

# 2Q23 Regulation G Financial Reconciliations

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

	Three Months Ended		Six Months Ended	
	July 1, 2023	June 25, 2022	July 1, 2023	June 25, 2022
<b>Research Models and Services</b>				
Revenue	\$ 209,948	\$ 186,410	\$ 409,714	\$ 362,952
Operating income	48,918	39,526	89,327	87,408
Operating income as a % of revenue	23.3 %	21.2 %	21.8 %	24.1 %
Add back:				
Amortization related to acquisitions	5,491	5,472	10,985	9,310
Severance	—	453	—	1,127
Acquisition related adjustments <sup>(2)</sup>	997	971	1,827	1,354
Total non-GAAP adjustments to operating income	\$ 6,488	\$ 6,896	\$ 12,812	\$ 11,791
Operating income, excluding non-GAAP adjustments	\$ 55,406	\$ 46,422	\$ 102,139	\$ 99,199
Non-GAAP operating income as a % of revenue	26.4 %	24.9 %	24.9 %	27.3 %
Depreciation and amortization	\$ 13,949	\$ 13,228	\$ 27,438	\$ 22,697
Capital expenditures	\$ 7,493	\$ 13,850	\$ 26,577	\$ 22,496
<b>Discovery and Safety Assessment</b>				
Revenue	\$ 663,457	\$ 591,917	\$ 1,325,810	\$ 1,136,176
Operating income	161,538	128,793	332,969	233,779
Operating income as a % of revenue	24.3 %	21.8 %	25.1 %	20.6 %
Add back:				
Amortization related to acquisitions	17,744	20,849	35,231	43,214
Severance	—	387	—	461
Acquisition related adjustments <sup>(2)</sup>	2,359	(2,591)	2,603	(5,514)
Site consolidation costs, impairments and other items <sup>(3)</sup>	1,492	2,287	4,297	2,356
Total non-GAAP adjustments to operating income	\$ 21,595	\$ 20,932	\$ 42,131	\$ 40,517
Operating income, excluding non-GAAP adjustments	\$ 183,133	\$ 149,725	\$ 375,100	\$ 274,296
Non-GAAP operating income as a % of revenue	27.6 %	25.3 %	28.3 %	24.1 %
Depreciation and amortization	\$ 43,124	\$ 44,626	\$ 85,574	\$ 91,415
Capital expenditures	\$ 48,326	\$ 41,578	\$ 113,510	\$ 90,508
<b>Manufacturing Solutions</b>				
Revenue	\$ 186,532	\$ 194,804	\$ 353,786	\$ 387,932
Operating income	24,403	62,503	26,509	108,871
Operating income as a % of revenue	13.1 %	32.1 %	7.5 %	28.1 %
Add back:				
Amortization related to acquisitions	11,125	11,373	23,146	23,271
Severance	2,517	271	3,433	378
Acquisition related adjustments <sup>(2)</sup>	2,182	(18,888)	3,011	(14,746)
Site consolidation costs, impairments and other items <sup>(3)</sup>	2,550	519	9,612	1,940
Total non-GAAP adjustments to operating income	\$ 18,374	\$ (6,725)	\$ 39,202	\$ 10,843
Operating income, excluding non-GAAP adjustments	\$ 42,777	\$ 55,778	\$ 65,711	\$ 119,714
Non-GAAP operating income as a % of revenue	22.9 %	28.6 %	18.6 %	30.9 %
Depreciation and amortization	\$ 19,523	\$ 18,000	\$ 39,607	\$ 36,482
Capital expenditures	\$ 10,862	\$ 24,431	\$ 32,600	\$ 47,259

