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

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): February 12, 2019**

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**Charles River Laboratories International, Inc.**

(Exact name of Registrant as Specified in Its Charter)

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**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-15943**  
(Commission File Number)

**06-1397316**  
(IRS Employer  
Identification No.)

**251 Ballardvale St.**  
**Wilmington, Massachusetts 01887**  
(Address of Principal Executive Offices)

**01887**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: 781-222-6000**

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

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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 (see General Instructions A.2. below):

- 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## ITEM 1.01 Entry into a Material Definitive Agreement.

On February 12, 2019, Charles River Laboratories International, Inc. (“**Charles River**”) acting as guarantor, and Charles River Nederland B.V., a wholly-owned subsidiary of Charles River (“**CRL Nederland**”), made a binding offer (the “**Offer**”) to all of the security holders (collectively, the “**Sellers**”) of CTL International, a French *société par actions simplifiée*, (“**CTL**”) the parent entity of Citoxlab Group, a French *société par actions simplifiée* (“**Citoxlab**”) to purchase all the outstanding securities of CTL (the “**Share Purchase**”) for €448 million in cash. In consideration of the Offer, the Sellers, CRL Nederland and Charles River (acting as guarantor) entered into an Exclusivity Agreement on February 12, 2019 (the “**Exclusivity Agreement**”).

In the Offer, CRL Nederland undertakes and offers on the terms and subject to the conditions therein (1) to purchase all of the Sellers’ securities and (2) to execute a Share Sale and Purchase Agreement (the “**SPA**”) in the form attached to the Offer upon receipt of a signed copy of the SPA from the Sellers. The Offer will remain open (the “**Offer Period**”) for acceptance by the Sellers until the earlier of the two following dates: (1) five business days after the Sellers receive or are deemed to have received definitive opinion from the works council of Citoxlab France, and (2) June 15, 2019, unless a judicial proceeding initiated by any third party extends the consultations with the works council, in which event the Offer Period expires on the fifth business day following the earlier of (a) a court order that would permit the parties to sign the offer letter and the SPA, or (b) the date on which the consultations (including any extension of consultation) ordered by a court order have been completed. However, if a judicial proceeding as referred to in (2) is still pending at the end of the Offer Period, CRL Nederland will be entitled to extend at its own option the Offer Period, in one or more times, up until the end of the Exclusivity Period (as defined in the Exclusivity Agreement).

In the Exclusivity Agreement, the Sellers and CTL represent and warrant that (1) as of the date of the Exclusivity Agreement, neither the Sellers nor CTL are in discussions relating to certain alternative transactions, (2) prior to the date of the Exclusivity Agreement, neither the Sellers nor CTL have entered into agreements or binding commitments to effect any alternative transaction, and (3) during the exclusivity period, if either the Sellers or CTL receive an alternate offer for certain alternative transactions, the Sellers and CTL will not negotiate or accept the alternate offer and will promptly notify CRL Nederland of the alternate offer, including the identity of the third party making such alternative offer. In addition, the Sellers undertake that neither they nor their representatives will solicit or engage in discussions with any person other than CRL Nederland with a view to any alternative transaction, provide any person other than CRL Nederland with any information with a view to an alternative transaction, or enter into an agreement or arrangement with a view to an alternative transaction. The Exclusivity Agreement will cease upon the earliest of: (1) the end of the 5th business day following the date on which the Offer has been accepted by the Sellers (if CRL Nederland has not executed the SPA), (2) the date the SPA is signed by all parties, (3) the date on which a payment is due to be made by CRL Nederland because the conditions relating to the antitrust clearance or foreign investment clearance (discussed in more detail below) become impossible or are not fulfilled by October 31, 2019, and (4) December 31, 2019 (the “**Exclusivity Period**”).

CRL Nederland’s and the Sellers’ obligations to complete the Share Purchase are subject to various customary conditions, including the expiration or termination of the waiting period under the merger control laws of the German Federal Cartel Office, the receipt of investment control clearance (including the expiration or termination of applicable waiting periods) under the articles R.153-1, et seq. of the French Monetary and Financial Code, and the absence of any material adverse change to the business, assets, operations, prospects or conditional of the CTL and its consolidated subsidiaries between the date of the Offer and the closing date. CRL Nederland’s obligation to complete the Share Purchase is not subject to any condition related to the availability of financing or further approval of their respective Boards of Directors. The Exclusivity Agreement also incorporates and renders immediately applicable certain covenants provided for in the form of SPA attached to the Offer, notably including as regards the management of CTL prior to closing.

Pursuant to the form of SPA attached to the Offer, CRL Nederland and each of the Sellers will make customary representations, warranties and covenants, including that the Sellers will, to the extent of their respective authority, ensure that CTL will conduct its business in the ordinary course and refrain from taking certain actions until the consummation of the Share Purchase. The draft of the SPA attached to the Offer provides that the SPA may be terminated under specified circumstances, including if the Share Purchase is not consummated on or before October 31, 2019 (the “**Outside Date**”). If as of such date, the Share Purchase has not occurred for the sole and exclusive reason that either of the closing conditions requiring the expiration or termination of the waiting period under (1) the merger control laws of the German Federal Cartel Office or (2) French investment control clearance is not satisfied, upon termination of the SPA CRL Nederland would be required to pay the Sellers a termination fee equal to the higher of (i) 4% of the closing purchase price and (ii) €18.2 million Euros, which will serve as Sellers’ sole and exclusive remedy upon such termination.

The foregoing description of the Offer and the Exclusivity Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of each of the Offer and the Exclusivity Agreement, which are filed as Exhibits 2.1 and 2.2, respectively, to this Current Report on Form 8-K and incorporated by reference herein.

**ITEM 7.01 Regulation FD Disclosure.**

On February 13, 2019, Charles River issued a press release announcing the transaction. A copy of the press release is attached hereto as Exhibit 99.1. The information being furnished pursuant to Item 7.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, except as expressly set forth by reference in such filing.

