

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

FORM 8-K

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

October 28, 2004

Date of Report (Date of earliest event reported)

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

Delaware 333-92383 06-1397316
(State or Other Jurisdiction (Commission File Number) (I.R.S. Employer
of Incorporation) Identification No.)

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

978-658-6000
(Registrant's Telephone Number, including Area Code)

ITEM 2.02. Results of Operations and Financial Condition

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

On October 28, 2004, Charles River Laboratories International, Inc. issued a press release providing financial results for the fiscal quarter ended September 25, 2004. The press release, attached as an exhibit to this report, includes "safe harbor" language pursuant to the Private Securities Litigation Reform Act of 1995, as amended, indicating that certain statements about Charles River's business contained in the press release are "forward-looking" rather than historic. The press release also states that these and other risks relating to Charles River are set forth in the documents filed by Charles River with the Securities and Exchange Commission.

ITEM 9.01. Financial Statements and Exhibits

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

This exhibit is furnished pursuant to Item 12 hereof and should not be deemed to be "filed" under the Securities Exchange Act of 1934, as amended.

99.1 Press release dated October 28, 2004.

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 28, 2004

By: /s/ Dennis R. Shaughnessy

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

Exhibit Index

Exhibit No.

Description

99.1

Press release dated October 28, 2004.

Charles River Laboratories Announces Record Third-Quarter 2004 Results and Provides Guidance for Fourth Quarter 2004

WILMINGTON, Mass.--(BUSINESS WIRE)--Oct. 28, 2004--Charles River Laboratories International, Inc. (NYSE:CRL):

- Sales Increase 16% and Operating Income Increases 27%
- Operating Margin Reaches a Record 24.6%
- Earnings Per Share Rise 28% to \$0.51

Charles River Laboratories International, Inc. (NYSE:CRL) today reported third-quarter 2004 net sales of \$176.0 million, a 16.4% increase over the \$151.2 million reported in the third quarter of 2003. Net income for the third quarter of 2004 increased 31.8% to \$25.8 million, or \$0.51 per diluted share, from \$19.6 million, or \$0.40 per diluted share, in the third quarter of 2003.

Operating income for the third quarter of 2004 rose 26.6% to \$43.4 million from \$34.3 million in the third quarter of last year. The Company's operating margin reached a record 24.6%, compared to 22.7% in the third quarter of last year. The operating margin increase resulted from higher sales and improved operating efficiency in both the Research Models and Services segment and the Development and Safety Testing segment.

James C. Foster, Chairman, President and Chief Executive Officer said, "Our third-quarter results were outstanding, reflecting the value of our portfolio of essential products and services, our focused sales efforts, and the strength of the market for products and services that support the drug discovery and development process. Both business segments delivered strong results, benefiting from increased spending by pharmaceutical and biotechnology companies and by academic research institutions. Higher sales and our consistent focus on expense management enabled us to generate an operating margin of 24.6%, just slightly higher than in the second quarter, and a new record for the Company."

Mr. Foster continued, "Closing the merger with Inveresk Research Group on October 20 was a momentous event for Charles River. It marked our transformation into a leading global provider of high quality, value-added products and services which now span the entire drug development process from early discovery through the clinic. In addition to being a global leader in research models and services, we are now a global leader in drug safety testing, a significant provider of Phase I-IV clinical development services, and of biosafety testing on a worldwide basis. The new Charles River is extremely well positioned to meet the needs of its customers and to support them in their goal to bring new drugs, therapies, and medical devices to market faster and more efficiently."

Business Segments Results

Third-quarter 2004 net sales for the Research Models and Services (RMS) segment of the business were \$111.9 million compared to \$99.1 million last year, an increase of 12.9%. The double-digit growth reflected increased customer demand, higher prices, and favorable foreign currency translation. Increased capacity utilization resulted in a gross margin of 42.0%, compared to 39.5% in the third quarter of last year. Higher sales and increased operating efficiencies resulted in a 24.1% increase in operating income, to \$35.8 million in the third quarter with an operating margin of 32.0%, compared to last year's \$28.9 million and 29.1%.