CONTINUED ON NEXT SLIDE

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

	Three Months Ended		Six Months Ended	
	July 1, 2023	June 25, 2022	July 1, 2023	June 25, 2022
<b>CONTINUED FROM PREVIOUS SLIDE</b>				
<b>Unallocated Corporate Overhead</b>	\$ (69,914)	\$ (43,411)	\$ (115,968)	\$ (93,869)
Add back:				
Severance	—	167	—	1,254
Acquisition related adjustments <sup>(2)</sup>	4,799	3,014	7,002	7,130
Total non-GAAP adjustments to operating expense	<u>\$ 4,799</u>	<u>\$ 3,181</u>	<u>\$ 7,002</u>	<u>\$ 8,384</u>
Unallocated corporate overhead, excluding non-GAAP adjustments	\$ (65,115)	\$ (40,230)	\$ (108,966)	\$ (85,485)
<b>Total</b>				
Revenue	\$ 1,059,937	\$ 973,131	\$ 2,089,310	\$ 1,887,060
Operating income	164,945	187,411	332,837	336,189
Operating income as a % of revenue	15.6 %	19.3 %	15.9 %	17.8 %
Add back:				
Amortization related to acquisitions	34,360	37,694	69,362	75,795
Severance	2,517	1,278	3,433	3,220
Acquisition related adjustments <sup>(2)</sup>	10,337	(17,494)	14,443	(11,776)
Site consolidation costs, impairments and other items <sup>(3)</sup>	4,042	2,806	13,909	4,296
Total non-GAAP adjustments to operating income	<u>\$ 51,256</u>	<u>\$ 24,284</u>	<u>\$ 101,147</u>	<u>\$ 71,535</u>
Operating income, excluding non-GAAP adjustments	\$ 216,201	\$ 211,695	\$ 433,984	\$ 407,724
Non-GAAP operating income as a % of revenue	20.4 %	21.8 %	20.8 %	21.6 %
Depreciation and amortization	\$ 77,671	\$ 76,421	\$ 154,740	\$ 151,720
Capital expenditures	\$ 67,383	\$ 82,852	\$ 174,258	\$ 163,316

<sup>(1)</sup> 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 often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

<sup>(2)</sup> These adjustments are related to the evaluation and integration of acquisitions, which primarily include transaction, third-party integration, and certain compensation costs, fair value adjustments associated with contingent consideration arrangements, and an adjustment related to certain indirect tax liabilities.

<sup>(3)</sup> Other items include certain third-party legal costs related to (a) an environmental litigation related to the Microbial business and (b) investigations by the U.S. government into the NHP supply chain applicable to our Safety Assessment business.

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF GAAP EARNINGS TO NON-GAAP EARNINGS (UNAUDITED)<sup>(1)</sup>**  
(in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	July 1, 2023	June 25, 2022	July 1, 2023	June 25, 2022
Net income attributable to common shareholders	\$ 97,020	\$ 109,321	\$ 200,151	\$ 202,343
Add back:				
Non-GAAP adjustments to operating income (Refer to previous schedule)	51,256	24,284	101,147	71,535
Venture capital and strategic equity investment losses, net	1,873	9,612	5,155	23,515
Loss on divestitures <sup>(2)</sup>	1,003	—	562	—
Other <sup>(3)</sup>	596	3,608	495	3,965
Tax effect of non-GAAP adjustments:				
Non-cash tax provision related to international financing structure <sup>(4)</sup>	1,296	1,341	2,420	2,463
Tax effect of the remaining non-GAAP adjustments	<u>(14,759)</u>	<u>(6,293)</u>	<u>(28,658)</u>	<u>(20,813)</u>
Net income attributable to common shareholders, excluding non-GAAP adjustments	<u>\$ 138,285</u>	<u>\$ 141,873</u>	<u>\$ 281,272</u>	<u>\$ 283,008</u>
Weighted average shares outstanding - Basic	51,216	50,823	51,157	50,732
Effect of dilutive securities:				
Stock options, restricted stock units and performance share units	<u>251</u>	<u>460</u>	<u>225</u>	<u>561</u>
Weighted average shares outstanding - Diluted	<u>51,467</u>	<u>51,283</u>	<u>51,382</u>	<u>51,293</u>
Earnings per share attributable to common shareholders:				
Basic	\$ 1.89	\$ 2.15	\$ 3.91	\$ 3.99
Diluted	\$ 1.89	\$ 2.13	\$ 3.90	\$ 3.94
Basic, excluding non-GAAP adjustments	\$ 2.70	\$ 2.79	\$ 5.50	\$ 5.58
Diluted, excluding non-GAAP adjustments	\$ 2.69	\$ 2.77	\$ 5.47	\$ 5.52

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<sup>(2)</sup> Adjustments included in 2023 relate to the gain on sale of our Avian business, which was divested in 2022.