**ITEM 9.01 Financial Statements and Exhibits.**

<u>Exhibit Number</u>	<u>Title</u>
2.1	<a href="#"><u>Offer relating to CTL International SAS. (“CTL”) among Charles River Nederland B.V., Charles River Laboratories International, Inc. (as guarantor), AXO LBO Fund V Supplementary FPCI, Jean-Francis Le Bigot, Roy Foster, Patrick Spies, and certain other equity holders of CTI, dated February 12, 2019.*</u></a>
2.2	<a href="#"><u>Exclusivity Agreement among CTL International SAS. (“CTL”) among Charles River Nederland B.V., Charles River Laboratories International, Inc. (as guarantor), AXO LBO Fund V Supplementary FPCI, Jean-Francis Le Bigot, Roy Foster, Patrick Spies, and certain other equity holders of CTI, dated as of February 12, 2019*</u></a>
99.1	<a href="#"><u>Press Release</u></a>

\* Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule and/or exhibit to the Securities and Exchange commission upon request.

**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 thereunto duly authorized.

Charles River Laboratories International, Inc.

Date: February 15, 2019

By: \_\_\_\_\_ /s/ Karen Queen Stern  
**Name: Karen Queen Stern**  
**Title: Corporate Counsel and Assistant Secretary**

February 12, 2019

From:

**CHARLES RIVER NEDERLAND B.V.**, a Dutch Besloten Vennootschap, having its registered office located at Darwinweg 24, 2333CR Leiden (Netherlands) identified under number 000010497803, duly represented for the purpose hereof

hereinafter, the *Offeror*

With the participation of:

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**, a Delaware corporation, having its headquarters located at 251 Ballardvale Street, Wilmington, MA 01887, duly represented for the purpose hereof, intervening into this Offer to guarantee the obligation of the Offeror hereunder

To:

**AXA LBO Fund V Supplementary FPCI**, a French *fonds professionnel de capital investissement*, regulated by the French financial markets authority (*Autorité des Marchés Financiers*) and represented by its management company, **Ardian France**, a French société anonyme, having its registered office located at 20, place Vendôme, 75001 Paris (France), identified under number 403 201 882 RCS Paris (*Ardian*),

**Jean-François Le Bigot**, a French citizen, born on 30 May 1954 in Paris (France), residing for the purposes hereof at rue de Pacy, 27930 Miserey (France),

**Roy Forster**, a British citizen, born on 7 May 1951 in Newcastle-under-Lyme (United Kingdom), residing for the purposes hereof at Rue de Pacy, 27930 Miserey (France),

**Patrick Spies**, a French citizen, born on 28 April 1964 in Chatou (78) (France), residing for the purposes hereof at Rue de Pacy, 27930 Miserey (France),

Ardian, Mr. Le Bigot, Mr. Spies and Mr. Forster being hereinafter together referred as the “**Main Offerees**”.

The Persons listed under **Schedule 1**, represented, by Mr. Le Bigot, duly authorized for the purposes hereto and in accordance with the provisions of Article 1161 of the French Civil Code,

The Persons listed under **Schedule 1 bis**, represented, by Mr. Le Bigot, duly authorized for the purposes hereto and in accordance with the provisions of Article 1161 of the French Civil Code,

**Blue Jazz**, a French société par actions simplifiée, having its registered office located at rue de Pacy, 27930 Miserey (France) identified under number 828 680 165 RCS Evreux (without prejudice of its Direct Liquidity Right Manco 1),

**Blue Tango**, a French société par actions simplifiée, having its registered office located at rue de Pacy, 27930 Miserey (France) identified under number 828 661 249 RCS Evreux (without prejudice of its Direct Liquidity Right Manco 2),

hereinafter, the *Offerees*

**CTL International**, a French *société par actions simplifiée*, having its registered office located at rue de Pacy, 27930 Miserey (France) identified under number 820 891 976 RCS Evreux.

hereinafter, *CTL International* or the *Company*.

Dear Sirs,

**Re: Binding offer for the acquisition of the securities of CTL International held by the Offerees and the persons listed in Schedule 1**

Reference is made to the proposed acquisition (the *Contemplated Transaction*), by the Offeror of all securities of the Company held by the Offerees on the terms and conditions of:

- (A) this binding offer as herein provided (the *Offer*);
- (B) the draft Share Purchase Agreement which is attached as **Schedule 2** to this letter (the *SPA*);
- (C) the draft Exclusivity Agreement attached as **Schedule 3** to this letter, an original copy of which has been duly signed on the date hereof by the Offeror (the *Exclusivity Agreement*);

(the documents and agreements referred to under paragraphs (A) to (C) together designated as the *Offer Documents*).

Unless otherwise defined herein, capitalized terms used in this Offer will have the meaning given to them in the SPA.

## **1. The Offer**

- 1.1 In consideration of, and subject to, the Offerees and Company granting the Offeror exclusivity in relation to the Contemplated Transaction on the terms of the Exclusivity Agreement in accordance with the provisions of Article 1.2 hereof, and the Main Offerees continuously complying with all of their obligations under Articles 2.1 and 2.2 of the Exclusivity Agreement, the Offeror hereby undertakes and offers, (i) to purchase all Securities for the Purchase Price, on the terms, and subject to the conditions set forth in the Offer Documents, and (ii) to execute the SPA upon receipt of a signed copy of the SPA by the Offerees and the Company, in accordance with the terms of the Offer Documents.
- 1.2 This Offer will lapse and cease to be capable of acceptance and will terminate with immediate effect if the Offerees have not returned to the Offeror a duly counter-signed original copy of the Exclusivity Agreement on the date of this Offer by no later than 11:59 pm CET.
- 1.3 Unless terminated in accordance with Article 1.2, this Offer will remain open (the *Offer Period*) for acceptance from the date hereof until the earlier of the two (2) following dates:

- (i) five (5) Business Days after the date of the Definitive Opinion (as defined in the Exclusivity Agreement, including the date when the Definitive Opinion is deemed to have been rendered pursuant to applicable Laws and regulations), and
- (ii) (ii) 15 June 2019, such date to be extended (but in any event no later than 15 September 2019) if a judicial proceeding initiated by any third party extends the Consultations (as defined in the Exclusivity Agreement) or suspends the execution of the Offer Documents, until the fifth (5<sup>th</sup>) Business Day following (a) a court order, the result of which would permit the Offerees and the Company to sign the Offer Documents, or (b) the date on which the Consultations (including any extension of consultation) ordered by a court order have been completed. However, if a judicial proceeding as referred to in (ii) is still pending at the end of the Offer Period, the Offeror will be entitled to extend at its own option the Offer Period, in one or more times, up until the end of the Exclusivity Period.

