

CHARLES RIVER LABORATORIES INTERNATIONAL INC  
Form DEFM14A  
July 01, 2010

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Charles River Laboratories International, Inc.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(2) Form, Schedule or Registration Statement No.:

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**ACQUISITION PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Shareholder:

You are cordially invited to the upcoming special meeting of shareholders of Charles River to be held on Thursday, August 5, 2010 at 8:30 a.m. Eastern Time at Charles River Laboratories International, Inc., 181 Ballardvale Street, Wilmington, MA 01887.

The board of directors of Charles River has approved an acquisition agreement pursuant to which Charles River will acquire WuXi PharmaTech (Cayman) Inc., or WuXi, a company listed on the New York Stock Exchange. As we describe in greater detail in this proxy statement, we believe the transaction will result in significant benefits to Charles River's shareholders. The transaction has been designed to create the first and premier early-stage contract research organization to offer fully integrated drug research and development services from molecule creation to first-in-human testing. The combination of Charles River's expertise in *in vivo* biology and WuXi's expertise in chemistry will create a global partner with the ability to support pharmaceutical and biotechnology clients as no other contract research organization can.

**If the transaction is completed, WuXi shareholders will have the right to receive, for each WuXi ordinary share held by such shareholder, a combination of \$1.40625 in cash, without interest, and a number of shares of Charles River common stock based on an exchange ratio to be determined at the closing of the transaction. This exchange ratio will be determined by dividing \$1.25 by the weighted average closing price of Charles River common stock on the New York Stock Exchange for the 20 trading days ending on the second business day prior to closing, which is referred to as the Charles River average price. However, if the Charles River average price is equal to or greater than \$43.1726, then the exchange ratio will be fixed at 0.0290 of a share of Charles River common stock for each WuXi ordinary share, and if the Charles River average price is equal to or less than \$37.1486, then the exchange ratio will be fixed at 0.0336 of a share of Charles River common stock for each WuXi ordinary share. Charles River shareholders will continue to own their existing Charles River shares. Assuming the Charles River average price was equal to the closing price of Charles River common stock on the New York Stock Exchange on June 25, 2010, the most recent practicable trading day prior to the date of this proxy statement, the implied value of the acquisition consideration to be received by WuXi shareholders in the transaction is \$2.60 per ordinary share, which is equivalent to \$20.78 per WuXi American Depositary Share (each of which represents eight underlying WuXi ordinary shares). This value may fluctuate prior to the completion of the transaction as a result of changes in the market value of Charles River common stock.**

Approximately 18,680,231 shares of Charles River common stock will be issued to WuXi shareholders in the transaction, based upon the number of ordinary shares of WuXi outstanding on June 14, 2010, the most recent practicable date prior to the date of this proxy statement. These shares will represent approximately 22 percent of the outstanding common stock of the combined company immediately after the transaction. Charles River shares held by Charles River shareholders before the transaction will represent approximately 78 percent of the outstanding common stock of the combined company immediately after the transaction.

**Your vote is important.** We cannot complete the transaction unless, among other things, the holders of Charles River common stock vote to approve the issuance of shares of Charles River common stock in connection with the transaction. We will hold a special meeting of our shareholders to vote on this proposal. Whether or not you plan to attend our special meeting, please take the time to vote by completing and mailing the enclosed proxy card to us or submitting your proxy by telephone or through the Internet, using the procedures in the proxy voting instructions included with your proxy card. **Charles River's board of directors recommends that Charles River shareholders vote FOR the issuance of Charles River common stock in connection with the transaction.**

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This proxy statement describes the shareholder meeting, the transaction, documents related to the transaction and other related matters.

**Please read this entire proxy statement carefully, including the section discussing risk factors beginning on page 22.** You can also obtain information about our companies from documents that we have each filed with the Securities and Exchange Commission.

Charles River common stock is listed on the New York Stock Exchange under the symbol "CRL."

James C. Foster  
*Chairman, Chief Executive Officer and President*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Charles River common stock to be issued in connection with the transaction or determined if this proxy statement is truthful and complete. Any representation to the contrary is a criminal offense.

The date of this proxy statement is July 1, 2010, and it is first being mailed or otherwise delivered to Charles River shareholders on or about July 1, 2010.

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**REFERENCES TO ADDITIONAL INFORMATION**

This proxy statement incorporates important business and financial information about Charles River and WuXi from documents that are not included in or delivered with this proxy statement. You can obtain documents incorporated by reference in this proxy statement by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Charles River Laboratories International, Inc.  
251 Ballardvale Street  
Wilmington, Massachusetts 01887  
Attention: General Counsel  
Telephone: (781) 222-6000

WuXi PharmaTech (Cayman) Inc.  
288 Fute Zhong Road  
Waigaoqiao Free Trade Zone  
Shanghai 200131  
People's Republic of China  
Attention: Genyong Qiu  
Telephone: (86 21) 5046-1111

*You will not be charged for any of these documents that you request. If you wish to request documents, we or WuXi must receive your request by July 29, 2010 (which is five business days before the scheduled date of the special meeting) in order for you to receive them before the special meeting.*

See "Where You Can Find More Information," beginning on page 95.

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## Charles River Laboratories International, Inc.

251 Ballardvale Street  
Wilmington, Massachusetts 01887

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### NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

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Dear Shareholder:

A special meeting of the shareholders of Charles River Laboratories International, Inc. will be held on Thursday, August 5, 2010 at 8:30 a.m., Eastern Time, at Charles River Laboratories International, Inc., 181 Ballardvale Street, Wilmington, MA 01887.

