



SIGNATURES

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

CHARLES RIVER LABORATORIES  
INTERNATIONAL, INC.

Dated: October 29, 2003

By: /s/ Dennis R. Shaughnessy .

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Dennis R. Shaughnessy, Senior Vice  
President, Corporate Development, General  
Counsel and Secretary

Exhibit Index

Exhibit No.  
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Description  
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99.1

Press release dated October 29, 2003.

Charles River Laboratories Announces Third-Quarter  
2003 Results, Confirms Outlook for 2003, and Provides Outlook  
for Continued Growth in 2004

WILMINGTON, Mass.--(BUSINESS WIRE)--Oct. 29, 2003--Charles River Laboratories International, Inc. (NYSE:CRL) today reported third-quarter 2003 net sales of \$151.2 million, a 7.0% increase over the \$141.4 million reported in the third quarter of 2002. Net income for the third quarter of 2003 increased 5.7% to \$19.6 million, or \$0.40 per diluted share, from \$18.5 million, or \$0.38 per diluted share, in the third quarter of 2002. Cash provided by operating activities in the third quarter was \$35.2 million, driving the Company's cash, cash equivalents and marketable securities to a record \$179.7 million at the end of the third quarter.

Operating income for the third quarter of 2003 rose 5.3% to \$34.3 million from \$32.5 million in the third quarter of last year. The Company's operating margin was 22.7% in the third quarter of 2003 compared to 23.0% in the third quarter of last year, a modest decrease that reflected the Company's efforts to manage costs in line with revenue growth.

James C. Foster, Chairman, President and Chief Executive Officer said, "The unsettled drug discovery and development market affected our results in the third quarter, but we nevertheless delivered sales and earnings growth and a significant increase in cash. This demonstrates the value of our diversified product and services offerings, and clearly shows that we can deliver good growth and strong profitability and cash flow despite challenging market conditions."

#### Business Segment Detail

Third-quarter 2003 net sales of \$151.2 million increased 7.0% over the third quarter of 2002. Favorable foreign currency translation contributed approximately 2.5% of the net sales gain.

Third-quarter 2003 net sales for the Research Models segment of the business were \$60.0 million compared to \$56.8 million last year, an increase of 5.7%. The Research Models business was affected by lower growth rates in sales to certain customer segments as the third quarter progressed, due to pharmaceutical mergers, tighter pharmaceutical and biotech spending and more pronounced seasonality. Due to slower sales growth, the gross margin was 42.9% compared to 44.7% in the third quarter of last year. Operating income increased to \$18.7 million in the third quarter compared to \$18.6 million last year, and the operating margin was 31.2% compared to last year's 32.8%.

Net sales for the Biomedical Products and Services segment rose 7.8% in the third quarter, to \$91.2 million from \$84.6 million in the same period last year. The Company's discovery services business, which includes transgenic, laboratory testing, and contract staffing services, and its in vitro business reported significant sales growth in the quarter. The vaccine support business also reported strong sales growth, due principally to consolidation of a Mexican joint venture. Sales for the development services business, which includes the entire range of pre-clinical drug testing services, were lower than in the third quarter of last year, but as evidence of steady improvement, were higher than in the second quarter of 2003. Sales from the acquisition of Springborn Laboratories, acquired in the fourth quarter of 2002, partially offset the development services third-quarter sales decrease.

Higher net sales in the third quarter resulted in an improvement in gross margins for the Biomedical Products and Services segment, to 33.7% from 33.2% in the same period in 2002. Operating income for this segment was \$18.8 million compared to \$17.1 million in the third quarter of last year. The third-quarter operating margin increased to 20.6% from 20.2% last year, and from 18.5% reported in the second quarter of 2003. The increase in the operating margin was due to improved operating efficiency in the discovery services, in vitro and vaccine support businesses as a result of higher net sales, the continuing focus on limiting operating expense growth, and the cost savings program initiated in the development services operation in the second quarter of 2003.

#### Year-to-Date Results

Net sales for the first nine months of 2003 were \$457.7 million, an 11.2% increase over the \$411.7 million reported in the same period last year. Operating income rose 12.9% to \$103.1 million from \$91.3 million last year, and the operating margin increased to 22.5% from 22.2%, primarily as a result of improved operating performance from

the Research Models segment.

Diluted earnings per share for the nine-month period were \$1.22, compared to \$0.70 in the same period last year. This year's nine-month results included a net charge of \$1.6 million, or approximately \$0.02 per diluted share, as a result of an asset impairment charge of \$3.7 million related to the closure of a biopharmaceutical production facility, a French litigation settlement in the Company's favor of \$2.9 million and a charge of \$0.9 million for expenses associated with cost savings initiatives. The results for the first nine months of 2002 included charges of \$29.9 million, or \$0.36 per diluted share, for the early retirement of high-yield debt.