The Offer is irrevocable, valid and binding from the date hereof and may not be withdrawn or varied in any manner during the Offer Period without the prior written consent of the Company and Ardian, except, if and once the Exclusivity Agreement is signed by the Offerees and the Company, in case of a material breach by any of the Main Offerees or by the Company of their obligations under articles 2.1 and 2.2 of the Exclusivity Agreement. In such a case, the Offeror may, upon written notice given as provided in article 12.7 of the SPA, terminate the Offer immediately without further formality but without prejudice to the rights, remedies and indemnities that the Offeror may seek against the Offerees and the Company under the Exclusivity Agreement. It is however specified that if the Offeror decides to terminate the Offer, the Break-Up Fee (as such term is defined hereunder) which compensates the Offeror solely for its incurred costs in case the Offerees do not decide, for any reason whatsoever and for no fault of the Offerees, to accept the Offer, shall not be due to the Offeror, without prejudice to the rights, remedies and indemnities that the Offeror may seek against the Offerees and the Company under the Exclusivity Agreement as a result of the Offeree's breaches and faults thereunder.

- 1.4 The Offerees may accept the Offer at any time during the Offer Period by all Offerees duly executing, signing and returning one (1) original copy of this Offer to the Offeror, together with one (1) original copy of the SPA duly executed by all Offerees and the Company. If the Offer is accepted in this manner by the Offerees prior to the expiration of the Offer Period, and if the Condition (as defined below) is satisfied, the Offeror will execute the SPA no later than the end of the fifth (5<sup>th</sup>) Business Day following the day on which it receives the Offer acceptance from the Offerees and return an executed copy to the Offerees.
- 1.5 If the Offeror does not receive written acceptances of the Offer from the Offerees, and the SPA executed by the Offerees and the Company, at the latest on the expiration date of the Offer Period at 11:59 pm CET, the Offer will lapse and cease to be capable of acceptance and, save for Articles 5 (*Announcement-Confidentiality*), 6 (*Costs*) and 9 hereof (*Governing Law and Jurisdiction*), the Offer will terminate with immediate effect. Should the Offerees fail to accept the Offer and execute the SPA within the Offer Period, the Offerees will make a payment to the Offeror in an amount equal to **four million euros (€4,000,000)** as provided in the Exclusivity Agreement (the "**Break-up Fee**"). This Break-Up Fee will not be due if, on the last day of the Offer Period (as extended as the case may be), (i) a court ruling resulting from a judicial proceeding initiated by a third party extends the Consultations timeframe or considers that the Consultations period has not commenced or prohibits the execution of the relevant Offer Documents by the Offerees until a date after the end of the Offer Period (extended, as the case may be, as permitted by article 1.3), or (ii) a judicial proceeding has been initiated and is still pending at the end of the Offer Period (extended, as the case may be, as permitted by article 1.3) and in the reasonable opinion of counsel is more likely than not to result in a court

order extending the Consultations timeframe or considering that the Consultations period has not commenced or prohibiting the execution of the relevant Offer Documents by the Offerees, unless, in either (i) or (ii) the extension of the Consultations timeframe that will or would result from such court ruling or anticipated court ruling is the direct consequence of a violation by the Offerees of their legal obligations under the Consultations.

For the avoidance of doubt, the payment of the Break-Up Fee as per the above provisions (i) shall be the exclusive remedy of the Offeror in case the Offerees decide, for any reason whatsoever, not to accept the Offer during the Offer Period and (ii) shall therefore prevent the Offeror from receiving any payment of any amounts or damages for this reason, without prejudice however to the rights, remedies and indemnities that the Offeror may seek against the Offerees and the Company under the Exclusivity Agreement in case of breaches and faults committed by the Main Sellers (as defined in the Exclusivity Agreement) thereunder.

- 1.6 The Offer is indivisible and may only be accepted (a) in respect of the acquisition of all the Securities as defined in and in accordance with the SPA and (b) by all Offerees (and/or any successor or assigns of such Offerees as provided in article 12.2 of the SPA provided the Offeror has been informed of any such succession or assignment of the benefit of this Offer at least five (5) Business Days in advance and such successors and assigns have confirmed to the Offeror in writing that they will be bound by the Exclusivity Agreement as new Sellers and by the terms of this Offer).
- 1.7 For the purposes of this Article 1.7, the Parties agree and acknowledge that article 12.9 (*Enforcement*) and article 12.10 (*Certain Waiver of Rights*) as set forth in the SPA shall apply *mutatis mutandis* as if set out in full herein.
- 1.8 In making the Offer, the Offeror is relying on the representations and warranties given by Offerees and the Company in articles 2.1 through (and including) 2.5 of the Exclusivity Agreement.

## 2. Condition

The obligation of the Offeror to sign the SPA upon receipt of a signed copy of these documents by the Offerees and the Company is conditioned upon the satisfaction or waiver of the following condition on the date of execution of such documents by the Offerees (**Condition**): the absence of any event or occurrence that would result in the conditions precedent set forth in Article 3.1.1(a) through 3.1.1(d) of the SPA being incapable of being satisfied as of October 30, 2019

## 3. Clearances

As provided in the Exclusivity Agreement, the Parties agree that they will initiate the clearance processes provided in article 5.1, 5.2 and 5.3 of the SPA at the latest on February 26, 2019. Accordingly, the obligation of the Offeror to pay the Termination Fee, pursuant to the terms and subject to the conditions set forth in article 3.2.2 of the SPA, will be in force as if the SPA had been duly executed and delivered from the date of this Offer, provided that this Offer has not lapsed in accordance with Article 1.5 on such date.

## 4. Warranties

The Offeror warrants to the Offerees that the representations and warranties made in article 8 of the SPA are true and correct as of the date of this Offer, provided that for purposes of this Article 4, the term "Agreement" refers to this Offer.



**5. Announcement – Confidentiality**

Subject to the provisions of the Exclusivity Agreement which will be binding upon the Parties once the latter is executed by the Offerees, any communication is governed by the terms of the non-disclosure agreement executed by the Offeror in the context of the Contemplated Transaction, which remains in force. The Offeror informs the Offerees that, if the Offerees accept the Exclusivity Agreement, the Offeror will be required to file this Offer and the draft SPA as well as the Exclusivity Agreement publicly with the US Securities and Exchange Commission.

**6. Costs**

Each of the Offeror, the Company and the Offerees will be responsible for their own costs, charges, fees and other expenses (including those of their respective Representatives) incurred in connection with the preparation, and negotiation of this Offer, the other Offer Documents or the Contemplated Transaction.