The purpose of the special meeting is to consider and to vote upon the following proposals:

1. a proposal to issue shares of Charles River common stock in connection with the transaction contemplated by the Agreement and Plan of Arrangement (referred to in this proxy statement as the acquisition agreement), dated as of April 26, 2010 between Charles River Laboratories International, Inc. and WuXi PharmaTech (Cayman) Inc.; and
2. a proposal to approve an adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the issuance of Charles River common stock in connection with the transaction.

Neither proposal to be voted upon at the special meeting is conditioned on the approval of the other proposal.

The Charles River board of directors recommends that Charles River shareholders vote **FOR** the issuance of Charles River common stock in connection with the transaction and **FOR** the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of such issuance.

In order to approve the issuance of Charles River common stock in connection with the transaction, the total number of votes cast either in person or by proxy at the special meeting must represent more than 50 percent of the outstanding Charles River common stock and a majority of those shares must vote in favor of the issuance. **Therefore, your vote is very important.**

All Charles River shareholders are cordially invited to attend this special meeting, although only those shareholders of record at the close of business on June 30, 2010 will be entitled to receive notice of and to vote at the special meeting or any adjournment or postponement thereof. Your attention is directed to the proxy statement accompanying this notice for a more complete statement regarding the matters proposed to be acted upon at the meeting.

PLEASE VOTE AS SOON AS POSSIBLE BY MAIL, BY TELEPHONE OR THROUGH THE INTERNET. INSTRUCTIONS ON THESE DIFFERENT WAYS TO VOTE YOUR PROXY ARE FOUND ON THE ENCLOSED PROXY FORM. YOU MAY REVOKE YOUR PROXY AT ANY TIME BEFORE IT IS VOTED AT THE SPECIAL MEETING.

James C. Foster  
*Chairman, Chief Executive Officer and President*

July 1, 2010



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**Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be held on August 5, 2010.**

**This Proxy Statement and Form of Proxy are available at [www.criver.com/specialwuxi2010](http://www.criver.com/specialwuxi2010).**

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**QUESTIONS AND ANSWERS ABOUT THE TRANSACTION  
AND THE APPROVAL OF THE TRANSACTION**

**Q: Why is Charles River proposing the transaction?**

A. The transaction has been designed to create the first and premier early-stage contract research organization to offer fully integrated drug research and development services from molecule creation to first-in-human testing. The combination of Charles River's expertise in *in vivo* biology and WuXi's expertise in chemistry will create a global partner with the ability to support pharmaceutical and biotechnology clients as no other contract research organization can. We also believe the acquisition of WuXi will create greater value for Charles River's shareholders than would be expected if the transaction did not occur.

**Q: When is the shareholder meeting?**

A: Charles River's special shareholder meeting will take place on Thursday, August 5, 2010, at the time and location specified on the cover page of this proxy statement. Upon receipt of the required shareholder vote, we may adjourn the special meeting, if necessary, to solicit additional proxies. References to the special meeting in this proxy statement are to the special meeting as adjourned or postponed.

**Q: What do I need to do now?**

A: After you have carefully read this entire proxy statement, please vote your shares of Charles River common stock. You may do this either by completing, signing, dating and mailing the enclosed proxy card or by submitting your proxy by telephone or through the Internet, as explained in the proxy voting instructions attached to your proxy card. This will enable your shares to be represented and voted at the special meeting. If you submit a valid proxy and do not indicate how you want to vote, we will count your proxy as a vote in favor of the proposals described in this proxy statement submitted at the special meeting.

**The Charles River board of directors recommends that Charles River shareholders vote FOR the issuance of Charles River common stock in connection with the transaction and FOR the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of such issuance.**

**Q: What shareholder votes are required?**

A: Charles River shareholders are being asked to approve the issuance of Charles River common stock in connection with the transaction. The approval of this proposal, and therefore the consummation of the transaction, requires the affirmative vote of at least a majority of the votes cast in person or by proxy at the special meeting, in a vote in which the total number of votes cast represents more than 50 percent of the outstanding Charles River common stock.

Charles River shareholders may be asked to vote on a proposal to approve an adjournment of the special meeting to solicit, if necessary, additional proxies in favor of the issuance of Charles River common stock in connection with the transaction. This proposal will be approved if a majority of the outstanding shares of Charles River common stock present in person or represented by proxy at the special meeting are voted in favor of the proposal, whether or not a quorum exists.

Neither proposal to be voted upon at the special meeting is conditioned on the approval of the other proposal.

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**Q: Why is my vote important?**

A:

If you do not return your proxy card, submit your proxy by telephone or through the Internet or vote in person at the special meeting, it will be more difficult for Charles River to obtain the necessary quorum to hold the special meeting.

Because the total number of votes cast either in person or by proxy at the special meeting on the proposal to issue shares of Charles River common stock in connection with the transaction must represent more than 50 percent of the outstanding Charles River common stock, your failure to vote, including abstentions or broker non-votes (as described below), may have the same effect as a vote against that proposal. However, if the 50 percent requirement for votes cast is satisfied, your failure to vote, including abstentions or broker non-votes, will have the effect of reducing the aggregate number of shares voting with respect to the proposal, and as a result, the number of affirmative votes required to approve the proposal.

In the case of the proposal to adjourn the special meeting, if necessary, to solicit additional proxies, your failure to vote, other than by abstention or broker non-vote, will have the effect of reducing the aggregate number of shares voting with respect to the proposal and, as a result, the number of affirmative votes required to approve the proposal. However, both abstentions and broker non-votes will have the same effect as a vote against the adjournment proposal.