<sup>(3)</sup> Amount included in 2023 relates to a final adjustment on the termination of a Canadian pension plan. Amount included in 2022 relates to the sale of RMS Japan operations in October 2021 and a reversal of an indemnification asset related to a prior acquisition.

<sup>(4)</sup> This amount relates to the recognition of deferred tax assets expected to be utilized as a result of changes to the Company's international financing structure.

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF GAAP REVENUE GROWTH**  
**TO NON-GAAP REVENUE GROWTH, ORGANIC (UNAUDITED) <sup>(1)</sup>**

<b>Three Months Ended July 1, 2023</b>	<b>Total CRL</b>	<b>RMS Segment</b>	<b>DSA Segment</b>	<b>MS Segment</b>
Revenue growth, reported	8.9 %	12.6 %	12.1 %	(4.2)%
Decrease (increase) due to foreign exchange	0.2 %	1.3 %	(0.1)%	— %
Contribution from acquisitions <sup>(2)</sup>	(0.2)%	— %	(0.3)%	— %
Impact of divestitures <sup>(3)</sup>	2.3 %	— %	— %	10.8 %
<b>Non-GAAP revenue growth, organic <sup>(4)</sup></b>	<b>11.2 %</b>	<b>13.9 %</b>	<b>11.7 %</b>	<b>6.6 %</b>
<b>Six Months Ended July 1, 2023</b>	<b>Total CRL</b>	<b>RMS Segment</b>	<b>DSA Segment</b>	<b>MS Segment</b>
Revenue growth, reported	10.7 %	12.9 %	16.7 %	(8.8)%
Decrease due to foreign exchange	1.1 %	1.9 %	1.0 %	0.9 %
Contribution from acquisitions <sup>(2)</sup>	(0.9)%	(4.3)%	(0.3)%	— %
Impact of divestitures <sup>(3)</sup>	2.3 %	— %	— %	10.3 %
<b>Non-GAAP revenue growth, organic <sup>(4)</sup></b>	<b>13.2 %</b>	<b>10.5 %</b>	<b>17.4 %</b>	<b>2.4 %</b>

(1) Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) The contribution from acquisitions reflects only completed acquisitions.

(3) The Company sold our Avian business on December 20, 2022. These adjustments represent the revenue from these businesses for all applicable periods in 2023 and 2022.

(4) Organic revenue growth is defined as reported revenue growth adjusted for acquisitions, divestitures, and foreign exchange.

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP REVENUE AND EARNINGS PER SHARE (EPS)**  
**Guidance for the Twelve Months Ended December 30, 2023E**

2023 GUIDANCE	CURRENT	PRIOR
Revenue growth, reported	2.5% – 4.5%	2.0% – 4.5%
Impact of divestitures/(acquisitions), net	~1.5%	~1.5%
Impact of 53 <sup>rd</sup> week in 2022	~1.5%	~1.5%
Unfavorable/(favorable) impact of foreign exchange	0.0% - (0.5)%	0.0% - (0.5)%
Revenue growth, organic (1)	5.5% – 7.5%	5.0% – 7.5%
GAAP EPS estimate	\$7.60 – \$8.20	\$7.45 – \$8.45
Acquisition-related amortization	~\$2.00	~\$2.00
Acquisition and integration-related adjustments (2)	\$0.20 – \$0.25	~\$0.10
Venture capital and other strategic investment losses/(gains), net (3)	\$0.06	\$0.03
Other items (4)	~\$0.40	\$0.30 – \$0.35
Non-GAAP EPS estimate	\$10.30 – \$10.90	\$9.90 – \$10.90

Footnotes to Guidance Table:

