Charles River Laboratories 2Q 2025 Results

August 6, 2025

Safe Harbor

Caution Concerning Forward-Looking Statements. This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate,” “believe,” “expect,” “intend,” “will,” “may,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters.

These statements also include statements about our projected future financial performance (including without limitation revenue and revenue growth rates, revenue growth drivers, operating income and margin, earnings per share, capital expenditures, operating and free cash flow, interest expense, interest rates, effective tax rate and tax benefits, foreign exchange rates, corporate expenses and costs, profitability, sales volume, and leverage ratios) whether reported, constant currency, organic, and/or factoring acquisitions, with respect to Charles River as a whole and/or any of our reporting or operating segments or business units, including with respect to our CDMO business; the impact of specific actions intended to cause improvements to specific reporting or operating segments or business units; our ability to achieve our financial goals; our expectations with respect to the impact of external interest rate fluctuations; our annual and other financial guidance; the assumptions that form the basis for our revised annual guidance; contract renewal rates; the estimated diluted shares outstanding; the expected performance of our venture capital and other strategic investments; client demand, including trends and the future demand for drug discovery, development, and CDMO products and services, and our intentions to expand those businesses, including our investments in our portfolio, the impact of client loss on our financial results, and the impact of client demand on certain of our business’ utilization capacity; our expectations with respect to the use of New Approach Methodologies (“NAMs”), including adoption timing and the financial impact of our continued investments in NAMs; the impact of the U.S. Food and Drug Administration’s April 2025 announcement of its intention to reduce animal testing in preclinical safety studies; our expectations with respect to study volume and mix; the impact of foreign exchange; our expectations with respect to our cancellation rate and the impact of such cancellations; the impact of significant developments or changes in national laws or policies to protect or promote domestic interests and/or address foreign competition, including tariffs and proposed tariffs and our expectations with respect to offsetting associated costs, and potential budget cuts to the U.S. National Institutes of Health; our plans or prospects, expectations and long-term goals associated with our business; our expectations concerning the Company's commitment to, and ability to create long-term value for shareholders; results and impact of the Strategic Planning and Capital Allocation Committee’s comprehensive strategic review and evaluation of Charles River’s business and prospects; the impact of potential changes in Federal Reserve interest rates; our expectations regarding our expected acquisition and divestiture activity, stock repurchases and debt repayment; the development and performance of our services and products; expectations with respect to pricing, including the impact of price fluctuations, and scheduling of our products and services; market and industry conditions, including industry consolidation and the Company’s share of any market it participates in, outsourcing of services and identification of spending and scheduling trends by our clients and funding available to them; our expectations with respect to non-human primate (NHP) supply and the impact of the investigation by the U.S. Securities and Exchange Commission , including but not limited to the impact on our projected future financial performance; our ability to cooperate fully with the U.S. government; the timing to develop and implement and provide additional disclosure regarding new procedures regarding importation of NHPs, including procedures to reasonably ensure that NHPs imported to the United States are legally sourced; our expectations regarding the availability of NHPs, including the number of NHPs utilized in our studies and fluctuations in the number of NHPs sourced from origin countries; our expectations with respect to the adoption of animal alternatives; our ability to effectively manage constraints on NHP supply, including but not limited to as affected by our voluntary suspension of planned future shipments of NHPs from Cambodia, including expectations with respect to the amount of NHP-related work will be conducted in the U.S., any progress with regard to additional mitigation efforts, and the timing of shipments of NHPs from countries other than Cambodia; the impact of timing of NHP shipments; our compliance with the maintenance covenants under our credit agreement; the impact of the Company’s efforts to gain additional market share; the impact and timing of operations and cost structure alignment efforts, including on an annualized basis; the impact of hiring and increased staffing needs; the impact of bonus accruals; our expectations with respect to bookings, including impact on our financial performance and results; the potential outcome of, and impact to, our business and financial operations due to litigation and legal proceedings and tax law changes, including anticipated cash tax savings; our business strategy, including with respect to capital deployment and facilities expansion; our success in identifying, consummating, and integrating, and the impact of our acquisitions and divestitures, including the Noveprim acquisition, on the Company, our financial results, our service offerings, client perception, strategic relationships, earnings, and synergies; our ability to differentiate from the competition; our expectations regarding the financial performance of the companies we have acquired; our strategic agreements with our clients and opportunities for future similar arrangements; our ability to obtain new clients in targeted market segments and/or to predict which client segments will be future growth drivers; the impact of our investments in specified business lines, products, sites and geographies, including the impact of our virtual power purchase agreements; our ability to meet economic challenges; and Charles River’s future performance as otherwise delineated in our forward-looking guidance.

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: NHP supply constraints and the investigation by the U.S. Securities and Exchange Commission, including the impact on our projected future financial performance, the impact of actions intended to restrict the availability of purpose-bred NHPs from Cambodia, the timing of the resumption of Cambodia NHP imports, and our ability to manage supply impact; the ability to successfully integrate businesses we acquire, including Noveprim; our ability to identify and implement growth opportunities; the balance of our financial outlook; the timing, methodology, and magnitude of our share repurchases; negative trends in research and development spending, negative trends in the level of outsourced services, or other cost reduction actions by our clients; the ability to leverage and convert backlog to revenue; special interest groups; contaminations; industry trends; new displacement technologies; USDA and FDA regulations; changes in law; continued availability of products and supplies; loss of key personnel; interest rate and foreign currency exchange rate fluctuations; changes in tax regulation and laws; changes in generally accepted accounting principles; and any changes in business, political, or economic conditions due to the threat of future terrorist activity in the U.S. and other parts of the world, and related U.S. military action overseas. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Charles River's Annual Report on Form 10-K as filed on February 19, 2025, 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 presentation except as required by law.

Regulation G

This presentation includes discussion of non-GAAP financial measures. We believe that the inclusion of these non-GAAP financial measures provides useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often one-time charges, consistent with the manner in which management measures and forecasts the Company’s performance. The non-GAAP financial measures included in this presentation are not meant to be considered superior to or a substitute for results of operations prepared in accordance with GAAP. The company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules and regulations. In accordance with Regulation G, you can find the comparable GAAP measures and reconciliations to those GAAP measures on our website at ir.criver.com.