**Q: If my shares are held in "street name" by my broker, will my broker automatically vote my shares for me?**

A:

No. Your broker will only vote your shares if you provide your broker with voting instructions. You should instruct your broker to vote your shares by following the directions your broker provides you. Please check the voting information form used by your broker to see if it offers telephone or Internet voting.

**Q: What if I fail to instruct my broker?**

A:

Because the total number of votes cast either in person or by proxy at the special meeting on the proposal to issue shares of Charles River common stock in connection with the transaction must represent more than 50 percent of the outstanding Charles River common stock, if you fail to instruct your broker to vote your shares and the broker submits an unvoted proxy, the resulting "broker non-vote" will be counted toward a quorum at the special meeting, but otherwise will have the same effect as a failure to vote on the proposal.

In the case of Charles River's proposal to adjourn its special meeting, if necessary, to solicit additional proxies, broker non-votes will have the same effect as a vote against the proposal.

**Q: Can I attend the special meeting and vote my shares in person?**

A:

All Charles River shareholders are invited to attend the special meeting. However, only shareholders of record as of June 30, 2010 will be entitled to vote in person at the special meeting. If a bank, broker or other nominee holds your shares, then you are not the shareholder of record and you must ask your bank, broker or other nominee how you can vote in person at the special meeting.

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**Q: Can I change my vote?**

A:

Yes. If you are a record holder, you can change your proxy instructions after you have submitted your proxy card, or submitted your proxy by telephone or through the Internet, by:

submitting a written notice revoking your proxy to Charles River's corporate secretary;

submitting a new proxy card, or submitting a new proxy by telephone or through the Internet; or

if you have executed a proxy and are present at the special meeting, and you wish to vote in person, revoking your proxy as described above prior to voting in person.

For more detailed procedures on revoking a proxy, see the description under "The Special Meeting Proxies Revoking Your Proxy."

If you own your shares through a broker, you must follow the directions you receive from your broker in order to change or revoke your vote.

**Q: Should I send in my stock certificates?**

A:

No. Charles River shareholders will retain their current stock certificates after the transaction and should not send in their stock certificates.

**Q: When do you expect to complete the transaction?**

A:

We expect to complete the transaction by the fourth calendar quarter of 2010. However, we cannot assure you when or if the transaction will be completed. We must first obtain the necessary approval of our shareholders at the special meeting, WuXi must obtain the necessary approval of its shareholders at its shareholders' meeting and the sanction of the Grand Court of the Cayman Islands, and Charles River and WuXi must also obtain any necessary regulatory approvals.

**Q: Whom should I call with questions?**

A:

Charles River shareholders with any questions about the transaction or about voting their shares should call Innisfree M&A Incorporated, Charles River's proxy solicitor, toll-free at 888-750-5834 (banks and brokers may call collect at 212-750-5833).

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**SUMMARY**

*This summary highlights information from this proxy statement that we believe is important to you in deciding how to vote on the proposals described in this proxy statement. It does not contain all of the information that may be important to you. We urge you to read carefully the entire proxy statement and the other documents to which this proxy statement refers you in order for you to fully understand the proposed transaction. See "Where You Can Find More Information," beginning on page 95. Each item in this summary refers to the page of this proxy statement on which that subject is discussed in more detail.*

**The Companies (page 32)**

***Charles River Laboratories International, Inc.***

251 Ballardvale Street  
Wilmington, Massachusetts 01887  
(781) 222-6000  
<http://www.criver.com>

Charles River is a leading global provider of solutions which accelerate the drug discovery and development process, including research models and associated services and outsourced preclinical services. Charles River provides products and services to global pharmaceutical companies and biotechnology companies, as well as government agencies and leading hospitals and academic institutions throughout the world, in order to bring drugs to market faster and more efficiently. Employing approximately 8,000 people, including approximately 500 professionals with advanced degrees, including Ph.D.s, D.V.M.s and M.D.s, Charles River has approximately 70 facilities in 16 countries. Charles River's broad portfolio of products and services enables customers to reduce costs, increase speed in bringing products to market and enhance their productivity and effectiveness in drug discovery and development.

***WuXi PharmaTech (Cayman) Inc.***

WuXi PharmaTech (Cayman) Inc.  
288 Fute Zhong Road  
Waigaoqiao Free Trade Zone  
Shanghai 200131  
People's Republic of China  
<http://www.wuxiapptec.com>

WuXi is a leading pharmaceutical, biotechnology, and medical device R&D outsourcing company, with operations in China and the United States. As a research-driven and customer-focused company, WuXi provides a broad and integrated portfolio of laboratory and manufacturing services throughout the drug and medical device R&D process. WuXi's services are designed to assist its global partners in shortening the cycle and lowering the cost of drug and medical device R&D.

**Reasons for the Transaction (page 40)**

Charles River is proposing to acquire WuXi because, among other things, the combined company will offer an expanded portfolio of products and outsourced services to multinational pharmaceutical companies and biotechnology companies, as well as government agencies and academic institutions who increasingly seek the flexibility to access high quality, early-stage drug development expertise from chemistry to man from one global company.

Our board of directors believes that the combined company should benefit from:

The complementary nature of the service and product offerings, scientific capabilities and geographic reach of the two companies.

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The diversification of service and product offerings and broadened geographic revenue bases that will result from the transaction.

The opportunity to be an attractive partner-of-choice for pharmaceutical and biotechnology companies by offering both upstream and downstream support for their efforts to bring new drugs to market.

The synergistic benefits that are expected to be realized from the transaction (these include cost savings and revenue enhancement).

We also recognize that there are risks associated with the transaction, as described under "Risk Factors."