**7. Notices**

Notices and notifications under this Offer, and service of process and all other papers in connection with any dispute, will be served in accordance with the terms of Article 12.7 of the SPA which will apply *mutatis mutandis* as if set out herein.

**8. Miscellaneous**

The following provisions of the SPA will apply to this Offer as if set out in full herein (except that references therein to the SPA will be to this Offer):

- (a) 1.2 (*Interpretation*);
- (b) 12.2 (*Assignment – No Third Party Beneficiaries*);
- (c) 12.4 (*Amendment – Waiver*); and
- (d) 12.10 (*Certain Waiver of Rights*).

**9. Governing Law and Jurisdiction**

- 9.1 This Offer, any disputes based upon, arising out of or relating to this Offer or the negotiation, execution, performance or termination of this Offer will be governed by and construed in accordance with the Laws of France, without regard to any applicable conflict of Laws principles.

9.2 The parties hereto agree that any action seeking to enforce any provision of, or based on any dispute or matter arising out of or in connection with, this Offer shall be subject to the jurisdiction of the International Chamber of the Paris Commercial Court, and all appeals from any decision of such court shall be subject to the jurisdiction of the International Chamber of the Paris Court of Appeals.

*[Signature pages follows]*

Yours faithfully,

/s/ David R. Smith

**for and on behalf of CHARLES RIVER NEDERLAND B.V.**

Represented by David R. Smith, Director

/s/ Joseph W. LaPlume

**for and on behalf of CHARLES RIVER INTERNATIONAL, INC.**

Represented by Joseph W. LaPlume, Corporate Executive  
Vice President, Corporate Development & Strategy

*[The following signature pages are to be executed by the Offerees and the Company if and when the Offerees accept the Offer pursuant to Article 1.4 hereof]*

Accepted on \_\_\_\_\_

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**for and on behalf of AXA LBO Fund V  
Supplementary FPCI**

Ardian France, represented by Mr. Yann BAK

Accepted on \_\_\_\_\_

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**for and on behalf of CTL International**

Represented by Mr. Jean-François Le Bigot

Accepted on \_\_\_\_\_

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**Mr. Jean-François Le Bigot**

Accepted on \_\_\_\_\_

---

**Mr. Roy Forster**

Accepted on \_\_\_\_\_

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**Mr. Patrick Spies**

Accepted on \_\_\_\_\_

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**for and on behalf of Blue Jazz**

Represented by Mr. Patrick Spies

Accepted on \_\_\_\_\_

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**for and on behalf of Blue Tango**

Represented by Mr. Patrick Spies

Accepted on \_\_\_\_\_

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**for and on behalf of the Persons listed under Schedule 1**

Represented by Mr. Le Bigot

Accepted on \_\_\_\_\_

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**for and on behalf of the Persons listed under  
Schedule 1 bis**

Represented by Mr. Le Bigot

**AXA LBO FUND V SUPPLEMENTARY FPCI**

**JEAN FRANCOIS LE BIGOT**

**ROY FORSTER**

**PATRICK SPIES**

**BLUE JAZZ SAS**

**BLUE TANGO SAS**

**CTL INTERNATIONAL SAS**

**CHARLES RIVER NEDERLAND B.V.**

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**EXCLUSIVITY AGREEMENT**

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**FEBRUARY 12, 2019**

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**EXCLUSIVITY AGREEMENT**

**DATED: FEBRUARY 12, 2019**

**AMONG:**

- (1) **AXA LBO Fund V Supplementary FPCI**, a French *fonds professionnel de capital investissement*, regulated by the French financial markets authority (*Autorité des Marchés Financiers*) and represented by its management company, Ardian France, a French société anonyme, having its registered office located at 20, place Vendôme, 75001 Paris (France), identified under number 403 201 882 RCS Paris, (“**Ardian**”)
- (2) **Jean-François Le Bigot**, a French citizen, born on 30 May 1954 in Paris (France), residing for the purpose hereof rue de Pacy, 27930 Miserey (France),
- (3) **Roy Forster**, a British citizen, born on 7 May 1951 in Newcastle-under-Lyme (United Kingdom), residing for the purposes hereof at Rue de Pacy, 27930 Miserey (France), represented by Mr. Le Bigot,
- (4) **Patrick Spies**, a French citizen, born on 28 April 1964 in Chatou (78) (France), residing for the purposes hereof at Rue de Pacy, 27930 Miserey (France),  
  
(Ardian, Mr. Le Bigot, Mr. Spies and Mr. Forster being hereinafter together referred as the “**Main Sellers**”)
- (5) **Blue Jazz**, a French société par actions simplifiée, having its registered office located at rue de Pacy, 27930 Miserey (France) identified under number 828 680 165 RCS Evreux (without prejudice of its Direct Liquidity Right Manco 1),
- (6) **Blue Tango**, a French société par actions simplifiée, having its registered office located at rue de Pacy, 27930 Miserey (France) identified under number 828 661 249 RCS Evreux (without prejudice of its Direct Liquidity Right Manco 2),
- (7) The Persons listed under **Schedule 1**, represented by Mr. Le Bigot, duly authorized for the purposes hereto and in accordance with the provisions of Article 1161 of the French Civil Code,
- (8) The Persons listed under **Schedule 1 bis**, represented, by Mr. Le Bigot, duly authorized for the purposes hereto and in accordance with the provisions of Article 1161 of the French Civil Code,

hereinafter collectively referred to as the **Sellers**

**AND**

- (9) **CTL International**, a French *société par actions simplifiée*, having its registered office located at rue de Pacy, 27930 Miserey (France) identified under number 820 891 976 RCS Evreux, hereinafter referred to as the **Company**.

