400 science professionals** with advanced scientific degrees
 - Consistent positive feedback from clients demonstrating the value they place on our expertise
- **Quality**
 - Maintain our **high standards** through rigorous management of key performance indicators (**KPIs**) and regulatory oversight
- **Information Technology**
 - Invested in information technology platforms: ERP, **scientific data systems** and **portals** to enable our clients to access data in real time

Key Competitive Advantages, cont.

➤ Flexibility

- Every client – whether global biopharma, mid-tier biotech, academic or government institution – has **individual requirements** which need to be addressed
 - Believe **flexibility** was a **critical decision factor** that resulted in **leading global pharmas choosing CRL** as their strategic partner
- We do not believe that a “**one-size-fits-all**” strategy is responsive to their respective needs
- Can provide clients with the **customized support** they need to achieve the efficiency and cost effectiveness necessary **to bring new drugs to market faster and at a lower cost**

Our flexible solutions differentiate us from the competition

Changing Biopharma Industry

- Due to **patent cliff**, biopharma companies are trying to create a more efficient drug development model
- Manifested in numerous changes
 - **Rationalization of therapeutic areas**
 - **Elimination of molecules** earlier in the process
 - **Closure of capacity** and headcount reductions
 - Readiness to **embrace** the **outsourcing** model for the expertise that they no longer believe needs to be maintained in house
- Accelerating their investments in **biotechnology** companies
- Investing in **academic** research
- Outsourcing **non-regulated discovery** testing in addition to regulated safety assessment

Inflection Point for Strategic Partnerships

- We have no doubt that we are at an **inflection point** with regard to outsourcing by large biopharma companies
 - Discussions concerning **additional strategic partnerships** are ongoing
- This is a **moment in time** when we can take significant market share and maintain it for **3-5 years**, and possibly longer
- Believe our broad, **flexible** client arrangements allow us to become more embedded with clients on the same side of the table
- Strong **deterrent to changing partners**:
 - Effort required by both partners to transfer protocols, create a governance structure, integrate information technology, and establish a trusted working relationship
- Our goal is to **prevail** in the **majority** of these **opportunities**

Strategic Relationship Dynamics

- We have **expanded relationships** with the majority of our large biopharma clients
 - Strategic partnerships; enterprise agreements; preferred provider relationships
- These structured relationships **incentivize** large clients to purchase more across our entire early-stage portfolio
 - Drives greater sales volume across our businesses through **favorable pricing**
 - Proposals are priced **very competitively**, based on the **volume** of products and services we expect once the business is fully ramped
 - Expanded client relationships are **profitable**, though may be below the consolidated operating margin
 - Profitability **expected to improve** as sales expand
- Strategic relationships represent more than **25%** of total sales in 2012

Mid-Tier Biopharma Clients

- **Mid-tier** presents a significant opportunity to drive sales growth
- Most of the mid-tier biopharma companies maintain **limited in-house capabilities**
- Many of these clients outsource to a **single provider**, so our value proposition is equally compelling for them as it is for large biopharma
 - We can provide the scientific expertise and the ability to help them **navigate the regulatory process**
- **Turnover** in the mid-tier is **considerable** due to their smaller pipelines
 - However, these clients often stay with the same partner, which means they return to work with us when their **next molecule** enters the *in vivo* development process

Academic/Government Clients

- Academic and Government clients expected to be an important contributor to growth in 2013
- A considerable portion of sales to these clients is based on **long-term contracts**, which mitigates the effect of funding constraints
 - **Models** are also **low-cost** tools which represent a small proportion of the research spend
- Focused sales efforts are expected to continue to drive sales growth
 - Believe we are **taking market share**
 - Highest-quality products and services at a marginal price premium

2013 Guidance⁽¹⁾ (from Continuing Operations)

| | |
|--------------------------------------|---------------|
| Net sales growth, constant currency | 3%-5% |
| Vital River | <u>~1%</u> |
| Net sales including Vital River (CC) | 4%-6% |
| GAAP EPS | \$2.45-\$2.55 |
| Non-GAAP EPS | \$2.80-2.90 |
| Free Cash Flow | \$165-\$175M |
| Capital Expenditures | ~\$50M |

- PCS sales growth expected to be slightly higher than RMS
 - **First time since 2008** that we expect to generate **PCS sales growth**
- Expect **growth** in **all three** client segments:
 - Global **biopharma**
 - **Mid-tier** pharma and biotech
 - **Academic** and government

1) Guidance originally issued on December 12, 2012, and adjusted to reflect the acquisition of Vital River.