**Recommendation to Shareholders (page 40)**

The Charles River board of directors has determined that the acquisition agreement and the transaction contemplated by the acquisition agreement are fair to and in the best interests of Charles River and its shareholders and has approved the issuance of Charles River common stock in connection with the transaction. The Charles River board of directors recommends that Charles River shareholders vote:

**FOR** the issuance of Charles River common stock in connection with the transaction; and

**FOR** the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of such issuance.

**The Transaction (page 36)**

We are proposing to acquire all of the outstanding ordinary shares of WuXi by way of a scheme of arrangement, which is referred to in this proxy statement as the scheme, under Section 86 of the Companies Law of the Cayman Islands (2009 Revision), which is referred to in this proxy statement as the Cayman Companies Law. Upon completion of the transaction, WuXi will be a wholly owned subsidiary of Charles River. Charles River will retain the name Charles River Laboratories International, Inc.

**Acquisition Consideration (page 54)**

As a result of the transaction, each WuXi shareholder will have the right to receive a combination of \$1.40625 in cash, without interest, and a number of shares of Charles River common stock equal to \$1.25 divided by the weighted average closing price of Charles River common stock on the New York Stock Exchange, or NYSE, for the 20 trading days ending on the second business day prior to the closing (but in no event more than 0.0336 nor less than 0.0290 shares of Charles River common stock) for each outstanding WuXi ordinary share.

We expect that, upon completion of the transaction, Charles River shareholders will own approximately 78 percent of the combined company and WuXi shareholders will own approximately 22 percent of the combined company. These figures were calculated based upon the number of shares of Charles River common stock outstanding as of June 25, 2010 and the number of shares of WuXi ordinary shares outstanding as of June 14, 2010 (not including WuXi ordinary shares reserved for issuance pursuant to outstanding convertible notes issued on February 9, 2007, or held by the depositary and reserved for issuance upon the exercise of WuXi stock option or restricted share unit awards). Charles River will not issue any fractional shares in the transaction. WuXi shareholders will instead receive amounts in cash equal to the value of any fractional shares that would otherwise have been issued.

Table of Contents**Comparative Market Price Information (page 21)**

Charles River common stock is listed on the NYSE under the symbol "CRL." WuXi American Depositary Shares, or ADSs, (each representing eight underlying ordinary shares) are currently listed on the NYSE under the symbol "WX." The following table sets forth the closing sale prices of Charles River common stock on the NYSE and the closing sale prices of WuXi ADSs as reported on the NYSE, on April 23, 2010, the last trading day before we announced the transaction, and on June 25, 2010, the most recent practicable trading day prior to the date of this proxy statement. The table also shows the implied value of one WuXi ordinary share, which we calculated by adding the cash portion of the acquisition consideration, or \$1.40625, to the product of the closing price of Charles River common stock on those dates and the exchange ratio which would have been in effect had the acquisition taken place on those dates, assuming that the closing price of Charles River common stock on those dates were equal to the Charles River average price.

	Closing Price of Charles River Common Stock	Closing Price of WuXi ADSs	Closing Price of WuXi Ordinary Shares(1)	Implied Value of WuXi ADSs	Implied Value of WuXi Ordinary Shares
April 23, 2010	\$ 39.77	\$ 16.57	\$ 2.07	\$ 21.25	\$ 2.66
June 25, 2010	\$ 35.44	\$ 16.26	\$ 2.03	\$ 20.78	\$ 2.60

(1)

Closing price of WuXi ordinary shares is determined by dividing the quoted price of WuXi ADSs on the NYSE as of the relevant date by eight (the number of WuXi ordinary shares underlying each WuXi ADS).

The market prices of Charles River common stock and WuXi ADSs will fluctuate before the special meeting and before the transaction is completed. Therefore, you should obtain current market quotations for Charles River common stock and WuXi ADSs.

**Appraisal Rights (page 43)**

Neither Charles River shareholders nor WuXi shareholders are entitled to appraisal rights in connection with the transaction.

**Interests of Certain Persons in the Transaction (page 72)**

When considering the recommendations of the Charles River board of directors that shareholders vote in favor of the proposals described in this proxy statement, you should be aware that some Charles River executive officers and directors may have interests in the transaction that may be different from, or in addition to, yours.

**Opinion of Charles River's Financial Advisor (page 45)**

Pursuant to an engagement letter dated December 7, 2009, Charles River retained J.P. Morgan Securities Inc., or J.P. Morgan, as its financial advisor in connection with the proposed transaction and to deliver a fairness opinion in connection with the transaction.

At the meeting of the Charles River board of directors on April 25, 2010, J.P. Morgan rendered its oral opinion, which opinion was confirmed by delivery of a written opinion dated April 26, 2010, to the Charles River board of directors that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, the consideration to be paid by Charles River in the proposed transaction was fair, from a financial point of view, to Charles River.

**The full text of the written opinion of J.P. Morgan which sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the**

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review undertaken by J.P. Morgan in connection with its opinion, is attached as Annex B to this proxy statement and is incorporated herein by reference. Charles River shareholders are urged to read the opinion carefully and in its entirety. J.P. Morgan's written opinion is addressed to the Charles River board of directors, is directed only to the consideration to be paid by Charles River in the transaction and does not constitute a recommendation to any Charles River shareholder as to how such shareholder should vote at the Charles River special meeting. The summary of the opinion of J.P. Morgan set forth in this proxy statement is qualified in its entirety by reference to the full text of such opinion.