Net sales for the Development and Safety Testing (DST) segment rose 23.1% in the third quarter, to \$64.2 million from \$52.1 million in the same period last year. Demand for outsourced development services, particularly general and specialty toxicology, continued to be robust. The Company's efforts to integrate and harmonize its Development Services business and to focus its sales efforts, combined with a strong market, resulted in sales and margin growth. The segment's gross margin increased to 34.9% from 33.2% in the third quarter of 2003. Operating income rose to \$12.0 million from \$8.7 million in the third quarter of last year. The third-quarter operating margin increased to 18.8% from 16.6% last year, reflecting greater operating efficiencies as a result of higher sales, and the benefit of efforts to streamline the Development Services business.

Year-to-Date Results

Net sales for the first nine months of 2004 were \$528.9 million, a 15.6% increase over the \$457.7 million reported in the same period last year. As a result of higher net sales and increased capacity utilization, the gross margin rose to 40.2% from 38.0% in the first nine months of 2003. Operating income increased 23.3% to \$127.1 million from \$103.1 million last year, and the operating margin increased to 24.0% from 22.5%, due primarily to improved operating performance from the DST segment.

Diluted earnings per share for the first nine months of 2004 increased 13.9%, to \$1.39 from \$1.22 in the same period last year. Non-GAAP earnings per diluted share rose 21.0% in the first nine months of 2004, to \$1.50 from \$1.24

in the same period in 2003. Non-GAAP earnings per share for the first nine months of 2004 excluded a net charge of \$5.8 million, or approximately \$0.11 per diluted share, related to the write-off of a deferred tax asset and release of a related tax valuation allowance, in connection with the European reorganization implemented in the first quarter of the year. Non-GAAP earnings per share for the first nine months of 2003 excluded a net charge of \$1.7 million, or approximately \$0.02 per diluted share, as a result of an asset impairment charge of \$3.7 million related to the scale-back 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 reduction initiatives. Charles River believes that the foregoing comparison of non-GAAP earnings is useful to investors in assessing the performance of the business on an ongoing basis, since the specified charges are unusual in nature.

Merger with Inveresk Research Group

On October 20, 2004, Charles River and Inveresk Research Group held special shareholder meetings at which their merger was approved. It became effective the same day.

Mr. Foster said, "Our newly combined company allows us to provide customers with broader support for their efforts to bring new drugs, devices and therapies to market, and affords Charles River a platform to expand our pre-clinical and clinical businesses and develop new closely related businesses with potential for further growth."

Charles River is moving forward briskly to implement its integration plan. An integration steering committee was established immediately following the merger announcement on July 1, 2004, comprised of senior management of both Charles River and Inveresk. A number of sub-committees have been created to accomplish specific tasks including integration of business operations, sales and marketing, information technology, human resources, accounting and finance, security, and regulatory guidelines. The Company is focusing significant resources on integration planning and implementation, and efforts are well underway.

Following the merger with Inveresk, Charles River will report three business segments: Research Models and Services, Pre-Clinical Services, and Clinical Services. Management believes that these segments best reflect the manner in which it manages the business.

2004 Outlook

The following forward-looking guidance is based on current foreign exchange rates and includes the expected impact of the Inveresk merger on the Company's results of operations.

For the fourth quarter of 2004, the Company expects net sales to increase between 44% and 47% due to consolidation of Inveresk sales for approximately two months and continued strong demand for the Company's products and services. Based on the anticipated higher net sales and cost synergies, earnings per diluted share are expected to be in a range of \$0.23 to \$0.26. Non-GAAP earnings per diluted share are expected to be in a range of \$0.46 to \$0.48, which excludes amortization of intangible assets of approximately \$20.0 million and other merger-related charges of approximately \$1.5 million, an estimated total of \$21.5 million, or \$0.22 to \$0.23 per diluted share.

For 2004, the Company anticipates that net sales will increase between 21% and 24% as a result of the consolidation of Inveresk and strong market demand. The Company expects 2004 earnings per diluted share to be in a range of \$1.58 to \$1.61. Excluding merger-related amortization of intangibles and other charges, and the one-time net charge associated with the reorganization of the European operations, non-GAAP earnings per diluted share are expected to be between \$1.96 and \$1.98.