**ON THE ONE HAND, AND**

- (10) **CHARLES RIVER NEDERLAND B.V.**, a Dutch *Besloten Vennootschap*, having its registered office located at Darwinweg 24, 2333CR Leiden (Netherlands) identified under number 000010497803, duly represented for the purpose hereof, hereinafter referred to as **Purchaser**;

**ON THE OTHER HAND,**

each a **Party** and together the **Parties**,

**WITH THE PARTICIPATION OF:**

**Charles River Laboratories International, Inc.**, a Delaware corporation, having its headquarters located at 251 Ballardvale Street, Wilmington, MA 01887, duly represented for the purpose hereof;

(the "**Parent**", intervening into this Exclusivity Agreement to guarantee the obligation of the Purchaser hereunder)

**WHEREAS:**

- (A) On February 12, 2019, the Purchaser delivered to the Sellers a binding offer (the **Offer**) to purchase, on the terms and subject to the conditions therein provided, the securities of the Company held by the Sellers (the **Share Purchase**), the Share Purchase being on the terms and subject to the conditions of the draft Share Purchase Agreement attached as schedule 1 to the Offer (the **SPA**).
- (B) In consideration of the Purchaser making the Offer, the Sellers have agreed to grant the Purchaser exclusivity in relation to the acquisition of the Securities (the **Exclusivity Agreement**).

**IT IS AGREED:**

**1. DEFINITIONS**

In this Exclusivity Agreement, including the recitals, the following words and expressions will have the following respective meanings and, if not expressly defined herein, unless the context otherwise requires, words and expressions defined in the SPA or the Offer will have the same meanings where used in this Exclusivity Agreement:

**Alternative Transaction** means (i) any partial or total sale or acquisition of securities issued by a Group Company whether directly or indirectly, whether conditional or not, and including in connection with any acquisition or investment proposal received by any Third Party, (ii) any sale or acquisition of all or a material portion of a Group Company's assets to any Third Party, (iii) any plan of complete or partial liquidation, dissolution, merger, consolidation, business combination, restructuring, recapitalization or other reorganization of a Group Company to the benefit of any Third Party, (iv) any acquisition by merger or consolidation with, or by purchase of an equity interest in or portion of the assets of, or by any other manner, any business or any corporation, partnership, joint venture, association or other business organization or division thereof, in each case involving a Group Company, to the benefit of any Third Party, or (v) any issuance, sale, pledge, disposition, grant, transfer, or encumbrance, to the benefit of any Third Party, of any share capital or other equity or voting interests of a Group Company, or securities convertible or exchangeable into or exercisable for any share capital or other equity or voting interests of a Group Company, or any options, warrants or other rights of any kind to acquire any share capital or other equity or voting interests of a Group Company or securities convertible, exchangeable or exercisable therefor.

**Date of this Exclusivity Agreement** means the date on which this Exclusivity Agreement has been signed by the Sellers, the Company and the Purchaser;

**Consultations** has the meaning given to it in Article 3.2;

**Definitive Opinion(s)** has the meaning given to it in Article 3.1;

**Definitive Opinions Date** means the date on which all Definitive Opinions have been obtained;

**Exclusivity Period** has the meaning given to it in Article 2.4;

**Representatives** means, with respect to any person, the Affiliates, directors, corporate officers, officers, employees, agents and other representatives of such person;

**Third Part(y)(ies)** means any person other than the Purchaser.

**2. EXCLUSIVITY**

2.1 In consideration of the Purchaser making the Offer, the Sellers agree and undertake, jointly and severally, that they will not and will cause their Representatives not to:

- (a) directly or indirectly solicit, initiate or knowingly encourage, or enter into, initiate, participate in or continue discussions or negotiations (whether or not conditional), with any Third Party in connection with, or with a view to, agreeing or implementing an Alternative Transaction;

- (b) provide any Third Party (or its Representatives) with any information in connection with or with a view to an Alternative Transaction, or otherwise cooperate with, assist or participate in any approach, proposal or offer in connection with, or with a view to, agreeing or implementing an Alternative Transaction;
- (c) solicit, initiate or knowingly encourage offers or expressions of interest from Third Parties in connection with, or with a view to, agreeing or implementing an Alternative Transaction; or
- (d) authorize or enter into an agreement or arrangement (whether or not conditional) in connection with, or with a view to, agreeing or implementing an Alternative Transaction.

2.2 The Sellers and the Company warrant to the Purchaser that:

- (a) neither they, nor any of their respective Representatives, are, as at the date of this Exclusivity Agreement, in discussions or negotiations in connection with, or with a view to, agreeing or implementing an Alternative Transaction with any Third Party and any such discussions or negotiations commenced prior to the date of this Exclusivity Agreement have been terminated;
- (b) prior to the date of this Exclusivity Agreement each of the Sellers has not entered into any binding arrangements or agreements being still in force as at the date hereof, whether or not conditional, with any Third Party to effect any Alternative Transaction; and
- (c) if during the Exclusivity Period (as defined below), they receive from a Third Party an offer, proposal or become aware of any attempt to enter into discussion, with a view to an Alternative Transaction, they will refuse such offer, proposal or attempt to enter into discussion and promptly inform the Purchaser of the same, including the identity of the Third Party.

2.3 The Sellers hereby acknowledge and accept that the provisions of article 6 of the SPA will be, subject to the Sellers entering into the SPA, given as true and correct on the date hereof.

2.4 The obligations contained in this Article 2 and in Articles 3, 4 and 5 will commence on the date of this Exclusivity Agreement and cease to apply upon the earlier of:

- (a) In the event the Sellers have duly accepted the Offer and that the Purchaser has not executed the SPA in accordance with the provisions of article 1.4 of the Offer, the end of the fifth (5<sup>th</sup>) Business Day following the date on which the Offer has been accepted by the Sellers ;
- (b) the date of the signature of the SPA by all parties thereto;
- (c) the date on which a payment is due to be made by the Purchaser in accordance with article 3.2.2 of the SPA, as incorporated and applicable pursuant to paragraph 3 of the Offer;
- (d) December 31, 2019.

(this period being the *Exclusivity Period*), save that all rights and liabilities of the Parties which have accrued under this Exclusivity Agreement prior to termination will continue thereafter.

2.5 Each of the Sellers and the Company will consider in good faith the opportunity to, and will negotiate in good faith with the Purchaser in a perspective to, accept the Offer as soon as possible, all in accordance with applicable law.

2.6 The Purchaser agrees (on behalf of itself and its Affiliates) with the Sellers (for the benefit of all Sellers) and the Company that it is not relying upon, any warranty or representation other than as set out in this Agreement and the other Offer Documents (as defined in the Offer).