**The Acquisition Agreement (page 54)**

The acquisition agreement is attached as Annex A to this proxy statement. We urge you to read the entire acquisition agreement, because it is the legal document governing the transaction.

**The Voting Agreements (page 69)**

On April 26, 2010, concurrently with Charles River's entry into the acquisition agreement, each of Dr. Ge Li (the Chairman and Chief Executive Officer of WuXi) and a related family trust, certain investment entities affiliated with General Atlantic LLC and certain investment entities affiliated with Warburg Pincus LLC, being shareholders of WuXi and collectively holding approximately 14.5% of WuXi's outstanding ordinary shares (and collectively holding stock options (both vested and unvested), restricted stock units (both vested and unvested) and convertible notes collectively exercisable (when all fully vested) for an additional approximately 4.6% of the outstanding WuXi ordinary shares), entered into voting agreements with Charles River. Pursuant to the voting agreements, the shareholders party thereto agreed, subject to the terms and conditions set forth therein, to vote all of their outstanding WuXi ordinary shares in favor of the consummation of the acquisition and against, among other things, any alternative business combination involving WuXi. These voting agreements are attached to this proxy statement as Annexes C, D and E.

**The Employment Agreements (page 71)**

In connection with entering into the acquisition agreement, Charles River, WuXi and WuXi AppTec Co., Ltd. (a subsidiary of WuXi) entered into new employment agreements with Drs. Li, Shuhui Chen and Suhan Tang and Mr. Edward Hu, each dated April 26, 2010, that replaced each such individual's existing employment agreement (if any), effective as of and contingent upon the closing. These agreements generally provide for (1) an initial award of stock options and restricted stock following the closing, (2) compensation and benefits during the term of employment, (3) compensation and benefits following termination of employment under certain circumstances (including vesting of all stock options and restricted stock units granted prior to the closing) and (4) certain restrictive covenants during and following the executive's employment period.

**Conditions that Must be Satisfied or Waived for the Transaction to Occur (page 64)**

As more fully described in this proxy statement and the acquisition agreement, the completion of the transaction depends on a number of conditions being satisfied or waived, including receipt of shareholder approvals, regulatory approvals and the sanction of the Grand Court of the Cayman Islands, referred to in this proxy statement as the Grand Court.

Although we expect to complete the transaction by the fourth calendar quarter of 2010, we cannot be certain when, or if, the conditions to the transaction will be satisfied or waived, or that the transaction will in fact be completed.



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**Termination of the Acquisition Agreement (page 65)**

The acquisition agreement may be terminated at any time before completing the transaction, even after the receipt of the required approvals from Charles River shareholders and WuXi shareholders, by mutual agreement of the parties or by either party if:

the transaction has not been completed on or prior to the earlier of (1) the date which is two business days after the date on which all conditions to closing are satisfied or waived (such date is referred to in this proxy statement as the preliminary date) and (2) January 26, 2011 (such earlier date is referred to in this proxy statement as the end date); provided that if a financial market event (as defined below under "The Acquisition Agreement Termination") exists on the preliminary date and all conditions to closing are satisfied or waived, each party has the right to extend the end date by 30 days;

any law, regulation, judgment, injunction, order or decree of any court or other governmental entity having competent jurisdiction makes consummation of the transaction illegal or enjoins Charles River or WuXi from consummating the transaction and such injunction becomes final and nonappealable, provided that neither party may terminate the acquisition agreement under this clause if such party has not complied in all material respects with its obligations under the acquisition agreement;

either the Charles River shareholders or the WuXi shareholders fail to give the necessary approvals at their respective special meetings;

the other party has intentionally and materially breached certain obligations in the acquisition agreement concerning the solicitation of alternate transactions, holding a shareholder meeting to obtain the required shareholder approvals or, in the case of WuXi, making the required filings with the Grand Court to obtain the Grand Court's sanction of the transaction;

the other party breaches any representation or warranty or fails to perform any covenant that would prevent satisfaction of the terminating party's conditions to closing; or

the other party's board of directors changes its recommendation to its shareholders to approve the transaction.

In addition, the acquisition agreement may be terminated by WuXi if, prior to the WuXi shareholder approval, the board of directors of WuXi authorizes WuXi to enter into a written agreement concerning a superior proposal (as defined below under "The Acquisition Agreement Principal Covenants No Solicitation").

**Termination Fees (page 67)**

WuXi has agreed to pay a termination fee of \$50 million in cash to Charles River if any of the following things happen:

Charles River terminates the agreement by reason of WuXi's board of directors changing its recommendation to its shareholders to approve the transaction;

Charles River terminates the agreement by reason of WuXi's intentional and material breach of certain obligations in the acquisition agreement concerning the solicitation of alternate transactions, holding a shareholder meeting to obtain the required shareholder approvals or making the required filings with the Grand Court to obtain the Grand Court's sanction of the transaction;

WuXi terminates the agreement by reason of its board of directors authorizing it to enter into a written agreement concerning a superior proposal (as defined below under "The Acquisition Agreement Principal Covenants No Solicitation"); or



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(1) either party terminates the agreement by reason of WuXi's failure to obtain its required shareholder approval or the acquisition failing to close by the end date (except where the financing reverse termination fee or the specified regulatory condition reverse termination fee (each as described below) is payable by Charles River), (2) an acquisition proposal for WuXi had been made prior to termination and (3) WuXi enters into a definitive agreement with respect to or consummates an acquisition proposal (for more than 50% of WuXi's stock or assets) within 12 months of the termination.