#### 2003 Confirmation/2004 Outlook

The following forward-looking guidance may be affected by uncertain economic and political environments. Guidance is based on current exchange rates, as the Company is unable to predict the effects of any currency fluctuations on its future results, and is exclusive of any acquisitions which may occur.

The Company confirms its guidance provided in September of this year that for 2003, net sales growth is expected to be between 9% and 11%. Net sales growth for the Research Models segment is expected to be between 10% and 12%, and for the Biomedical Products and Services segment is expected to be between 8% and 10%.

The Company also confirms that diluted earnings per share for 2003 are expected to be in a range of \$1.58 to \$1.63.

For 2004, exclusive of any acquisitions, the Company anticipates earnings per diluted share of at least \$1.76, based on net sales growth between 5% and 9%.

Mr. Foster added, "We are very pleased that the business is well positioned for growth in sales, earnings and cash flow for 2004. Although overall demand continues to be affected by pharmaceutical and biotechnology companies' spending patterns, our broad spectrum of products and services enables us to capitalize on opportunities where they are strongest. From a long-term perspective, we believe our business is well positioned as a leading provider to the pharmaceutical and biotechnology industries. Our goal is to maintain that position by delivering an increasing array of high-quality products and services to existing and emerging markets."

#### Webcast

Charles River Laboratories has scheduled a live webcast on Thursday, October 30, at 8:30 a.m. EST to discuss matters relating to this press release. To participate, please go to [ir.criver.com](http://ir.criver.com) and select the webcast link. The webcast will be available until 5:00 p.m. EST on November 6, 2003.

Charles River Laboratories, based in Wilmington, Massachusetts, is a leading provider of critical research tools and integrated support services that enable innovative and efficient drug discovery and development. The Company is the global leader in providing the animal research models required in research and development for new drugs, devices and therapies. The Company also offers a broad and growing portfolio of biomedical products and services that enable customers to reduce cost, increase speed, and enhance productivity and effectiveness in drug discovery and development. Charles River's customer base spans over 50 countries, and includes all of the major pharmaceutical companies, biotechnology companies, and many leading hospitals and academic institutions. The Company operates 82 facilities in 16 countries worldwide.

**Caution Concerning Forward-Looking Statements.** This document 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," "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 are based on management's current expectations, and involve a number of risks and uncertainties that could cause actual results to differ materially from those stated or implied by the forward-looking statements, and the Company expressly does not undertake any duty to update forward-looking statements, which speak only as of the date of this document. Those risks and uncertainties include, but are not limited to: a decrease in pre-clinical research and development spending or a decrease in the level of outsourced services; acquisition integration risks; 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 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 the Company's Annual Report on Form 10-K as filed on March 20, 2003, with the Securities and Exchange Commission.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)  
(dollars in thousands, except for per share data)

|  | Three Months Ended |                   | Nine Months Ended |                   |
|--|--------------------|-------------------|-------------------|-------------------|
|  | Sept. 27,<br>2003  | Sept. 28,<br>2002 | Sept. 27,<br>2003 | Sept. 28,<br>2002 |
| Total net sales  | \$151,194          | \$141,364         | \$457,683         | \$411,685         |
| Cost of products<br>sold and services<br>provided                                  | 94,702             | 87,889            | 283,624           | 255,851           |
| Gross margin   | 56,492             | 53,475            | 174,059           | 155,834           |
| Selling, general<br>and administrative   | 21,003             | 20,023            | 66,491            | 62,329            |
| Other operating<br>expense (income)  | -                  | -                 | 747               | -                 |
| Amortization of<br>intangibles   | 1,233              | 933               | 3,711             | 2,194             |
| Operating income   | 34,256             | 32,519            | 103,110           | 91,311            |
| Interest income<br>(expense)   | (1,722)            | (1,862)           | (5,021)           | (7,515)           |
| Loss on debt<br>retirement   | -                  | (613)             | -                 | (29,882)          |
| Other income<br>(expense)  | 27                 | (48)              | 443               | 1,029             |
| Income before taxes, minority interests<br>and earnings from<br>equity investments | 32,561             | 29,996            | 98,532            | 54,943            |
| Provision for<br>income taxes  | 12,536             | 10,805            | 37,935            | 20,534            |
| Income before minority interests<br>and earnings from<br>equity investments        | 20,025             | 19,191            | 60,597            | 34,409            |
| Minority interests   | (434)              | (717)             | (1,091)           | (2,098)           |
| Earnings from<br>equity investments  | -                  | 57                | -                 | 316               |
| Net income   | \$19,591           | \$18,531          | \$59,506          | \$32,627          |
| Earnings per common<br>share   |                    |                   |                   |                   |
| Basic  | \$0.43             | \$0.41            | \$1.31            | \$0.73            |
| Diluted  | \$0.40             | \$0.38            | \$1.22            | \$0.70            |
| Weighted average number of common shares outstanding                               |                    |                   |                   |                   |
| Basic  | 45,600,735         | 44,836,974        | 45,366,187        | 44,549,632        |
| Diluted  | 51,490,250         | 51,362,263        | 51,288,568        | 50,672,782        |