### 3. CONSULTATION OF THE EMPLOYEE REPRESENTATIVE BODIES

3.1 The Company undertakes to use its best efforts to obtain a final opinion (whether this opinion is positive, negative or neutral, or implicit) from the works council of Citoxlab France (788 060 465 RCS Evreux) under the conditions of article L. 2312-16 of the French Labour Code if the Definitive Opinion is given by a “*Comité social et économique*” or article L. 2323-3 of the French Labour Code if the Definitive Opinion is given by a “*Comité d’entreprise*” (each a **Definitive Opinion** and collectively **the Definitive Opinions**) as soon as reasonably practicable following the date of this Agreement but prior to the expiration of the Offer Period.

3.2 Without limiting its obligations under Article 3.1, in connection with the obligation “to inform and consult” with the works council of Citoxlab France (the **Consultations**) and obtain the Definitive Opinions, the Sellers and the Company covenant to:

- (a) initiate the Consultations as soon as practicable following the date of this Agreement and in any event no later than ten (10) Business Days following the date of this Exclusivity Agreement;
- (b) keep the Purchaser regularly and as often as necessary informed of the progress of the Consultations and of any material issues arising therefrom;
- (c) solely communicate information about the Purchaser, to the extent necessary for the Consultations pursuant to applicable laws and regulations, which has been provided by the Purchaser pursuant to article 3.3 or which has been approved by the Purchaser;
- (d) cooperate with the Purchaser regarding all issues raised as part of the Consultations relating to the Purchaser or otherwise, their direct or indirect shareholders and/or their intents or undertakings;
- (e) support the proposed acquisition of the Securities by the Purchaser; and
- (f) provide to the Purchaser promptly an abstract of the minutes of the meeting during which a Definitive Opinion is issued.

3.3 Subject to the Main Sellers and the Company complying with their obligations under this Article 3, the Purchaser hereby undertakes by signing this Exclusivity Agreement to reasonably cooperate with the Sellers, the Company and their Representatives in respect of the Consultations. In particular, the Purchaser will provide, in a timely manner, all such reasonable information and assistance that the Sellers, the Company and their respective Representatives may reasonably request to allow the Consultations pursuant to applicable laws and regulations. The Purchaser will use reasonable efforts to respond to questions (if any) raised by the employee representatives as part of the Consultations. The Purchaser will ensure, at the reasonable request of the Sellers with reasonable notice, that Representatives of the Purchaser of a reasonably appropriate level attend meetings with employees of the Company or employee representatives of the Company and, in particular, the presentation to the works council of Citoxlab France of the Purchaser and its industrial and social project for the Company.

#### 4. SPA PROVISIONS

The following provisions of the SPA will immediately apply between the Sellers, on the one hand, and the Purchaser, on the other hand, as if set in full out herein (except that references therein to the SPA will be to this Exclusivity Agreement):

- (a) Article 1.2 (*Interpretation*);
- (b) Article 5.1 (*Undertakings relating to the Antitrust Clearance*) (and any reference to the date of the SPA therein will be deemed to be a reference to the date of this Exclusivity Agreement);
- (c) Article 5.2 (*Foreign Investment Control*) (and any reference to the date of the SPA therein will be deemed to be a reference to the date of this Exclusivity Agreement);
- (d) Article 3.2.2 regarding the Purchaser's obligation to pay the Sellers a termination fee in the event the antitrust and foreign investment clearances cannot be obtained;
- (e) Articles 5.3, 5.4, 5.7, 5.8, 5.9, 5.10.1 (subject to applicable laws), 5.11, and 5.12 (and any reference to the date of the SPA therein will be deemed to be a reference to the date of this Exclusivity Agreement); and
- (f) Article 12 (*Miscellaneous*).

#### 5. BREAK-UP FEES – INDEMNIFICATION

- 5.1 The Sellers and the Company acknowledge that the SPA reflects the finalisation of their negotiations on the Transaction with the Purchaser and on the legal and economic terms thereof, although it is specified that the Sellers' and the Company's final decision will only be notified to the Purchaser at the end of the aforementioned Consultation process.
- 5.2 In the event the Sellers do not execute the SPA by the end of the Offer Period at 11:59 pm CET, for any reason whatsoever, the Sellers will be jointly and severally obligated to pay a break-up fee to the Purchaser in an amount equal to four million euros (€4,000,000) (the "Break-Up fee"). Such lump-sum amount is a joint and several obligation of the Sellers and will be paid to the Purchaser by the Sellers in immediately available funds to the account designated by the Purchaser. This Break-Up Fee will not be due if, on the last day of the Offer Period (as extended as the case may be), (i) a court ruling resulting from a judicial proceeding initiated by a third party extends the Consultations timeframe or considers that the Consultations period has not commenced or prohibits the execution of the relevant Offer Documents by the Sellers until a date after the end of the Offer Period (extended, as the case may be, as permitted by article 1.3), or (ii) a judicial proceeding has been initiated and is still pending at the end of the Offer Period (extended, as the case may be, as permitted by article 1.3) and in the reasonable opinion of counsel is more likely than not to result in a court order extending the Consultations timeframe or considering that the Consultations period has not commenced or prohibiting the execution of the relevant Offer Documents by the Sellers, unless in either (i) or (ii) the extension of the Consultations timeframe that will or would result from such court ruling or anticipated court ruling is the direct consequence of a violation by the Sellers of their legal obligations under the Consultations.
- 5.3 For the avoidance of doubt, the payment of the Break-Up Fee as per the above provisions shall be (i) the exclusive remedy of the Purchaser in case the Sellers decide, for any reason whatsoever, not to accept the Offer during the Offer Period and (ii) shall therefore prevent the Purchaser from receiving any payment of any amounts or damages for this reason, without prejudice however to the rights, remedies and indemnities that the Purchaser may seek against the Sellers and the Company under this Exclusivity Agreement in case the Main Sellers breach any of their covenants, warranties or undertakings hereunder.

5.4 In the event the Main Sellers breach any of their covenants, warranties or undertakings under this Exclusivity Agreement, as determined upon final and non-appealable French court decision, the Main Sellers and/or the Company will (jointly and severally with respect to the Main Sellers), indemnify and hold harmless the Purchaser from and against any and all losses and prejudices resulting from any breach by the Main Sellers of their covenants, warranties or undertakings under this Exclusivity Agreement. Such losses and prejudices shall take into account, inter alia, the efforts and expenses incurred by the Purchaser in connection with the transaction contemplated in the Offer and in this Exclusivity Agreement. Such losses shall be determined upon final and non-appealable French court decision. The indemnification provided under this article 5.4 is without prejudice to any other remedies (including injunctive relief) available at law to the Purchaser.