Charles River has agreed to pay WuXi a reverse termination fee (in the amount specified below) in cash if any of the following things happen:

a fee of \$50 million if WuXi terminates the agreement by reason of Charles River's board of directors changing its recommendation to its shareholders;

a fee of \$50 million if WuXi terminates the agreement by reason of Charles River's intentional and material breach of certain obligations in the acquisition agreement concerning the solicitation of alternate transactions or holding a shareholder meeting to obtain the required shareholder approvals;

a fee of \$50 million if (1) either party terminates the agreement by reason of the acquisition failing to close by the end date (except where the financing reverse termination fee or the specified regulatory condition reverse termination fee (each as described below) is payable by Charles River), (2) an acquisition proposal for Charles River had been made prior to termination and (3) Charles River enters into a definitive agreement with respect to or consummates an acquisition proposal (for more than 50% of Charles River's stock or assets) within 12 months of the termination;

a "financing reverse termination fee" of \$75 million if (1) (x) either party terminates the agreement by reason of the acquisition failing to close by the end date (subject to each party's right to extend the deadline for closing by 30 days in the event of a financial market event), (y) a financial market event exists on the preliminary date and all conditions to closing are satisfied or waived and (z) neither party exercises its right to extend the end date by 30 days or (2) a party exercises its right to extend the end date by 30 days due to the existence of a financial market event and the agreement is subsequently terminated for any reason;

a "specified regulatory condition reverse termination fee" of \$75 million if (1) (x) either party terminates the agreement by reason of the acquisition failing to close by the end date, (y) on the end date, all conditions to closing have been satisfied or waived except that (a) the Chinese antitrust authorities have notified Charles River that their approval is required to consummate the acquisition and such approval has not been obtained or (b) the Chinese antitrust authorities have initiated an investigation with respect to the acquisition that could reasonably be expected to have material adverse effect on Charles River or WuXi and such investigation remains pending or (2) either party terminates the agreement solely by reason of a final and nonappealable injunction, judgment, order or decree enjoining or otherwise prohibiting the consummation of the transaction under Chinese antitrust law; or

a fee of \$25 million if either party terminates the agreement by reason of Charles River's failure to obtain its required shareholder approval, and an additional \$25 million if (1) an acquisition proposal for Charles River had been made prior to termination and (2) Charles River enters into a definitive agreement with respect to or consummates an acquisition proposal (for more than 50% of Charles River's stock or assets) within 12 months of the termination.

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In no event shall Charles River be required to pay more than one termination fee to WuXi, except for the potential payment of two \$25 million termination fees as described in the immediately preceding bullet point.

**Treatment of WuXi Stock Options and Stock-Based Awards (page 55)**

At the closing, each outstanding option to purchase WuXi ordinary shares granted under any equity compensation plan or arrangement of WuXi, collectively referred to in this proxy statement as WuXi stock options, whether or not exercisable or vested, will be converted into an option to purchase Charles River common stock on the same terms and conditions in effect at the closing and each unvested and outstanding WuXi restricted share unit will be converted into a restricted share unit with respect to Charles River common stock on the same terms and conditions in effect at the closing. The number of shares of Charles River common stock subject to each such replacement stock option or restricted share unit will be determined by multiplying the number of WuXi ordinary shares subject to such stock option or restricted share unit by the equity award exchange ratio and rounding down to the nearest whole number of shares. The "equity award exchange ratio" is determined by dividing (1) the sum of (x) \$1.40625 and (y) the product of the exchange ratio for the stock portion of the acquisition consideration and the closing price of Charles River common stock on the last trading day before closing by (2) the closing price of Charles River common stock on the last trading day before closing.

**Governance After the Transaction (page 42)**

At the closing of the transaction, the Charles River board of directors will consist of 13 directors, 10 of whom will be the Charles River directors prior to the transaction and three of whom will be designated by WuXi. WuXi has selected Dr. Ge Li as one of its designees to the Charles River board and will select two other individuals prior to the closing. In connection with its two annual shareholder meetings following the closing, Charles River is required to include WuXi's three designees (or, if Charles River's Corporate Governance and Nominating Committee determines that any of them does not meet Charles River's director qualification requirements, replacement nominees designated by Dr. Li) in its proxy statement as part of the "management slate" recommended for election to its board.

At the closing of the transaction, James C. Foster will continue to be Chairman, President and Chief Executive Officer of the combined company and Dr. Li, currently Chairman and Chief Executive Officer of WuXi, is expected to be Corporate Executive Vice President and President, Global Discovery and China Services, of the combined company. Thomas F. Ackerman is expected to continue as Chief Financial Officer of Charles River after the closing of the transaction.

**Headquarters (page 42)**

After completion of the transaction, Charles River will retain the name Charles River Laboratories International, Inc. and will continue to have its headquarters and principal executive offices in Wilmington, Massachusetts.

**Regulatory and Other Approvals Required for the Transaction (page 34)**

The Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, referred to as the HSR Act, and the rules and regulations thereunder, provide that the transaction may not be completed until pre-merger notification filings have been made with the Federal Trade Commission and the Antitrust Division of the Department of Justice, and the specified waiting period thereunder has expired or is terminated. Even after the waiting period expires or is terminated, the Justice Department and the Federal Trade Commission retain the authority to challenge the transaction on antitrust grounds before or after the transaction is completed. Each of Charles River and WuXi filed a notification and report

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form for the transaction with the Federal Trade Commission and the Justice Department on May 11, 2010.

Charles River voluntarily withdrew this May 11, 2010 Pre-Merger Notification and Report Form and refiled on June 10, 2010. The refiling is a procedural step to provide the staff at the Federal Trade Commission with an additional 30 days following the refiling to review the information submitted by Charles River and WuXi. The new waiting period under the HSR Act will expire at 11:59 p.m., New York City time, on July 12, 2010, unless terminated earlier or extended by request for additional information.