Solid 2Q25 Performance

- Another solid financial performance in 2Q25, meaningfully exceeding our prior outlook due primarily to favorable DSA results
  - DSA benefited from strong booking activity recorded in prior quarter (1Q25)
- Corresponding lift in 1H25 results is primary driver leading us to raise financial guidance for 2025
  - To a lesser extent, favorable movements in foreign exchange rates (FX) also contributed to 2Q25 outperformance and increased 2025 outlook
- Overall, we have continued to see clear signs that demand is stabilizing
- Over the past several quarters, global biopharma trends appear to have bottomed and believe they are beginning to move slowly upward as more clients have progressed through their restructuring activities and getting back to work
- Biotech environment is stable but mixed:
  - Smaller biotechs still more cash constrained, due in part to biotech funding slowdown
  - Mid-sized biotechs are performing better, as many can support their R&D programs without external funding

Demand Trend Update

- Key DSA demand trends – coupled with constructive discussions with our biopharmaceutical clients – have reinforced our believe that the preclinical demand environment is stabilizing
- In 2Q25, both gross and net DSA bookings increased at mid-single-digit rates YOY
  - Resulted in solid 6% and 13% increases in first-half gross and net bookings, respectively
- While this bookings performance reflected an improving demand environment in 1H25, net book-to-bill dipped back below 1x in 2Q25, to 0.82x
  - This was anticipated and largely driven by a sequential increase in cancellations and DSA revenue outperformance
- We never expected a straight-line recovery in the net book-to-bill or broader DSA demand trends
  - A sustained improvement in our businesses will not be linear
- DSA net book-to-bill trends over the past 18 months have reflected a steady upward trajectory

	1H25	2H24	1H24
DSA Net Book-to-Bill	0.93x	0.85x	0.80x

Demand Trend Update

- DSA business—and our overall non-GAAP financial results—continued to significantly outperform our expecations
  - Making gradual progress towards achieving a return to organic revenue growth
- Recognize that some uncertainty persists in the broader healthcare landscape and continue to take a measured and prudent approach to our outlook
- While we have not factored in further demand improvement this year, it is encouraging that the overall demand environment shows signs of stabilization
- Have not observed any meaningful impact to-date on client spending patterns stemming from tariffs or drug pricing concerns
- Effects of government funding reductions – including at the NIH – have been minimal

2Q25 Revenue

($ in millions)	2Q25	2Q24	YOY Δ	Organic Δ
Revenue	$1,032.1	$1,026.1	0.6%	(0.5)%

- On a reported basis, nearly half of the 2Q25 revenue outperformance was driven by FX
- Organic revenue decline driven by a low-single-digit decline in DSA segment, partially offset by low-single-digit revenue increases in RMS and Manufacturing segments
- Revenue for small and mid-sized biotech clients improved slightly for the third consecutive quarter
- Revenue for global biopharma clients remained below last year's level, but improved sequentially from 1Q25
- Revenue for global academic and government clients increased at a mid-single-digit rate (excl. FX) in 2Q25

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

2Q25 Operating Margin

	2Q25	2Q24	YOY Δ
GAAP OM%	9.7%	14.8%	(510) bps
Non-GAAP OM%	22.1%	21.3%	80 bps

- Non-GAAP operating margin improvement across all three business segments, primarily reflecting:
  - Benefit of cost savings from our previous restructuring actions
    - On pace to generate a run rate of >$175M in cost savings this year and ~$225M next year
  - Operating leverage from better-than-expected 1H25 sales volume
  - CDMO benefit of revenue and payments from commercial clients, most of which will not repeat in 2H25 as previously disclosed

See ir.criver.com for reconciliations of GAAP to Non-GAAP results.

2Q25 EPS

	2Q25	2Q24	YOY Δ
GAAP EPS	$1.06	$1.74	(39.1)%
Non-GAAP EPS	$3.12	$2.80	11.4%

- Non-GAAP operating margin improvement was primary driver of robust earnings growth
- Most of earnings outperformance (non-GAAP) versus our prior outlook was operationally driven, with additional $0.12 benefit from a lower-than-expected tax rate

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Increasing Revenue & Non-GAAP EPS Guidance

- Raising revenue and non-GAAP EPS guidance, largely to reflect 2Q25 outperformance
  - Revenue guidance by +150 bps to 1%-3% decrease organically
  - Non-GAAP EPS by +$0.55 at midpoint to $9.90-$10.30
- In addition to DSA-driven operational outperformance, FY 2025 guidance will benefit by $0.14 from more favorable FX rates versus our May outlook
- Below-the-line items will largely offset each other, as 2H25 tax headwind will be offset by lower interest expense for 2025

Updated 2025 Guidance

	REVISED	PRIOR
Revenue growth, reported	(2.5)%-(0.5)%	(5.5)%-(3.5)%
Impact of divestitures/(acquisitions), net	N/M	N/M
(Favorable)/unfavorable impact of FX	~(0.5)%	~1.0%
Revenue growth, organic	(3.0)%-(1.0)%	(4.5)%-(2.5)%
GAAP EPS estimate	$4.25-$4.65	$4.35-$4.85
Acquisition-related amortization and other acquisition and integration-related costs	~$3.60	~$3.50
Costs associated with restructuring actions	~$1.40	~$1.00
Certain venture capital and other strategic investment losses/(gains), net	~$0.17	~$0.15
Other items	~$0.50	~$0.30
Non-GAAP EPS estimate	$9.90-$10.30	$9.30-$9.80

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

DSA Results – Revenue

($ in millions)	2Q25	2Q24	YOY Δ
Revenue, reported	$618.0	$627.4	(1.5)%
(Favorable)/unfavorable impact of FX			(1.1)%
Impact of divestitures			0.2%
Revenue growth, organic			(2.4)%

- Organic revenue decline driven by lower revenue for both discovery and safety assessment services
- Lower sales volume partially offset by favorable mix of higher-priced, longer-duration and specialty studies again this quarter
- Consistent with our May commentary, favorable mix does not signal a broader improvement in pricing
- We continue to believe that spot pricing remains stable overall

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

DSA Demand KPIs

Period	Qtr-End Backlog* ($ in billions)	Net Bookings* ($ in millions)	Net Book-to-Bill** (Quarterly)
2Q25	$1.93	$506	0.82x
1Q25	$1.99	$616	1.04x
4Q24	$1.97	$510	0.85x
3Q24	$2.12	$522	0.85x
2Q24	$2.16	$482	0.77x

- Changes in backlog and net bookings may not foot due primarily to quarterly FX impacts, as well as other reconciling items. Figures are presented on a reported basis, not adjusted for FX.

** Note: DSA net book-to-bill calculated by taking quarterly net bookings divided by quarterly DSA revenue.

DSA Demand KPIs, cont.