- (1) Organic revenue growth is defined as reported revenue growth adjusted for completed acquisitions and divestitures, the 53<sup>rd</sup> week in 2022, and foreign currency translation.
- (2) These adjustments are related to the evaluation and integration of acquisitions and divestitures, and primarily include transaction, advisory, certain third-party integration costs, and certain costs associated with acquisition-related efficiency initiatives.
- (3) Venture capital and other strategic investment performance only includes recognized gains or losses on certain investments. The Company does not forecast the future performance of these investments.
- (4) These items primarily relate to charges associated with U.S. and international tax legislation that necessitated changes to the Company's international financing structure; certain third-party legal costs related to (a) environmental litigation related to the Microbial Solutions business and (b) investigations by the U.S. government into the NHP supply chain related to our Safety Assessment business; and (c) severance and other costs related to the Company's efficiency initiatives.

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

	<b>Three Months Ended</b>
	<b>April 1, 2023</b>
Unallocated Corporate Overhead	\$ (46,054)
Add back:	
Acquisition related adjustments <sup>(2)</sup>	2,203
Other Items <sup>(3)</sup>	—
Total non-GAAP adjustments to operating expense	\$ 2,203
Unallocated corporate overhead, excluding non-GAAP adjustments	\$ (43,851)

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<sup>(2)</sup> These adjustments are related to the evaluation and integration of acquisitions, which primarily include transaction, third-party integration, and certain compensation costs, and fair value adjustments associated with contingent consideration.

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF GAAP TAX RATE TO NON-GAAP TAX RATE (UNAUDITED) <sup>(1)</sup>**  
(in thousands)

	Three Months Ended			Six Months Ended	
	July 1, 2023	April 1, 2023	June 25, 2022	July 1, 2023	June 25, 2022
Income before income taxes & noncontrolling interests	\$ 128,664	\$ 131,041	\$ 144,113	\$ 259,705	\$ 254,959
Add back:					
Amortization related to acquisitions	34,360	35,002	37,694	69,362	75,795
Severance	2,517	916	1,278	3,433	3,220
Acquisition related adjustments <sup>(2)</sup>	10,337	4,015	(17,494)	14,443	(11,776)
Site consolidation costs, impairments and other items <sup>(3)</sup>	4,042	9,958	2,806	13,909	4,296
Venture capital and strategic equity investment losses (gains), net	1,873	3,282	9,612	5,155	23,515
Loss (gain) on divestitures <sup>(4)</sup>	1,003	(441)	—	562	—
Other <sup>(5)</sup>	596	(101)	3,608	495	3,965
Income before income taxes & noncontrolling interests, excluding specified charges (Non-GAAP)	<u>\$ 183,392</u>	<u>\$ 183,672</u>	<u>\$ 181,617</u>	<u>\$ 367,064</u>	<u>\$ 353,974</u>
Provision for income taxes (GAAP)	\$ 29,221	\$ 27,087	\$ 33,449	\$ 56,308	\$ 49,069
Non-cash tax benefit related to international financing structure <sup>(6)</sup>	(1,296)	(1,124)	(1,341)	(2,420)	(2,463)
Tax effect of the remaining non-GAAP adjustments	14,759	13,899	6,293	28,658	20,813
Provision for income taxes (Non-GAAP)	<u>\$ 42,684</u>	<u>\$ 39,862</u>	<u>\$ 38,401</u>	<u>\$ 82,546</u>	<u>\$ 67,419</u>
Total rate (GAAP)	22.7 %	20.7 %	23.2 %	21.7 %	19.2 %
Total rate, excluding specified charges (Non-GAAP)	23.3 %	21.7 %	21.1 %	22.5 %	19.0 %

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<sup>(2)</sup> These adjustments are related to the evaluation and integration of acquisitions, which primarily include transaction, third-party integration, and certain compensation costs, fair value adjustments associated with contingent consideration arrangements, and an adjustment related to certain indirect tax liabilities.