The transaction cannot be completed without the approval of the Grand Court. Subject to the necessary meeting of the WuXi shareholders being convened by the Grand Court, which meeting is referred to in this proxy statement as the scheme meeting, and the shareholders of WuXi approving the transaction with the vote required pursuant to the Cayman Companies Law, a subsequent Grand Court hearing, which is referred to in the proxy statement as the sanction hearing, will be held to seek the Grand Court's sanction of the transaction. Assuming that the scheme meeting is conducted in accordance with the Grand Court's orders, and that the WuXi shareholders approve the scheme of arrangement proposal to consummate the transaction by the majorities required pursuant to the Cayman Companies Law, we are not aware of any reason why the Grand Court would not sanction the scheme. Nevertheless, the Grand Court's sanction is a matter for its discretion and there is no absolute assurance if or when such sanction will be obtained.

If obtained, the Grand Court's sanction of the scheme will constitute the basis for an exemption under section 3(a)(10) of the United States Securities Act of 1933, as amended, or Securities Act, from the registration requirements of the Securities Act, with respect to the issuance of the Charles River common stock in exchange for the WuXi ordinary shares in connection with the acquisition.

**Listing of Charles River Common Stock (page 42)**

The shares of Charles River common stock to be issued to WuXi shareholders in the transaction will be listed on the NYSE.

**Accounting Treatment of the Transaction (page 73)**

The transaction will be accounted for as a purchase by Charles River under accounting principles generally accepted in the United States. Under the purchase method of accounting, the assets and liabilities of WuXi will be recorded, as of the date the transaction is completed, at their respective fair values and added to those of Charles River. Charles River's financial statements issued after the completion of the transaction will reflect WuXi's assets, liabilities and operating results after the completion of the transaction, but will not be restated retroactively to reflect the historical pre-closing financial position or results of operations of WuXi. Following the completion of the transaction, the earnings of the combined company will reflect the impact from fair value adjustments in purchase accounting, including amortization and depreciation expense for acquired assets and related tax benefits, and incremental stock-based compensation expense from the conversion of unvested stock options held by WuXi employees into Charles River stock options. In accordance with the applicable accounting rules, the goodwill resulting from the transaction will not be amortized, but will be reviewed for impairment at least annually, and to the extent goodwill is determined to be impaired in value, its carrying value will be written down to its implied fair value and a charge will be made to earnings in the amount of the write-down.

**The Special Meeting (page 28)**

*Meeting.* The special meeting will be held on Thursday, August 5, 2010, at 8:30 a.m., Eastern Time, at Charles River Laboratories International, Inc., 181 Ballardvale Street, Wilmington, MA 01887.

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At the special meeting, Charles River shareholders will be asked to approve the issuance of shares of Charles River common stock in connection with the transaction and, if necessary, the related adjournment proposal.

*Record Date.* Charles River has fixed the close of business on June 30, 2010 as the record date for determining the Charles River shareholders entitled to receive notice of and to vote at the special meeting. As of that date, there were 66,259,323 shares of Charles River common stock outstanding. Only holders of record of Charles River common stock on the record date are entitled to receive notice of and to vote at the special meeting, and any adjournment or postponement thereof. Each share of Charles River common stock is entitled to one vote.

*Required Vote.* The approval of the proposal to issue shares of Charles River common stock in connection with the transaction, and therefore the consummation of the transaction, requires the affirmative vote of at least a majority of the votes cast in person or by proxy at the special meeting, in a vote in which the total number of votes cast represents more than 50 percent of the outstanding Charles River common stock. The failure of a Charles River shareholder to vote on this proposal, including abstentions or broker non-votes, may have the same effect of a vote against the proposal. However, if the 50 percent requirement is satisfied, failure to vote on this proposal, including abstentions or broker non-votes, will have the effect of reducing the aggregate number of shares voting with respect to the proposal, and, as a result, the number of affirmative votes required to approve the proposal.

The proposal to approve an adjournment of the special meeting to solicit additional proxies will be approved if a majority of the outstanding shares of Charles River common stock present in person or represented by proxy at the special meeting are voted in favor of the proposal, whether or not a quorum exists. The failure of a Charles River shareholder to vote on this proposal, other than by abstention or broker non-vote, will have the effect of reducing the aggregate number of shares voting with respect to the proposal, and, as a result, the number of affirmative votes required to approve the proposal. However, both abstentions and broker non-votes will have the same effect as a vote against Charles River's adjournment proposal.

Neither proposal to be voted upon at the special meeting is conditioned on the approval of the other proposal.

As of the record date, directors and executive officers of Charles River and their affiliates beneficially owned or otherwise had the right to vote 2,601,107 shares of Charles River common stock, or approximately 3.83 percent of the outstanding Charles River common stock entitled to be voted at the special meeting. At that date, directors and executive officers of WuXi and their affiliates, including WuXi, did not beneficially own or otherwise have the right to vote any shares of Charles River common stock. To Charles River's knowledge, the directors and executive officers of Charles River and their affiliates intend to vote their Charles River common stock in favor of the issuance of Charles River common stock in connection with the transaction.