- 2Q25 gross and net bookings both improved at mid-single-digit rates YOY, but declined sequentially primarily for global biopharma clients
- Sequential decline was not a surprise, as we had previously said that global biopharma clients started the year strong, with a resurgence of booking activity for projects they had delayed or deprioritized at end of 2024 and wanted to start quickly in 1Q25
  - Did not expect 1Q25 bookings strength to continue through remainder of 2025
- Proposal activity for global biopharmas increased at a healthy pace in 2Q25 – both YOY and sequentially
  - Reinforces our belief that demand from this client base has stabilized
- Demand KPIs for small and mid-sized biotech clients remained consistent with overall trends that we described in 1Q25, supporting our belief that demand for this client base is also stable
  - Biotech proposals moderately declined in 2Q25
- DSA cancellations increased in both client segments to levels consistent with 1H24, but higher than last three quarters
- Higher cancellations were more focused on long-term, post-IND work
- 1H25 net book-to-bill was at its highest level since end of 2022 and reflects upward demand trajectory compared to recent years

DSA Outlook

- Reflecting solid 2Q25 performance and DSA KPIs that underpin our outlook, now expect DSA revenue to decline at a low- to mid-single-digit rate in 2025
  - Improvement from prior outlook of a mid-single-digit decline
- As we have said many times, our business is not linear, and we need to assess demand trends on an annual or multi-quarter basis
- Demand environment continue to support our outlook for 2025, which is not predicated on net book-to-bill returning to 1x
- Believe DSA business has stabilized and is beginning to show signs of gradual progress

DSA Outlook – Staffing

- Have begun to modestly increase DSA staffing levels in support of our improved demand outlook
- Doing so to ensure we can fully support clients' programs and to position resources appropriately for 2H25
- Due to increased hiring, DSA headcount costs are expected to create a headwind of ~$10M in 2H25 when compared to 1H25 levels, which is one of the factors contributing to CRL's 2H25 operating margin outlook

DSA Results – Operating Margin

	2Q25	2Q24	YOY Δ
DSA GAAP OM%	19.9%	22.1%	(220) bps
DSA Non-GAAP OM%	27.4%	27.1%	30 bps

- YOY non-GAAP improvement primarily a result of DSA operating leverage from better-than-expected demand which we accommodated without a meaningful headcount increase
- Also reflected benefit of prior cost-savings actions

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

NAMs Strategy Update

- Recently updated the Board on strategic imperatives to continue to build our growing NAMs portfolio – or new approach methods
- As we said last quarter, firmly believe that utilizing more NAMs-enabled approaches will be a gradual, long-term transition by our clients and that scientific capabilities to fully replace animal models do not exist today
- As the leader in preclinical drug development, we have the scientific capabilities, regulatory expertise, and access to data that make CRL the logical partner for biopharma companies to advance their use of NAMs and alternative technologies over time
- We already have a growing NAMs portfolio that is generating a meaningful amount of revenue and increased interest from our clients
  - NAMs portfolio generates ~$200M in annual DSA revenue

NAMs Strategy Update, cont.

- In addition to well-established capabilities we discussed in May, also working on enhancing NAMs solutions across many DSA sites. For example:
  - Montreal: Developing *in vitro* liver-on-a-chip assay to replace *in vivo* genetox testing
  - Hungary: Developing a number of *in vitro* models for advanced modalities, including using spheroids for long-term metabolism studies
  - Den Bosch: Continuing to develop and validate a growing number of *in vitro* assays for regulated safety assessment
  - Retrogenix business has generated considerable interest for their *in vitro* off-target screening platform
- Overall, client interest in our NAMs portfolio continues to build
- One of our top priorities in coming years will be to continue expanding this portfolio of premier NAMs capabilities through a combination of partnerships, selective M&A, and internal development
- We look forward to continuing to update you on our progress towards a NAMs-enabled future

RMS Results – Revenue

($ in millions)	2Q25	2Q24	YOY Δ
Revenue, reported	$213.3	$206.4	3.3%
(Favorable)/unfavorable impact of FX			(1.0)%
Revenue growth, organic			2.3%

- YOY revenue increase primarily driven by timing of NHP shipments and higher revenue for research model services, including GEMS and Insourcing Solutions businesses
- Overall trends in RMS are consistent from commentary last quarter; little has changed aside from typical quarterly modulations in timing of NHP shipments to third-party clients in China and for Noveprim
- As a result, maintaining RMS revenue outlook for 2025 of flat to slightly-positive organic growth
- 3Q25 is expected to be an even stronger quarter for NHP revenue, due to acceleration of certain shipments from 4Q25

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

RMS Results – Academic/Government Clients & CRADL™

- Revenue from both academic and government clients increased in 2Q25, despite frequent headlines about potential NIH budget cuts
- To date, only experienced a small impact from uncertainty in Washington
  - Modest reduction in scope of an Insourcing Solutions contract for NIH's National Institute on Aging, totaling an expected revenue loss of ~$3M annually
- Beyond that, have not experienced any meaningful revenue loss related to NIH budgets to date
- As a reminder, North American academic and government client base represents just over 20% of total RMS revenue, or ~6% of total company revenue (FY24)
- In addition, demand from early-stage biotech clients for CRADL™ services tracking as planned and occupancy remains stable since our last update
- CRADL™ revenue increased slightly in 2Q25 YOY, but as discussed in May, demand from early-stage biotech clients for CRADL™ services remains constrained this year due to funding challenges

RMS Results – Research Models

- Revenue for small research models in all geographic regions was relatively flat overall
- Higher pricing continued to offset unit volume declines
- China was an exception, as volume continued to increase, albeit at more moderate pace than historical levels

RMS Results – Operating Margin

	2Q25	2Q24	YOY Δ
RMS GAAP OM%	16.8%	14.5%	230 bps
RMS Non-GAAP OM%	25.3%	23.1%	220 bps

- Improvement was primarily due to favorable mix resulting from higher NHP revenue and higher revenue for research model services, as well as benefit of cost savings resulting from restructuring initiatives
- Expect 3Q25 RMS operating margin will also be robust due to favorable timing of NHP shipments that are accelerating into 3Q25
- Followed by moderation of 4Q25 operating margin due to timing of NHP revenue and normal seasonality in small models business

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Manufacturing Results – Revenue

($ in millions)	2Q25	2Q24	YOY Δ
Revenue, reported	$200.8	$192.3	4.4%
(Favorable)/unfavorable impact of FX			(1.5)%
Revenue growth, organic			2.9%