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


charles river

2013 Operating Margin Outlook

- Expect 2013 non-GAAP **operating margin** to be **similar** to the anticipated 2012 level
- 2013 operating margin drivers

| | |
|--|-----------|
| Price, Volume & Mix | ++ |
| Profit Improvement Program savings - Expect ~\$20M in incremental cost savings in 2013 | ++ |
| Annual cost increases - Merit-based salary increases / general cost inflation | -- |
| Strategic Relationships - Start-up costs and lower sales during initial transition period, but all relationships are profitable | - |

Growth Drivers - Organic

- Key organic growth drivers:
 - **Strategic Partnerships: Flexibly** utilizing our unique portfolio to support the individual needs of large biopharmas
 - **Discovery Research Services (DRS):** Large-scale *in vivo* **outsourcing** capabilities in multiple **therapeutic areas**
 - **Endotoxin and Microbial Detection (EMD):** Leading provider of rapid endotoxin detection and microbial identification products and services

Growth Drivers - Acquisitions

- Intend to supplement organic growth with **selective acquisitions** to expand our business in several areas, including:
 - **Upstream** as clients seek to outsource earlier stages of their R&D programs
 - **Expand the capabilities or technological expertise** of our current growth businesses (e.g. [Accugenix](#))
 - Identifying opportunities to **further expand our business geographically** (e.g. Vital River)

Accugenix Acquisition

- Acquired the premier global provider of cGMP-compliant contract **microbial identification** testing for \$17M in cash
 - In 2013, expected to add **~1%** to net sales and be slightly **accretive** to both GAAP and non-GAAP EPS
- Strengthens the EMD portfolio of products and services with state-of-the-art **microbial detection services** for **manufacturing** in the biopharmaceutical, medical device, nutraceutical and consumer care industries
- Accugenix is the acknowledged industry leader in **species-level identification** and **strain typing** of bacteria and fungi recovered from manufacturing facilities
 - **Proprietary library database** identifies over **5,000 species** of organisms
- Intend to enhance our capabilities over the next several years through **product extensions** and **acquisitions**

Vital River Acquisition

- Acquired a majority ownership (75%) of Vital River, one of the largest commercial providers of research models and related services in **China** for **~\$27M** in cash
 - In 2013, expected to add more than **1%** to net sales and be **slightly accretive** to both GAAP and non-GAAP EPS
- Establishes an RMS footprint in **China**
- Enables CRL to provide high-quality **research models** and associated services such as RADS and GEMS to the emerging China market for drug discovery and development
- CRL intends to **set the quality standards** for research models in China, the third-largest pharmaceutical market in the world

Building for the Future

- Internal goals:
 - Enhance our ***in vivo* biology portfolio** to provide the broadest support throughout our clients' early-stage drug development process
 - **Acquire select assets** that either expand the products or services we can offer our clients, or give us a footprint in **new geographic areas**, or both
 - Hone our **operating efficiency** through restructuring, rationalization of capacity, and implementation of best practices
 - Implement **information technology platforms** and **data portals** that are best in class and provide enhanced data capabilities for us and our clients

Building for the Future, cont.

- External goals:
 - Focus on **gaining market share** by offering scientific excellence in innovative and **flexible** arrangements that meet each client's specific needs
 - Listen to our clients and forge **stronger relationships** as a **partner**, trusted for science, efficiency and cost effectiveness
- Focus on **four key initiatives**:
 - Drive **operating margin** improvement
 - Improve **free cash flow** generation
 - **Disciplined investment** in existing businesses with greatest growth potential
 - **Return value to shareholders**

Appendix

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF SALES GUIDANCE (from Continuing Operations)

| | <u>Fiscal Year Ended</u> December 28, 2013E |
|---|---|
| Net sales growth, reported | 2.5% - 4.5% |
| Impact of foreign exchange | Approx. 0.5% |
| Net sales growth, constant currency (before Vital River acquisition) | 3.0% - 5.0% |
| Impact of Vital River acquisition | More than 1% |
| Net sales growth, constant currency (including Vital River acquisition) | 4.0% - 6.0% |

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, 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 and regulations.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS PER SHARE (EPS)
Guidance for the Twelve Months Ended December 28, 2013E

| | <u>2013E Guidance</u> |
|-----------------------------------|-------------------------------|
| GAAP EPS Estimate | \$2.45 - \$2.55 |
| Add back: | |
| Amortization of intangible assets | \$0.21 |
| Operating losses (1) | \$0.04 |
| Convertible debt accounting | \$0.10 |
| Non-GAAP EPS Estimate | <u>\$2.80 - \$2.90</u> |

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(1) These costs relate primarily to the Company's PCS facility in Massachusetts.

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

| | <u>Fiscal Year Ended</u> <u>December 28,</u> <u>2013E</u> |
|---|---|
| Net cash provided by operating activities | \$215,000-\$225,000 |
| Less: Capital expenditures | ~(50,000) |
| Free cash flow | <u>\$165,000-\$175,000</u> |

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, 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 and regulations.

Accelerating Drug Development. Exactly.

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