## **6. ANNOUNCEMENT – CONFIDENTIALITY**

6.1 Each of the Purchaser, the Sellers and the Company agrees that he, she or it will not publish any press release, make any public statement or otherwise communicate publicly (including off-the-record or private interviews with journalists) with respect to the Contemplated Transaction without the written consent of the Purchaser (in the case of the Sellers and Company) or the Sellers' Representatives (in the case of the Purchaser), which will have the right to review and comment upon any such release, statement or communication. In the event one of the Purchaser, the Sellers or the Company determines in good faith that it is required by applicable Law, regulation or stock exchange rules (including NYSE Rules) to make any public announcement related to the Contemplated Transaction other than is consistent with the draft press release attached hereto, it will give the Purchaser (in the case of the Sellers and the Company) or the Sellers' Representatives (in the case of the Purchaser) a reasonable opportunity to review and comment upon such communication before it is disseminated. The Sellers acknowledge that the Purchaser will be required to file this Exclusivity Agreement as well the Offer and the draft SPA publicly with the US Securities and Exchange Commission.

## **7. GOVERNING LAW – JURISDICTION**

7.1 This Exclusivity Agreement, any disputes based upon, arising out of or relating to this Exclusivity Agreement or the negotiation, execution, performance or termination of this Exclusivity Agreement will be governed by and construed in accordance with the Laws of France without regard to any applicable conflict of Laws principles.

7.2 The Parties agree that any action seeking to enforce any provision of, or based on any dispute or matter arising out of or in connection with, this Exclusivity Agreement shall be subject to the jurisdiction of the International Chamber of the Paris Commercial Court, and all appeals from any decision of such court shall be subject to the jurisdiction of the International Chamber of the Paris Court of Appeals.

This Exclusivity Agreement has been entered into on the date stated at the beginning of this Exclusivity Agreement in three original copies.

*[Signature pages follow]*

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/s/ David R. Smith

**for and on behalf of CHARLES RIVER NEDERLAND B.V.**

Represented by David R. Smith, Director



/s/ Joseph W. LaPlume

**for and on behalf of CHARLES RIVER INTERNATIONAL, INC.**

Represented by Joseph W. LaPlume, Corporate Executive  
Vice President, Corporate Development & Strategy

/s/ Yann Bak

**for and on behalf of AXA LBO Fund V  
Supplementary FPCI**

Ardian France, represented by Mr. Yann BAK

/s/ Jean-Francois LeBigot

**for and on behalf of CTL International**

Represented by Mr. Jean-François Le Bigot

/s/ Jean-Francois LeBigot

**Mr. Jean-François Le Bigot**

/s/ Jean-Francois LeBigot

**Mr. Roy Forster**

Represented by Mr. Jean-François Le Bigot

/s/ Patrick Spies

**Mr. Patrick Spies**

/s/ Patrick Spies

**for and on behalf of Blue Jazz**

Represented by Mr. Patrick Spies

/s/ Patrick Spies

**for and on behalf of Blue Tango**

Represented by Mr. Patrick Spies

/s/ Jean-Francois Le Bigot

**for and on behalf of the Persons listed under Schedule 1**

Represented by Mr. Le Bigot

/s/ Jean-Francois LeBigot

**for and on behalf of the Persons listed under  
Schedule 1 bis**

Represented by Mr. Le Bigot



**CHARLES RIVER LABORATORIES SIGNS BINDING OFFER  
TO ACQUIRE CITOLAB**

**– Further Strengthens Charles River’s Position as  
the Leading Global Early-Stage CRO –**

**– Transaction Expected to be Accretive to Non-GAAP EPS by  
Approximately \$0.15 in 2019 and At Least \$0.35 in 2020 –**

**WILMINGTON, MA, February 13, 2019** – Charles River Laboratories International, Inc. (NYSE: CRL) announced today that it has signed a binding offer to acquire Citoxlab for €448 million in cash (or approximately \$510 million based on current exchange rates), subject to customary closing adjustments. The proposed transaction is expected to close in the second quarter of 2019, subject to labor consultations, regulatory requirements, and customary closing conditions. Upon completion of the labor consultations, Citoxlab’s shareholders are expected to enter into a definitive purchase agreement.

Citoxlab is a premier, non-clinical contract research organization (CRO), specializing in regulated safety assessment services, non-regulated discovery services, and medical device testing. With operations in Europe and North America, the proposed acquisition of Citoxlab would further strengthen Charles River’s position as the leading, global, early-stage CRO by expanding its scientific portfolio and geographic footprint, which would enhance the Company’s ability to partner with clients across the drug discovery and development continuum.

James C. Foster, Chairman, President and Chief Executive Officer of Charles River Laboratories, commented, “The proposed acquisition of Citoxlab would expand and solidify Charles River’s position as the partner of choice for our clients’ early-stage research needs, at a time when we believe there continues to be significant demand for outsourced services from both biotechnology and pharmaceutical companies. Citoxlab would be an exceptional strategic fit for Charles River because it incorporates the key attributes we require in an acquisition: scientific expertise, complementary capabilities, talented people, and access to growing end markets. The proposed acquisition would also enhance our geographic footprint, particularly in Europe, and our access to a growing biotechnology client base, enabling Charles River to provide a broader range of services proximate to our clients – both large and small.”

“In addition to enhancing our value proposition for clients and meeting our disciplined acquisition criteria, we believe that the proposed acquisition of Citoxlab would generate value for shareholders, driving profitable revenue growth and non-GAAP earnings per share accretion of approximately \$0.15 in 2019 and at least \$0.35 in 2020. We greatly respect and are committed to Citoxlab’s employees, its scientific capabilities, and the reputation it has built over 50 years since its founding, and look forward to welcoming Citoxlab to the Charles River family,” Mr. Foster concluded.

Jean-François Le Bigot, Ph.D., Chairman and Chief Executive Officer of Citoxlab, added, “Becoming part of the Charles River family would be a significant achievement and recognition of the accomplishments of Citoxlab and our dedicated team. After many years of growth, I am very pleased and excited to embark on a new era for Citoxlab. I am confident that Charles River is committed to our global employees and advancing our mission through our extensive scientific capabilities. At a time when new drug approvals are at record levels and the complexity of each drug candidate is increasing, we believe the collaboration of our respective scientific teams, the implementation of best practices, and the synergies between the early-stage services offered by Charles River and Citoxlab would represent a significant growth opportunity for both organizations, and also enhance the value that we provide to all of our clients to meet their individual needs.”