- Revenue improvement driven by another solid quarter from Microbial Solutions, as well as revenue from commercial CDMO clients, most of which will not repeat in 2H25
  - One client relationship has wound down, creating anticipated revenue and margin headwind
- Biologics Testing business had another slow quarter due to project delays associated with regulatory or funding issues for several clients
- Collectively, continue to expect Manufacturing revenue will be essentially flat on an organic basis in 2025, similar to 1H25 performance

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Manufacturing Results – Microbial Solutions

- Microbial Solutions reported another quarter of robust growth, led by:
  - Accugenix® microbial identification services
  - Celsis® microbial detection platform
- Endosafe® also performed well, as clients continued to choose our leading portfolio of rapid manufacturing quality-control testing solutions
- Believe Microbial Solutions is well positioned to grow at a high-single-digit revenue growth rate in 2025, as it did for first two quarters

Manufacturing Results – CDMO

- Cell and Gene Therapy CDMO business reported essentially flat revenue, principally related to work for one commercial cell therapy client to wind down and transfer their program
  - Revenue from gene therapy offering also continued to be strong
- While our CDMO relationship with one commercial client has ended, we look forward to continuing to work on our other commercial cell therapy program going forward
- Collectively, expect loss of commercial CDMO revenue will reduce Manufacturing Solutions' growth rate by less than 500 bps for the year; however, CDMO revenue grew nicely in 2Q25 when normalized for commercial cell therapy revenue impact
- Continuing to enhance quality of our operations, build our gene therapy presence, and reinforce healthy pipeline of biotech clients with early-stage clinical candidates
  - Continuing to gain traction with those clients

Manufacturing Results – Operating Margin

	2Q25	2Q24	YOY Δ
Manufacturing GAAP OM%	6.0%	19.4%	(1340) bps
Manufacturing Non-GAAP OM%	32.8%	26.6%	620 bps

- Non-GAAP operating margin improvement due principally to revenue and payments from commercial CDMO clients, as well as operating leverage from Microbial Solutions' robust revenue growth
- Due to fact that revenue from one commercial CDMO client will not repeat, do not expect operating margin will be above 30% level in 2H25
- However, believe progress we have made on cost structure and operating leverage generated from Microbial Solutions' robust growth will result in a higher operating margin for 2025

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Strategic Review Status

- Strategic review is well underway; encouraged by progress we have made so far
- A thorough review process takes time, but we are moving forward with a sense of urgency
  - Do not intend to provide updates until the strategic review has been completed
- This is a comprehensive process that is evaluating multiple avenues for value creation, including strategic reviews of:
  - Our portfolio
  - Capital allocation strategy
  - Market position
- Evaluation is balanced with understanding that strength and value of CRL lies within our broad, scientifically distinguished portfolio and leading, non-clinical market position that truly differentiates us from competition
- Goal to enhance shareholder value and continue to believe CRL remains undervalued
- Pleased with progress we have made this year, including substantially better performance of DSA segment and actions to unlock value through stock repurchases and cost savings
  - Believe we are well positioned for the future

NHP Supply Update – DOJ Investigations Closed

- In July 2025, Department of the Interior and U.S. Fish and Wildlife Service cleared for legal entry into the U.S. all NHP shipments from Cambodia from late 2022 and early 2023 that were under investigation
- Also informed that the U.S. Department of Justice (DOJ) is no longer conducting investigations into these shipments
- Positive developments validate what we said from the start: once DOJ investigated, they would conclude that any concerns with respect to CRL's conduct are without merit

2Q25 Results

($ in millions, except per share amounts)	2Q25	2Q24	YOY Δ	Organic Δ
Revenue	$1,032.1	$1,026.1	0.6%	(0.5)%
GAAP OM%	9.7%	14.8%	(510) bps	
Non-GAAP OM%	22.1%	21.3%	80 bps	
GAAP EPS	$1.06	$1.74	(39.1)%	
Non-GAAP EPS	$3.12	$2.80	11.4%	

- 2Q25 revenue and non-GAAP EPS exceeded prior outlook
  - Primarily driven by operational improvement from better-than-expected DSA results and to a lesser extent, lower tax rate ($0.12 EPS benefit) and favorable FX rates ($0.03 EPS benefit)

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Updated 2025 Guidance

	2025 Guidance
Revenue growth/(decrease), reported	(2.5)%-(0.5)%
Revenue growth/(decrease), organic	(3.0)%-(1.0)%
GAAP EPS	$4.25-$4.65
Non-GAAP EPS	$9.90-$10.30

- $0.55 guidance raise for 2025 at midpoint expected to be driven by two main components:
  - Operational outperformance in 2Q25
  - Favorable movements in FX rates from May forecasted rates

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Updated 2025 Guidance – FX and Tax / Interest Expense

- As you may recall, we forecast FX based on recent bank forecast rates rather than current rates
- Based on continued weakness of U.S. dollar, FX will represent ~50 bps tailwind to 2025 revenue compared to prior outlook of ~1% headwind
  - ~150 bps revenue benefit translates into ~$0.14 contribution to non-GAAP EPS, with most of this EPS benefit in 2H25
- Outlook for tax rate and interest expense have also been updated since May, but the net EPS impacts will largely offset each other

Updated 2025 Guidance – Operating Margin

- Updated non-GAAP EPS guidance also implies that 2H25 operating margin will be below 1H25 level of 20.7%
  - Largely consistent with our expectations at the start of the year and the gap was further widened by 1H25 outperformance
- For FY 2025, we now expect consolidated non-GAAP operating margin will be in a range of flat to a 30-bps decline
  - Improvement from prior expectations of a 20-50 bps decline due to 1H 25 outperformance and operating leverage from increased revenue outlook
- FY 2025 non-GAAP operating margin outlook includes several headwinds in the 2H25
  - Commercial cell therapy revenue that will not repeat in 2H25 since one commercial relationship has ended
    - CDMO revenue generated from this client was sizable in 1H25, at ~$20M
  - Hiring in the DSA segment in order to accommodate the current and forecasted demand
    - Additional staffing expected to represent ~$10M cost headwind in 2H25 vs. 1H25
  - Timing of annual merit increases for employees was at the beginning of July 2025 in most geographies
- CDMO and merit timing-related headwinds contemplated in our initial 2025 outlook
- DSA headcount investments resulted from improved demand trajectory this year and to appropriately position staffing levels for the remainder of 2025 and as we move into next year

2025 Segment Revenue Outlook

	2025 Reported Revenue Growth	2025 Organic Revenue Growth(1)
RMS	Flat to slightly positive	Flat to slightly positive
DSA	Low- to mid-single-digit decline	Low- mid-single-digit decline
Manufacturing	Flat to slightly positive	Approximately flat
Consolidated	(2.5)%-(0.5)% decline	(3.0)%-(1.0)% decline

- Aside from FX modifications to reported revenue, only change to segment revenue outlooks due primarily to DSA's 2Q25 outperformance
- DSA increased from prior outlook of a mid-single-digit decline due to 2Q25 outperformance
  - Does not require 2H25 improvement in net book-to-bill metrics
- Revenue outlooks for the RMS and Manufacturing segments remain unchanged

(1) Organic revenue growth is defined as reported revenue growth adjusted for acquisitions, divestitures and foreign currency translation.