Upcoming 2005 Guidance Meeting

Charles River Laboratories will hold a meeting for investors on Wednesday, December 15, 2004, in New York City to provide guidance for 2005. Please contact Charles River's Investor Relations Department for further information.

Webcast

Charles River Laboratories has scheduled a live webcast on Friday, October 29, at 8:30 a.m. ET to discuss matters relating to this press release. To participate, please go to ir.criver.com and select the webcast link. The webcast will be available until 5:00 p.m. ET on November 5, 2004.

About Charles River Laboratories

Charles River Laboratories (CRL), based in Wilmington, Massachusetts, is a global provider of solutions that advance the drug discovery and development process. Our leading-edge products and services are designed to enable our clients to bring drugs to market faster and more efficiently. Backed by our rigorous, best-in-class procedures and our proven data collection, analysis and reporting capabilities, our products and services are organized into three

categories spanning every step of the drug development pipeline: Research Models and Services, Pre-Clinical Services, and Clinical Services. CRL's customer base includes all of the major pharmaceutical companies, biotechnology companies, government agencies and many leading hospitals and academic institutions. Charles River's 7,500 employees serve clients in more than 50 countries. For more information on CRL, visit our website at www.criver.com.

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. Forward-looking statements are based on Charles River's current expectations and beliefs, 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. Those risks and uncertainties include, but are not limited to: challenges arising from the merger with Inveresk Research Group; a decrease in 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 tax regulation and laws; changes in generally accepted accounting principles; and any changes in business, political, or economic conditions due to the threat of future terrorist activity in the U.S. and other parts of the world, and related U.S. military action overseas. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Charles River's Registration Statement on Form S-4 as filed on September 16, 2004, 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.

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. 25, 2004	Sept. 27, 2003	Sept. 25, 2004	Sept. 27, 2003
Total net sales	\$176,026	\$151,194	\$528,856	\$457,683
Cost of products sold and services provided	106,629	94,702	316,010	283,624
Gross margin	69,397	56,492	212,846	174,059
Selling, general and administrative	24,821	21,003	82,161	66,491
Other operating expenses, net	-	-	-	747
Amortization of intangibles	1,202	1,233	3,591	3,711
Operating income	43,374	34,256	127,094	103,110
Interest income (expense)	(1,224)	(1,722)	(3,949)	(5,021)
Other, net	(83)	27	44	443
Income before income taxes and minority interests	42,067	32,561	123,189	98,532
Provision for income taxes	15,775	12,536	51,985	37,935
Income before minority interests	26,292	20,025	71,204	60,597
Minority interests	(471)	(434)	(1,489)	(1,091)
Net income	\$25,821	\$19,591	\$69,715	\$59,506
Earnings per common share				
Basic	\$0.56	\$0.43	\$1.51	\$1.31
Diluted	\$0.51	\$0.40	\$1.39	\$1.22
Weighted average number of common shares				

outstanding				
Basic	46,160,504	45,600,735	46,020,766	45,366,187
Diluted	52,552,617	51,490,250	52,395,604	51,288,568

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

	September 25, 2004	December 27, 2003
Assets		
Current assets		
Cash and cash equivalents	\$259,406	\$182,331
Marketable securities	10,857	13,156
Trade receivables, net	128,601	111,514
Inventories	55,572	52,370
Other current assets	10,924	11,517
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Total current assets	465,360	370,888
Property, plant and equipment, net	209,193	203,458
Goodwill, net	114,970	105,308
Other intangibles, net	31,014	30,415
Deferred tax asset	51,227	61,603
Other assets	35,284	27,882
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Total assets	\$907,048	\$799,554
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Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$15,487	\$19,433
Accrued compensation	35,550	27,251
Deferred income	37,321	30,846
Other current liabilities	47,710	36,821
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Total current liabilities	136,068	114,351
Long-term debt	185,394	185,600
Other long-term liabilities	25,351	24,804
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Total liabilities	346,813	324,755
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Minority interests	9,411	10,176
Total shareholders' equity	550,824	464,623
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Total liabilities and shareholders' equity	\$907,048	\$799,554
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CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)
(dollars in thousands)