### **Strategic Rationale**

The proposed acquisition of Citoxlab would strengthen Charles River’s presence in growing end markets, enhance its global scale and geographic footprint, and augment its scientific capabilities, providing a compelling value proposition for both clients and shareholders.

- ***Strengthens service portfolio*** – Citoxlab provides a broad suite of early-stage services that would strengthen Charles River’s existing capabilities in four key areas:
  - o General and specialty toxicology, including developmental and reproductive toxicology and ocular services, as well as agricultural and industrial chemical testing, including ecotoxicology services;
  - o Preclinical medical device testing services, significantly enhancing Charles River’s existing expertise;
  - o Non-regulated discovery solutions, ranging from traditional DMPK services to drug transporter and drug-to-drug interaction research; and
  - o Genomics research, adding unique expertise to Charles River’s capabilities in mechanistic and investigative toxicology.
- ***Enhances global scale to meet growing demand*** – The proposed acquisition would enhance Charles River’s presence in Europe, particularly in Eastern Europe. Citoxlab has nine operating sites in six countries in Europe and North America, with global capacity totaling over 700,000 square feet.
- ***Expands client base*** – Citoxlab has a diverse client base of biopharmaceutical, agriculture and industrial chemical, and medical device companies worldwide. Specifically, the proposed acquisition would further expand Charles River’s small and mid-sized biotechnology client base, its fastest-growing client segment.
- ***Compelling financial profile*** – The addition of Citoxlab would enhance Charles River’s ability to achieve its long-term financial goals. The proposed acquisition is also expected to generate attractive returns on capital through profitable revenue growth and meaningful accretion to non-GAAP earnings per share.

### **Additional Financial and Transaction Details**

The purchase price implies multiples of 13.8x non-GAAP EBITDA based on Citoxlab's estimated last twelve-month results prior to the anticipated close, and approximately 11.7x non-GAAP EBITDA based on the estimated forward twelve-month results after the anticipated close.

The proposed acquisition is expected to add \$115 to \$130 million to Charles River's 2019 consolidated revenue based on the anticipated second-quarter close, and approximately \$200 million to 2020 consolidated revenue. Citoxlab's revenue is expected to grow at a high-single-digit rate, which is consistent with the long-term organic revenue growth target for Charles River's Discovery and Safety Assessment (DSA) segment. Citoxlab is expected to be reported as part of Charles River's DSA segment.

The proposed transaction is expected to be accretive to non-GAAP earnings per share by approximately \$0.15 in 2019 and at least \$0.35 in 2020. Items excluded from non-GAAP earnings per share are expected to include all acquisition-related costs, which primarily include amortization of intangible assets, advisory fees, and integration costs.

The proposed acquisition and associated fees are expected to be financed through Charles River's existing revolving credit facility and cash.

Evercore is acting as the exclusive financial advisor to Charles River. Darrois Villey Maillot Brochier is acting as Charles River's transactional legal counsel and Axinn, Veltrop & Harkrider LLP is acting as antitrust counsel. Goodwin Procter LLP is acting as Citoxlab's transactional legal counsel.

### **Webcast**

Charles River Laboratories has scheduled a live webcast on Wednesday, February 13<sup>th</sup>, at 8:30 a.m. EST to discuss its fourth-quarter earnings, 2019 guidance, and matters relating to this news release. To participate, please go to [ir.criver.com](http://ir.criver.com) and select the webcast link. You can also find the associated slide presentation on the website.

### **Use of Non-GAAP Financial Measures**

This news release contains non-GAAP financial measures, such as non-GAAP earnings per diluted share, which exclude the amortization of intangible assets, integration costs, advisory fees, and other charges related to our acquisitions and expenses associated with evaluating acquisitions. We exclude these items from the non-GAAP financial measures because they are outside our normal operations. This news release also refers to our revenue in both a GAAP and non-GAAP (constant currency) basis. There are limitations in using non-GAAP financial measures, as they are not prepared in accordance with generally accepted accounting principles,

and may be different than non-GAAP financial measures used by other companies. In particular, we believe that the inclusion of supplementary non-GAAP financial measures in this news release helps investors to gain a meaningful understanding of our core operating results and future prospects without the effect of these often-one-time charges, and is consistent with how management measures and forecasts the Company's performance, especially when comparing such results to prior periods or forecasts. We believe that the financial impact of our acquisitions (and in certain cases, the evaluation of such acquisitions, whether or not ultimately consummated) is often large relative to our overall financial performance, which can adversely affect the comparability of our results on a period-to-period basis. In addition, certain activities, such as business acquisitions, happen irregularly and the underlying costs associated with such activities do not recur on a consistent basis. Presenting revenue on a constant-currency basis allows investors to measure our revenue growth exclusive of foreign currency exchange fluctuations more clearly. Non-GAAP results also allow investors to compare the Company's operations against the financial results of other companies in the industry who similarly provide non-GAAP results. The non-GAAP financial measures included in this news release 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 periodically assess the potential value of reporting non-GAAP results consistent with applicable rules and regulations. A reconciliation of the effect of this transaction on non-GAAP earnings per share for 2019 and 2020 to the most directly comparable GAAP financial measure has not been included because it is impracticable to determine the allocation of the purchase price for the proposed acquisition and other necessary adjustments at this time.

### **Caution Concerning Forward-Looking Statements**

This news release 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," "would," "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. Forward-looking statements include statements in this news release regarding the proposed acquisition of Citoxlab, expectations regarding the timing of the closing of the proposed acquisition, and Charles River's expectations with respect to the impact of Citoxlab on the Company, its service offerings, client perception, revenue, revenue growth rates, and earnings; Citoxlab's final 2018 financial results; Charles River's projected future performance including revenue and earnings per share; as well as Charles River's future growth in the area of safety assessment. 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 complete the acquisition of Citoxlab. 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 13, 2018, 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.



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## About Charles River

Charles River provides essential products and services to help pharmaceutical and biotechnology companies, government agencies and leading academic institutions around the globe accelerate their research and drug development efforts. Our dedicated employees are focused on providing clients with exactly what they need to improve and expedite the discovery, early-stage development and safe manufacture of new therapies for the patients who need them. To learn more about our unique portfolio and breadth of services, visit [www.criver.com](http://www.criver.com).

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