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Unallocated Corporate Expenses

($ in millions)	2Q25	1Q25	2Q24
GAAP	$70.5	$54.3	$53.9
Non-GAAP	$60.7	$52.4	$50.5

- 2Q25 non-GAAP increase to 5.9% of revenue (from 4.9% in 2Q24) due primarily to higher performance-based compensation
  - Higher bonus accruals (both in Corporate and for total Company) will also result in an incremental earnings headwind in 2H25, which is the opposite impact of last year when bonuses were a tailwind
- Expect 2025 non-GAAP unallocated corporate costs will be at ~5.5% of total revenue, or the upper end of our prior outlook of 5.0%-5.5%

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Net Interest Expense

($ in millions)	2Q25	1Q25	2Q24
Interest expense, net	$28.9	$26.5	$29.8

- Net interest expense increased sequentially primarily driven by impact from short-term borrowing to facilitate 1Q25 stock repurchases
- Expect total net interest expense will be $100M-$105M, or ~$7M-$12M lower than our prior outlook
  - Improvement primarily a result of diligent capital planning activities, including shifting debt to lower-interest-rate geographies
- At the end of 2Q25, outstanding debt was $2.3B with ~65% at a fixed interest rate, compared to $2.5B at the end of the 1Q25
- Gross and net leverage ratios declined to 2.3x at the end of the 2Q25 due to debt repayment

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

Tax Rate

	2Q25	1Q25	2Q24
GAAP	26.2%	28.1%	21.2%
Non-GAAP	22.7%	22.7%	21.1%

- Increase in non-GAAP tax rate YOY was primarily due to impact of stock-based compensation expense
- 2Q25 non-GAAP tax rate was more favorable than our prior expectations, benefiting non-GAAP EPS by ~$0.12 because of:
  - Timing of the enactment of certain Global Minimum Tax (GMT) provisions
  - Increase in foreign tax credits

See ir.criver.com for reconciliations of GAAP to Non-GAAP results
* Tariff estimate does not include any impact on indirect supplies such as PPE for employees or similar, and any future changes to the tariff rates beyond 5/7/25.

Tax Rate, cont.

- For FY 2025, the tax rate will now be an earning headwind that had not been anticipated at the beginning of the year
- This will more than offset the 2Q25 favorability because of headwind from recent U.S. tax legislation changes enacted on July 4th as part of the One Big Beautiful Bill Act, or OB3
  - Allows for accelerated bonus depreciation and expensing for domestic R&D expenditures
  - Changes will increase the effective tax rate in short term, but generate >$40M of cash tax savings this year increase free cash flow
- Expect 3Q25 non-GAAP tax rate will be elevated to the 25% to 30% range due to OB3 enactment and expected enactment of certain Global Minimum Tax provisions
- As a result, expect FY 2025 non-GAAP tax rate outlook will increase by ~100 bps to 23.5%-24.5%

Cash Flow

($ in millions)	2Q25	2Q24	FY 2025 GUIDANCE
Free cash flow (FCF)	$169.3	$154.0	$430-$470
Capex	$35.3	$39.5	~$230
Depreciation	$44.3	$47.7	~$180
Amortization (1)	$75.2	$38.4	~$230

- 2Q25 FCF improvement was primarily driven by higher earnings and improved working capital
- Capex reflects focus on disciplined capital spending
- Expect FCF will increase from prior outlook of $350M-$390M, primarily driven by stronger earnings, anticipated cash tax savings from recent tax legislation changes, and continued working capital management
- Capex continues to be well below peak capital spending in recent years
- Strong free cash flow generation is one of CRL's hallmarks
  - Increase this year will enable repayment of debt more quickly and continued investment in strategic priorities

(1) Amortization includes all amortization and inventory step-up items, including amortization of intangible assets, amortization of inventory fair value adjustments included in cost of products sold or costs of services provided, and amortization of biological assets principally related to the Noveprim acquisition. In addition, amortization includes accelerated amortization of certain CDMO client relationships in the Biologics Solutions reporting unit within the Manufacturing segment.

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

2025 Guidance Summary

	GAAP	Non-GAAP
Revenue growth/(decrease)	(2.5)%-(0.5%) reported	(3.0)%-(1.0)% organic(1)
Unallocated corporate	~6.0% of revenue	~5.5% of revenue
Operating margin	Low-double-digit OM%	Flat to 30 bps decrease vs. 2024
Net interest expense	$100M-$105M	$100M-$105M
Tax rate	26.5%-27.5%	23.5%-24.5%
EPS	$4.25-$4.65	$9.90-$10.30
Cash flow	Operating cash flow $660M-$700M	Free cash flow $430M-$470M
Capital expenditures	~$230M	~$230M

(1) Organic revenue growth is defined as reported revenue growth adjusted for acquisitions, divestitures, and foreign currency translation

See ir.criver.com for reconciliations of GAAP to Non-GAAP results

3Q25 Outlook

	3Q25 Outlook
Reported revenue YOY	(4)%-(2)% YOY decline
Organic revenue YOY	(4)%-(2)% YOY decline
Non-GAAP EPS YOY	Low-double-digit YOY decline vs. 3Q24

- Expect Manufacturing and DSA revenue will decrease moderately in 3Q25 partially offset by higher RMS revenue due to favorable timing of NHP shipments, a portion of which accelerated from 4Q25
- 3Q25 non-GAAP EPS decline primarily reflects the impact of:
  - Lower commercial revenue and associated client payments in the CDMO business
  - Increased staffing in the DSA segment
  - Meaningfully higher 3Q25 tax rate in the 25%-30% range (non-GAAP)