	Three Months Ended		Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003	Sept. 25, 2004	Sept. 27, 2003
Research Models and Services				
Net sales	\$111,862	\$99,079	\$338,662	\$304,702
Gross margin	47,022	39,165	145,311	127,104
Gross margin as a % of net sales	42.0%	39.5%	42.9%	41.7%
Operating income	35,836	28,866	110,322	97,902
Operating income as a % of net sales	32.0%	29.1%	32.6%	32.1%
Depreciation and amortization	4,354	3,959	12,640	11,489
Capital expenditures	6,249	3,450	14,196	13,377
Development and Safety Testing				
Net sales	\$64,164	\$52,115	\$190,194	\$152,981
Gross margin	22,375	17,327	67,535	46,955
Gross margin as a % of net sales	34.9%	33.2%	35.5%	30.7%
Operating income	12,043	8,667	36,320	16,918
Operating income as a % of net sales	18.8%	16.6%	19.1%	11.1%
Depreciation and				

amortization	3,725	3,267	10,972	9,793
Capital expenditures	3,538	1,865	7,915	6,392
Unallocated Corporate Overhead	\$(4,505)	\$(3,277)	\$(19,548)	\$(11,710)
Total				
Net sales	\$176,026	\$151,194	\$528,856	\$457,683
Gross margin	69,397	56,492	212,846	174,059
Gross margin as a % of net sales	39.4%	37.4%	40.2%	38.0%
Operating income	43,374	34,256	127,094	103,110
Operating income as a % of net sales	24.6%	22.7%	24.0%	22.5%
Depreciation and amortization	8,079	7,226	23,612	21,282
Capital expenditures	9,787	5,315	22,111	19,769

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

	Three Months Ended		Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003	Sept. 25, 2004	Sept. 27, 2003
Net income	\$25,821	\$19,591	\$69,715	\$59,506
Add back:				
Deferred tax asset write-off	-	-	7,900	-
Valuation allowance release	-	-	(2,111)	-
Impairment charge	-	-	-	3,655
Litigation settlement	-	-	-	(2,908)
Severance charges	-	-	-	871
Tax effect of impairment charge, litigation settlement and severance charges	-	-	-	(623)
Net income, excluding specified charges (Non-GAAP)	\$25,821	\$19,591	\$75,504	\$60,501

Calculation of earnings per common share, excluding specified charges (Non-GAAP):				
Net income for purposes of calculating earnings per share, excluding specified charges (Non-GAAP)	\$25,821	\$19,591	\$75,504	\$60,501
After tax equivalent interest expense on 3.5% senior convertible debentures	1,012	996	3,035	2,987

Income for purposes of calculating diluted earnings per share, excluding specified charges (Non-GAAP)	\$26,833	\$20,587	\$78,539	\$63,488
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Weighted average shares outstanding - Basic	46,160,504	45,600,735	46,020,766	45,366,187
Effect of dilutive securities:				
3.5% senior convertible debentures	4,759,455	4,759,455	4,759,455	4,759,455
Stock options and contingently issued restricted stock	1,293,848	805,720	1,277,632	762,780
Warrants	338,810	324,340	337,751	400,146

Weighted average shares outstanding - Diluted	52,552,617	51,490,250	52,395,604	51,288,568
	=====	=====	=====	=====
Basic earnings per share	\$0.56	\$0.43	\$1.51	\$1.31
Diluted earnings per share	\$0.51	\$0.40	\$1.39	\$1.22
Basic earnings per share, excluding specified charges (Non-GAAP)	\$0.56	\$0.43	\$1.64	\$1.33
Diluted earnings per share, excluding specified charges (Non-GAAP)	\$0.51	\$0.40	\$1.50	\$1.24

Charles River management believes that non-GAAP financial results provide useful information to investors in being able to assess the Company's ongoing operations without the effect of one-time charges. Such information provides investors with the ability to assess the Company's operating performance. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules and regulations.

CONTACT: Charles River Laboratories International, Inc.
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