<sup>(3)</sup> Other items include certain third-party legal costs related to (a) an environmental litigation related to the Microbial business and (b) investigations by the U.S. government into the NHP supply chain applicable to our Safety Assessment business.

<sup>(4)</sup> Adjustments included in 2023 relate to the gain on sale of our Avian business, which was divested in 2022.

<sup>(5)</sup> Amount included in 2023 relates to a final adjustment on the termination of a Canadian pension plan. Amount included in 2022 relates to the sale of RMS Japan operations in October 2021 and a reversal of an indemnification asset related to a prior acquisition.

<sup>(6)</sup> This amount relates to the recognition of deferred tax assets expected to be utilized as a result of changes to the Company's international financing structure.



**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP NET INTEREST EXPENSE <sup>(1)</sup>**  
(in thousands)

	<u>Three Months Ended</u>			<u>Fiscal Year Ended</u>
	<u>July 1, 2023</u>	<u>April 1, 2023</u>	<u>June 25, 2022</u>	<u>December 30, 2023E</u>
GAAP Interest expense, net	\$ 33,618	\$ 33,574	\$ 3,515	\$131,000-\$134,000
Adjustments for foreign exchange forward contract and related interest expense, net <sup>(2)</sup>	—	—	19,423	—
Adjusted Interest expense, net	<u>\$ 33,618</u>	<u>\$ 33,574</u>	<u>\$ 22,938</u>	<u>\$131,000-\$134,000</u>

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<sup>(2)</sup> Amounts reported in total adjusted interest expense include an \$20.5 million gain on a forward contract and \$0.7 million of additional interest expense for the three months ended June 25, 2022.

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF GROSS/NET LEVERAGE RATIO, INCLUDING GAAP NET INCOME TO ADJUSTED EBITDA <sup>(1)</sup>**  
(dollars in thousands, except for per share data)

<b>DEBT <sup>(2)</sup>:</b>	<b>July 1, 2023</b>	<b>April 1, 2023</b>	<b>December 31, 2022</b>	<b>December 25, 2021</b>	<b>December 26, 2020</b>	<b>December 28, 2019</b>	<b>December 29, 2018</b>
Total Debt & Finance Leases	\$ 2,682,195	\$ 2,750,593	\$ 2,711,208	\$ 2,666,359	\$ 1,979,784	\$ 1,888,211	\$ 1,668,014
Plus: Other adjustments per credit agreement	\$ —	\$ 10,543	\$ 13,431	\$ 37,244	\$ 2,328	\$ 712	\$ 3,033
Less: Unrestricted Cash and Cash Equivalents up to \$150M	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ (150,000)			
Total Indebtedness per credit agreement	\$ 2,532,195	\$ 2,611,136	\$ 2,574,639	\$ 2,553,603	\$ 1,982,112	\$ 1,888,924	\$ 1,671,047
Less: Cash and cash equivalents (net of \$150M above)	(50,445)	(51,587)	(83,912)	(91,214)	(228,424)	(238,014)	(195,442)
Net Debt	\$ 2,481,750	\$ 2,559,549	\$ 2,490,727	\$ 2,462,389	\$ 1,753,688	\$ 1,650,910	\$ 1,475,605

<b>ADJUSTED EBITDA <sup>(3)</sup>:</b>	<b>July 1, 2023</b>	<b>April 1, 2023</b>	<b>December 31, 2022</b>	<b>December 25, 2021</b>	<b>December 26, 2020</b>	<b>December 28, 2019</b>	<b>December 29, 2018</b>
Net income attributable to common shareholders	\$ 484,034	\$ 496,335	\$ 486,226	\$ 390,982	\$ 364,304	\$ 252,019	\$ 226,373
Adjustments:							
Adjust: Non-cash gains/losses of VC partnerships & strategic investments	24,342	33,284	35,498	66,004			
Less: Aggregate non-cash amount of nonrecurring gains	(201)	(29,188)	(32,638)	(42,247)	(1,361)	(310)	—
Plus: Interest expense	133,139	122,194	108,870	107,224	76,825	79,586	65,258
Plus: Provision for income taxes	137,618	141,846	130,379	81,873	81,808	50,023	54,996
Plus: Depreciation and amortization	306,889	305,639	303,870	265,540	234,924	198,095	161,779
Plus: Non-cash nonrecurring losses	32,270	28,883	16,572	8,573	16,810	427	559
Plus: Non-cash stock-based compensation	73,798	72,458	73,617	71,461	56,341	57,271	47,346
Plus: Permitted acquisition-related costs	23,196	29,222	34,453	51,256	18,750	34,827	19,181
Plus: Pro forma EBITDA adjustments for permitted acquisitions	—	884	5,306	4,008	8	12,320	15,648
Adjusted EBITDA (per the calculation defined in compliance certificates)	\$ 1,215,085	\$ 1,201,557	\$ 1,162,153	\$ 1,004,675	\$ 848,408	\$ 684,259	\$ 591,140