Closing Remarks

- Pleased with performance through 1H25, which reflected stronger-than-expected demand and solid operational execution
- Our restructuring program, the goal of which has been to reduce cost structure by >5%, is on track to deliver annualized cost savings of >$175M in 2025 and ~$225M in 2026
- Repurchase of $350M in shares during 1Q25 reinforces commitment to maximize shareholder value and diligently deploy capital
- We remain confident in the resilience of our business and are committed to be financially disciplined as we drive long-term value creation

2Q25
Regulation G Financial Reconciliations & Appendix

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)[1]
(in thousands, except percentages)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Research Models and Services				
Revenue	$ 213,271	$ 206,389	$ 426,344	$ 427,296
Operating income	35,786	29,948	79,391	73,097
Operating income as a % of revenue	16.8 %	14.5 %	18.6 %	17.1 %
Add back:				
Amortization related to acquisitions [2]	10,674	7,357	23,361	17,645
Acquisition, integration, and divestiture-related adjustments [3]	—	174	14	337
Severance	3,299	494	3,528	1,034
Asset impairment	2,504	8,418	2,823	13,643
Site consolidation charges	1,616	1,310	2,492	2,931
Total non-GAAP adjustments to operating income	$ 18,093	$ 17,753	$ 32,218	$ 35,590
Operating income, excluding non-GAAP adjustments	$ 53,879	$ 47,701	$ 111,609	$ 108,687
Non-GAAP operating income as a % of revenue	25.3 %	23.1 %	26.2 %	25.4 %
Depreciation and amortization	$ 19,710	$ 16,538	$ 41,471	$ 34,661
Capital expenditures	$ 3,640	$ 9,313	$ 10,926	$ 29,357
Discovery and Safety Assessment				
Revenue	$ 618,029	$ 627,419	$ 1,210,638	$ 1,232,871
Operating income	122,781	138,376	216,733	253,215
Operating income as a % of revenue	19.9 %	22.1 %	17.9 %	20.5 %
Add back:				
Amortization related to acquisitions [2]	18,212	20,298	36,383	38,894
Acquisition, integration, and divestiture-related adjustments [3]	1,287	5,591	2,348	5,783
Severance	237	2,429	5,216	7,913
Asset impairment	11,911	487	21,697	512
Site consolidation charges	3,928	850	6,705	1,832
Third-party legal and advisory costs [4]	10,817	2,110	21,787	4,301
Total non-GAAP adjustments to operating income	$ 46,392	$ 31,765	$ 94,136	$ 59,235
Operating income, excluding non-GAAP adjustments	$ 169,173	$ 170,141	$ 310,869	$ 312,450
Non-GAAP operating income as a % of revenue	27.4 %	27.1 %	25.7 %	25.3 %
Depreciation and amortization	$ 42,575	$ 47,729	$ 84,659	$ 93,518
Capital expenditures	$ 18,500	$ 19,444	$ 53,021	$ 68,403
Manufacturing Solutions				
Revenue	$ 200,835	$ 192,309	$ 379,321	$ 377,510
Operating income	12,061	37,230	3,441	70,911
Operating income as a % of revenue	6.0 %	19.4 %	0.9 %	18.8 %
Add back:				
Amortization related to acquisitions [2]	46,333	10,768	92,410	21,561
Acquisition, integration, and divestiture-related adjustments [3]	—	544	—	1,243
Severance	(383)	1,671	1,821	3,194
Asset impairment	6,157	25	6,358	25
Site consolidation charges	1,670	965	2,976	1,065
Total non-GAAP adjustments to operating income	$ 53,777	$ 13,973	$ 103,565	$ 27,088
Operating income, excluding non-GAAP adjustments	$ 65,838	$ 51,203	$ 107,006	$ 97,999
Non-GAAP operating income as a % of revenue	32.8 %	26.6 %	28.2 %	26.0 %
Depreciation and amortization	$ 55,343	$ 20,073	$ 109,966	$ 39,878
Capital expenditures	$ 11,161	$ 10,583	$ 28,440	$ 19,445

CONTINUED ON NEXT SLIDE

charles river

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)[1]
(in thousands, except percentages)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
CONTINUED FROM PREVIOUS SLIDE				
Unallocated Corporate Overhead	$ (70,494)	$ (53,902)	$ (124,762)	$ (119,594)
Add back:				
Acquisition, integration, and divestiture-related adjustments [3]	2,161	2,108	2,891	3,637
Severance	574	1,304	1,576	2,794
Asset impairment	184	—	184	—
Site consolidation charges	503	—	669	—
Third-party legal and advisory costs [4]	6,376	—	6,376	—
Total non-GAAP adjustments to operating expense	$ 9,798	$ 3,412	$ 11,696	$ 6,431
Unallocated corporate overhead, excluding non-GAAP adjustments	$ (60,696)	$ (50,490)	$ (113,066)	$ (113,163)
Total				
Revenue	$ 1,032,135	$ 1,026,117	$ 2,016,303	$ 2,037,677
Operating income	100,134	151,652	174,803	277,629
Operating income as a % of revenue	9.7 %	14.8 %	8.7 %	13.6 %
Add back:				
Amortization related to acquisitions [2]	75,219	38,423	152,154	78,100
Acquisition, integration, and divestiture-related adjustments [3]	3,448	8,417	5,253	11,000
Severance	3,727	5,898	12,141	14,935
Asset impairment	20,756	8,930	31,062	14,180
Site consolidation charges	7,717	3,125	12,842	5,828
Third-party legal and advisory costs [4]	17,193	2,110	28,163	4,301
Total non-GAAP adjustments to operating income	$ 128,060	$ 66,903	$ 241,615	$ 128,344
Operating income, excluding non-GAAP adjustments	$ 228,194	$ 218,555	$ 416,418	$ 405,973
Non-GAAP operating income as a % of revenue	22.1 %	21.3 %	20.7 %	19.9 %
Depreciation and amortization	$ 119,507	$ 86,082	$ 239,871	$ 171,439
Capital expenditures	$ 35,298	$ 39,486	$ 94,622	$ 118,630

(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) Amortization related to acquisitions for the three and six months ended June 28, 2025 includes $35.5 million and $71.0 million, respectively, of accelerated amortization of certain client relationships in the Biologics Solutions reporting unit within the Manufacturing Solutions segment.

(3) These adjustments are related to the evaluation and integration of acquisitions and divestitures, and primarily include transaction, advisory, certain third-party integration, certain compensation costs, and related costs; as well as fair value adjustments associated with contingent consideration arrangements.