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)  
(dollars in thousands)

|                           | September 27,<br>2003 | December 28,<br>2002 |
|---------------------------|-----------------------|----------------------|
| Assets                    |                       |                      |
| Current assets            |                       |                      |
| Cash and cash equivalents | \$164,316             | \$127,509            |
| Marketable securities     | 11,192                | -                    |
| Trade receivables, net    | 105,653               | 94,245               |
| Inventories               | 48,541                | 43,892               |
| Other current assets      | 16,389                | 12,446               |
| Total current assets      | 346,091               | 278,092              |

|  |           |           |
|--|-----------|-----------|
| Property, plant and equipment, net         | 193,003   | 187,875   |
| Goodwill, net                              | 103,600   | 96,532    |
| Other intangibles, net                     | 31,020    | 34,204    |
| Deferred tax asset                         | 66,287    | 80,884    |
| Other assets                               | 25,151    | 23,757    |
|  | -----     | -----     |
| Total assets                               | \$765,152 | \$701,344 |
|  | =====     | =====     |
| Liabilities and Shareholders' Equity       |           |           |
| Current liabilities                        |           |           |
| Accounts payable                           | \$12,450  | \$13,084  |
| Accrued compensation                       | 28,996    | 31,825    |
| Deferred income                            | 25,248    | 27,029    |
| Other current liabilities                  | 43,871    | 41,431    |
|  | -----     | -----     |
| Total current liabilities                  | 110,565   | 113,369   |
| Long-term debt                             | 189,690   | 192,420   |
| Other long-term liabilities                | 23,418    | 19,612    |
|  | -----     | -----     |
| Total liabilities                          | 323,673   | 325,401   |
|  | -----     | -----     |
| Minority interests                         | 9,539     | 18,567    |
| Total shareholders' equity                 | 431,940   | 357,376   |
|  | -----     | -----     |
| Total liabilities and shareholders' equity | \$765,152 | \$701,344 |
|  | =====     | =====     |

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.  
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)  
(dollars in thousands)

|                                      | Three Months Ended |                   | Nine Months Ended |                   |
|--------------------------------------|--------------------|-------------------|-------------------|-------------------|
|                                      | Sept. 27,<br>2003  | Sept. 28,<br>2002 | Sept. 27,<br>2003 | Sept. 28,<br>2002 |
| Research Models                      |                    |                   |                   |                   |
| Net sales                            | \$59,986           | \$56,771          | \$189,198         | \$170,214         |
| Gross margin                         | 25,745             | 25,375            | 87,278            | 77,534            |
| Gross margin as a % of net sales     | 42.9%              | 44.7%             | 46.1%             | 45.6%             |
| Operating income                     | 18,703             | 18,596            | 65,746            | 57,121            |
| Operating income as a % of net sales | 31.2%              | 32.8%             | 34.7%             | 33.6%             |
| Depreciation and amortization        | 2,751              | 2,472             | 7,945             | 7,013             |
| Capital expenditures                 | 2,938              | 2,954             | 10,122            | 9,493             |
| Biomedical Products and Services     |                    |                   |                   |                   |
| Net sales                            | \$91,208           | \$84,593          | \$268,485         | \$241,471         |
| Gross margin                         | 30,747             | 28,100            | 86,781            | 78,300            |
| Gross margin as a % of net sales     | 33.7%              | 33.2%             | 32.3%             | 32.4%             |
| Operating income                     | 18,830             | 17,093            | 49,074            | 47,531            |
| Operating income as a % of net sales | 20.6%              | 20.2%             | 18.3%             | 19.7%             |
| Depreciation and amortization        | 4,475              | 3,859             | 13,337            | 10,368            |
| Capital expenditures                 | 2,377              | 4,354             | 9,647             | 12,121            |
| Unallocated Corporate Overhead       | \$(3,277)          | \$(3,170)         | \$(11,710)        | \$(13,341)        |
| Total                                |                    |                   |                   |                   |
| Net sales                            | \$151,194          | \$141,364         | \$457,683         | \$411,685         |
| Gross margin                         | 56,492             | 53,475            | 174,059           | 155,834           |
| Gross margin as a % of net sales     | 37.4%              | 37.8%             | 38.0%             | 37.9%             |
| Operating income                     | 34,256             | 32,519            | 103,110           | 91,311            |
| Operating income as a % of net sales | 22.7%              | 23.0%             | 22.5%             | 22.2%             |
| Depreciation and amortization        | 7,226              | 6,331             | 21,282            | 17,381            |
| Capital expenditures                 | 5,315              | 7,308             | 19,769            | 21,614            |

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