<b>LEVERAGE RATIO:</b>	<b>July 1, 2023</b>	<b>April 1, 2023</b>	<b>December 31, 2022</b>	<b>December 25, 2021</b>	<b>December 26, 2020</b>	<b>December 28, 2019</b>	<b>December 29, 2018</b>
Gross leverage ratio per credit agreement (total debt divided by adjusted EBITDA)	2.08	2.17	2.22	2.54	2.34	2.76	2.83
Net leverage ratio (net debt divided by adjusted EBITDA)	2.0	2.1	2.1	2.5	2.1	2.4	2.5

<b>INTEREST COVERAGE RATIO:</b>	<b>July 1, 2023</b>	<b>April 1, 2023</b>	<b>December 31, 2022</b>	<b>December 25, 2021</b>
Capital Expenditures	335,675	351,144	326,338	232,149
Cash Interest Expense	135,774	124,431	110,731	107,389
Interest Coverage ratio per the credit agreement (Adjusted EBITDA minus Capital Expenditures divided by cash interest expense)	6.48x	6.83x	7.55x	7.19x

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<sup>(2)</sup> Pursuant to the definition in its credit agreement dated April 21, 2021, the Company has defined its pro forma leverage ratio as total debt divided by adjusted EBITDA for the trailing-twelve-month period. The Company has defined interest coverage ratio as adjusted EBITDA for the trailing-twelve-month period less the aggregate amount of capital expenditures for the trailing-twelve-period, divided by the consolidated interest expense for the period of four consecutive fiscal quarters.

Total Debt represents third-party debt and financial lease obligations minus up to \$150M of unrestricted cash and cash equivalents. Adjusted EBITDA represents net income, prepared in accordance with accounting principles generally accepted in the U.S. (GAAP), adjusted for interest, taxes, depreciation and amortization, and certain items that management believes are not reflective of the operational performance of the business. These adjustments include, but are not limited to, non-cash gains/loss on venture capital portfolios and strategic partnerships, acquisition-related expenses including transaction and advisory costs; asset impairments; changes in fair value of contingent consideration obligations; employee stock compensation; historical EBITDA of companies acquired during the period; and other items identified by the company.

Total Debt and EBITDA have not been restated for periods prior to Q1 2021.

**CHARLES RIVER LABORATORIES INTERNATIONAL, INC.**  
**RECONCILIATION OF FREE CASH FLOW (NON-GAAP) <sup>(1)</sup>**  
(in thousands)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>		<u>Fiscal Year Ended</u>
	<u>July 1, 2023</u>	<u>June 25, 2022</u>	<u>July 1, 2023</u>	<u>June 25, 2022</u>	<u>December 30, 2023E</u>
Net cash provided by operating activities	\$ 148,122	\$ 149,474	\$ 257,505	\$ 252,104	\$680 - \$730 million
Less: Capital expenditures	(67,383)	(82,852)	(174,258)	(163,316)	\$340 - \$360 million
Free cash flow	<u>\$ 80,739</u>	<u>\$ 66,622</u>	<u>\$ 83,247</u>	<u>\$ 88,788</u>	<u>\$330 - \$380 million</u>

<sup>(1)</sup> 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 often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

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