(4) Third-party legal and advisory costs incurred within Unallocated Corporate are associated with the execution of the Cooperation Agreement with a shareholder. Within our DSA business, third-party legal costs incurred are associated with investigations by the U.S. government into the NHP supply chain.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP EARNINGS TO NON-GAAP EARNINGS (UNAUDITED)[1]
(in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net income available to Charles River Laboratories International, Inc. common shareholders	$ 52,326	$ 89,988	$ 77,795	$ 157,317
Add back:				
Adjustment of redeemable noncontrolling interest [2]	—	301	—	702
Incremental dividends attributable to noncontrolling interest holders [3]	—	3,792	—	9,022
Non-GAAP adjustments to operating income [4]	127,079	65,576	239,472	127,017
Venture capital and strategic equity investment (gains) losses, net	1,424	(902)	11,393	(6,664)
(Gain) loss on divestitures [5]	—	—	(3,376)	658
Tax effect of non-GAAP adjustments:				
Non-cash tax provision related to international financing structure [6]	—	871	—	1,212
Tax effect of the remaining non-GAAP adjustments	(26,837)	(14,687)	(52,182)	(26,715)
Net income available to Charles River Laboratories International, Inc. common shareholders, excluding non-GAAP adjustments	$ 153,992	$ 144,939	$ 273,102	$ 262,549
Weighted average shares outstanding - Basic	49,149	51,551	49,913	51,494
Effect of dilutive securities:				
Stock options, restricted stock units and performance share units	167	295	176	316
Weighted average shares outstanding - Diluted	49,316	51,846	50,089	51,810
Earnings per share attributable to common shareholders:				
Basic	$ 1.06	$ 1.75	$ 1.56	$ 3.06
Diluted	$ 1.06	$ 1.74	$ 1.55	$ 3.04
Basic, excluding non-GAAP adjustments	$ 3.13	$ 2.81	$ 5.47	$ 5.10
Diluted, excluding non-GAAP adjustments	$ 3.12	$ 2.80	$ 5.45	$ 5.07

(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) This amount represents accretion adjustments of the Noveprim redeemable noncontrolling interest.

(3) This amount represents incremental declared and undeclared dividends attributable to Noveprim noncontrolling interest holders who receive preferential dividends for fiscal year 2024.

(4) This amount excludes non-GAAP adjustments attributable to noncontrolling interest holders.

(5) The amount included in 2025 relates to a gain on the sale of a DSA site while the amount included in 2024 relates to a loss on the sale of a DSA site.

(6) 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) [1]

Three Months Ended June 28, 2025	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	0.6 %	3.3 %	(1.5)%	4.4 %
(Increase) decrease due to foreign exchange	(1.2)%	(1.0)%	(1.1)%	(1.5)%
Impact of divestitures [2]	0.1 %	— %	0.2 %	— %
Non-GAAP revenue growth, organic [3]	**(0.5)%**	**2.3 %**	**(2.4)%**	**2.9 %**

Six Months Ended June 28, 2025	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	(1.0)%	(0.2)%	(1.8)%	0.5 %
(Increase) decrease due to foreign exchange	(0.2)%	— %	(0.2)%	(0.1)%
Impact of divestitures [2]	0.1 %	— %	0.1 %	— %
Non-GAAP revenue growth, organic [3]	**(1.1)%**	**(0.2)%**	**(1.9)%**	**0.4 %**

(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) Impact of divestitures relates to the sale of a site within DSA.

(3) Organic revenue growth is defined as reported revenue growth adjusted for 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 27, 2025E

2025 GUIDANCE	CURRENT	PRIOR
Revenue growth/(decrease), reported	(2.5)% – (0.5)%	(5.5)% – (3.5)%
Impact of divestitures/(acquisitions), net	N/M	N/M
(Favorable)/unfavorable impact of foreign exchange	~(0.5)%	~1.0%
Revenue growth/(decrease), organic (1)	(3.0)% – (1.0)%	(4.5)% – (2.5)%
GAAP EPS estimate	$4.25 – $4.65	$4.35 – $4.85
Acquisition-related amortization and other acquisition- and integration-related costs (2)	~$3.60	~$3.50
Costs associated with restructuring actions (3)	~$1.40	~$1.00
Certain venture capital and other strategic investment losses/(gains), net (4)	~$0.17	~$0.15
Other items (5)	~$0.50	~$0.30
Non-GAAP EPS estimate	$9.90 – $10.30	$9.30 – $9.80

Footnotes to Guidance Table:

(1) Organic revenue growth is defined as reported revenue growth adjusted for completed acquisitions and divestitures, as well as foreign currency translation.

(2) These adjustments include amortization related to intangible assets, inclusive of the acceleration of amortization expense related to certain CDMO client relationships, as well as the purchase accounting step-up on inventory and certain long-term biological assets. In addition, these adjustments include some costs related to the evaluation and integration of acquisitions and divestitures.

(3) These adjustments primarily include site consolidation (including site transition costs), severance, impairment, and other costs related to the Company's restructuring actions.

(4) Certain 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.

(5) These items primarily relate to (i) certain third-party legal costs related to investigations by the U.S. government into the NHP supply chain related to our DSA segment and (ii) certain third-party advisory costs related to the Company entering into a Cooperation Agreement with a shareholder.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TAX RATE TO NON-GAAP TAX RATE (UNAUDITED) [1]
(in thousands)

	Three Months Ended			Six Months Ended	
	June 28, 2025	March 29, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Income before income taxes & noncontrolling interests	$ 71,418	$ 35,978	$ 119,653	$ 107,396	$ 218,664
Add back:					
Amortization related to acquisitions [2]	75,219	76,935	38,423	152,154	78,100
Acquisition, integration, and divestiture-related adjustments [3]	3,448	1,805	8,417	5,253	11,000
Severance	3,727	8,414	5,898	12,141	14,935
Asset impairments	20,756	10,306	8,930	31,062	14,180
Site consolidation charges	7,717	5,125	3,125	12,842	5,828
Third-party legal costs and advisory costs [4]	17,193	10,970	2,110	28,163	4,301
Venture capital and strategic equity investment (gains) losses, net	1,424	9,969	(902)	11,393	(6,664)
(Gain) loss on divestitures [5]	—	(3,376)	—	(3,376)	658
Income before income taxes & noncontrolling interests, excluding specified charges (Non-GAAP)	$ 200,902	$ 156,126	$ 185,654	$ 357,028	$ 341,002
Provision for income taxes (GAAP)	$ 18,725	$ 10,100	$ 25,392	$ 28,825	$ 49,921
Non-cash tax benefit related to international financing structure [6]	—	—	(871)	—	(1,212)
Tax effect of the remaining non-GAAP adjustments	26,837	25,345	14,687	52,182	26,715
Provision for income taxes (Non-GAAP)	$ 45,562	$ 35,445	$ 39,208	$ 81,007	$ 75,424
Total rate (GAAP)	26.2 %	28.1 %	21.2 %	26.8 %	22.8 %
Total rate, excluding specified charges (Non-GAAP)	22.7 %	22.7 %	21.1 %	22.7 %	22.1 %

[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] Amortization related to acquisitions for the three and six months ended June 28, 2025 includes $35.5 million and $71.0 million, respectively, of accelerated amortization of certain client relationships in the Biologics Solutions reporting unit within the Manufacturing Solutions segment.

[3] These adjustments are related to the evaluation and integration of acquisitions and divestitures, and primarily include transaction, advisory, certain third-party integration, certain compensation costs, and related costs; as well as fair value adjustments associated with contingent consideration arrangements.

[4] Third-party legal and adivsory costs incurred within Unallocated Corporate are associated with the execution of the Cooperation Agreement with a shareholder. Within our DSA business, third-party legal costs incurred are associated with investigations by the U.S. government into the NHP supply chain.

[5] The amount included in 2025 relates to a gain on the sale of a DSA site while the amount included in 2024 relates to a loss on the sale of a DSA site.

[6] 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 GROSS/NET LEVERAGE RATIO, INCLUDING GAAP NET INCOME TO ADJUSTED EBITDA (UNAUDITED) [1]
(dollars in thousands, except for per share data)

	June 28, 2025	March 29, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021	December 26, 2020
DEBT [2]:							
Total Debt & Finance Leases	$ 2,335,306	$ 2,514,223	$ 2,243,134	$ 2,652,717	$ 2,711,208	$ 2,666,359	$ 1,979,784
Plus: Other adjustments per credit agreement	26,130	50,220	49,311	33,265	13,431	37,244	2,328
Less: Unrestricted Cash and Cash Equivalents up to $150M	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	—
Total Indebtedness per credit agreement	$ 2,211,436	$ 2,414,443	$ 2,142,445	$ 2,535,982	$ 2,574,639	$ 2,553,603	$ 1,982,112
Less: Cash and cash equivalents (net of $150M above)	(32,824)	(79,356)	(44,606)	(126,771)	(83,912)	(91,214)	(228,424)
Net Debt	$ 2,178,612	$ 2,335,087	$ 2,097,839	$ 2,409,211	$ 2,490,727	$ 2,462,389	$ 1,753,688

	June 28, 2025	March 29, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021	December 26, 2020
ADJUSTED EBITDA [2]:							
Net income (loss) available to Charles River Laboratories International, Inc. common shareholders	$ (69,225)	$ (31,563)	$ 10,297	$ 474,624	$ 486,226	$ 390,982	$ 364,304
Adjustments:							
Adjust: Non-cash gains/losses of VC partnerships & strategic investments	37,853	36,791	20,627	(79,288)	35,498	66,004	—
Less: Aggregate non-cash amount of nonrecurring gains	—	—	—	—	(32,638)	(42,247)	(1,361)
Plus: Interest expense	116,369	119,171	126,288	136,710	108,870	107,224	76,825
Plus: Provision for income taxes	46,727	53,394	67,823	100,914	130,379	81,873	81,808
Plus: Depreciation and amortization	430,173	396,748	361,741	314,124	303,870	265,540	234,924
Plus: Non-cash nonrecurring losses	314,181	305,981	299,976	44,077	16,572	8,573	16,810
Plus: Non-cash stock-based compensation	66,751	66,288	69,891	72,048	73,617	71,461	56,341
Plus: Permitted acquisition-related costs	12,324	11,406	11,612	15,639	34,453	51,256	18,750
Plus: Pro forma EBITDA adjustments for permitted acquisitions	—	—	—	18,542	5,306	4,008	8
Adjusted EBITDA (per the calculation defined in compliance certificates)	$ 955,153	$ 958,216	$ 968,255	$ 1,097,390	$ 1,162,153	$ 1,004,675	$ 848,408

	June 28, 2025	March 29, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021	December 26, 2020
LEVERAGE RATIO:							
Gross leverage ratio per credit agreement (total debt divided by adjusted EBITDA)	2.32	2.52	2.21	2.31	2.22	2.54	2.34
Net leverage ratio (net debt divided by adjusted EBITDA)	2.3	2.4	2.2	2.2	2.1	2.5	2.1

	June 28, 2025	March 29, 2025	December 28, 2024	December 30, 2023	December 31, 2022	December 25, 2021
INTEREST COVERAGE RATIO:						
Capital Expenditures	208,959	213,147	232,967	323,050	326,338	232,149
Cash Interest Expense	116,461	119,554	127,119	139,545	110,731	107,389
Interest Coverage ratio per the credit agreement (Adjusted EBITDA minus Capital Expenditures divided by cash interest expense)	6.41x	6.23x	5.78x	5.55x	7.55x	7.19x

[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] Pursuant to the definition in its credit agreement dated December 13, 2024, 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 and divestiture-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 Q4 2024 for the most recent amendment or any previous amendments.

charles river

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF FREE CASH FLOW (NON-GAAP) (UNAUDITED)[1]
(in thousands)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net cash provided by operating activities	$ 204,603	$ 193,535	$ 376,300	$ 323,423
Less: Capital expenditures	(35,298)	(39,486)	(94,622)	(118,630)
Free cash flow	$ 169,305	$ 154,049	$ 281,678	$ 204,793

(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.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED) [1]
(in thousands, except percentages)

	Three Months Ended March 29, 2025
Unallocated Corporate Overhead	$ (54,268)
Add back:	
Acquisition, integration, and divestiture-related adjustments [2]	730
Severance	1,002
Site consolidation charges	166
Total non-GAAP adjustments to operating expense	$ 1,898
Unallocated corporate overhead, excluding non-GAAP adjustments	$ (52,370)

(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) These adjustments are related to the evaluation and integration of acquisitions and divestitures, and primarily include transaction, advisory, certain third-party integration, certain compensation costs, and related costs; as well as fair value adjustments associated with contingent consideration arrangements.

CRL

LISTED

NYSE

charles river