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**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF CHARLES RIVER**

Charles River is providing the following financial information to aid you in your analysis of the financial aspects of the transaction. Charles River derived the summary selected historical consolidated balance sheet data and consolidated statement of income data as of and for the years ended December 31, 2005 through December 26, 2009 from the audited consolidated financial statements of Charles River for those periods. Charles River derived the statement of income data for the three months ended March 27, 2010 and March 28, 2009 and the balance sheet data as of March 27, 2010 and March 28, 2009 from the unaudited condensed consolidated financial statements of Charles River for those periods. In the opinion of Charles River management, the unaudited condensed consolidated financial statements of Charles River for the three months ended March 27, 2010 and March 28, 2009 have been prepared on a basis consistent with its audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the financial position and results of operations for these periods. The operating results for the three months ended March 27, 2010 are not necessarily indicative of the results that may be expected for the entire fiscal year of Charles River or the combined company.

The table below represents summary selected historical consolidated statements of income and consolidated balance sheet data of Charles River, and you should read it together with the historical financial statements and related notes contained in the Annual Report on Form 10-K for the year ended December 26, 2009 and the Quarterly Report on Form 10-Q for the period ended March 27, 2010 and other information that Charles River has filed with the Securities and Exchange Commission, or SEC, and incorporated by reference into this proxy statement. See "Where You Can Find More Information," beginning on page 95.

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	Charles River Laboratories International, Inc.					Three Months Ended	
	Fiscal Year(1)					March 27,	March 28,
	2005	2006	2007	2008	2009	2010	2009
	(in thousands of U.S. dollars, except share data)						
<b>Statement of Income Data</b>							
Net Sales	\$ 993,328	\$ 1,058,385	\$ 1,230,626	\$ 1,343,493	\$ 1,202,551	\$ 297,345	\$ 301,526
Cost of products sold and services provided	603,624	651,778	752,435	832,784	773,183	197,428	193,306
Selling, general and administrative expenses	157,999	180,795	217,523	230,266	233,995	63,241	62,178
Goodwill impairment				700,000			
Amortization of intangibles	47,011	37,639	33,509	30,312	28,447	7,174	6,149
Operating income (loss)	184,694	188,173	227,159	(449,869)	166,926	29,502	39,893
Interest income	3,695	6,836	9,683	8,691	1,777	397	629
Interest expense	(24,324)	(23,200)	(24,453)	(22,334)	(21,682)	(6,007)	(5,233)
Other, net	(177)	981	(1,448)	(5,930)	2,086	(411)	(262)
Income (loss) from continuing operations before income taxes	163,888	172,790	210,941	(469,442)	149,107	23,481	35,027
Provision for income taxes	16,261	48,164	56,677	56,174	39,725	6,481	10,158
Income (loss) from continuing operations, net of income taxes	147,627	124,626	154,264	(525,616)	109,382	17,000	24,869
Income (loss) from discontinued businesses, net of tax	(3,790)	(181,004)	(3,146)	424	3,220	0	0
Net income (loss)	143,837	(56,378)	151,118	(525,192)	112,602	17,000	24,869
Net income (loss) attributable to noncontrolling interests	(1,838)	(1,605)	(470)	687	1,839	382	536
Net income (loss) attributable to common shareowners	\$ 141,999	\$ (57,983)	\$ 150,648	\$ (524,505)	\$ 114,441	\$ 17,382	\$ 25,405
<b>Common Share Data:</b>							
Earnings (loss) per common share							
Basic							
Continuing operations attributable to common shareowners							
	\$ 2.09	\$ 1.78	\$ 2.30	\$ (7.80)	\$ 1.70	\$ 0.27	\$ 0.39
Discontinued operations							
	\$ (0.05)	\$ (2.63)	\$ (0.05)	\$ 0.01	\$ 0.05		
Net income (loss) attributable to common shareowners							
	\$ 2.04	\$ (0.84)	\$ 2.25	\$ (7.80)	\$ 1.75	\$ 0.27	\$ 0.39
Diluted							
Continuing operations attributable to common shareowners							
	\$ 2.02	\$ 1.76	\$ 2.24	\$ (7.80)	\$ 1.69	\$ 0.26	\$ 0.38
Discontinued operations							
	\$ (0.05)	\$ (2.59)	\$ (0.05)	\$ 0.01	\$ 0.05		
Net income (loss) attributable to common shareowners							
	\$ 1.96	\$ (0.83)	\$ 2.19	\$ (7.80)	\$ 1.74	\$ 0.26	\$ 0.38
<b>Other Data:</b>							
Depreciation and amortization	\$ 87,935	\$ 82,586	\$ 86,411	\$ 91,290	\$ 93,553	\$ 24,262	\$ 21,970
Capital expenditures	94,520	183,529	230,938	199,858	80,012	9,293	24,625
<b>Balance Sheet Data (at end of period):</b>							



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Cash and cash equivalents	\$ 114,821	\$ 175,380	\$ 225,449	\$ 243,592	\$ 182,574	\$ 222,199	\$ 170,233
Working capital	107,910	241,762	299,587	317,141	345,828	366,523	301,847
Goodwill, net	1,097,590	1,119,309	1,120,540	457,578	508,235	504,702	454,770
Total assets	2,538,209	2,523,449	2,778,313	2,141,413	2,204,093	2,186,871	2,087,588
Total debt	296,090	489,284	437,902	515,332	492,832	474,093	509,222
Total shareowners' equity	1,827,013	1,643,892	1,905,390	1,241,286	1,375,243	1,385,761	1,218,038

- (1) Charles River's fiscal year consists of the 12 months ending on the last Saturday on, or prior to, each December 31.

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF WUXI**

The following selected consolidated income statement data relating to WuXi for the years ended December 31, 2007, 2008 and 2009, and the selected consolidated balance sheet data as of December 31, 2008 and 2009 have been derived from WuXi's audited consolidated financial statements included in WuXi's Annual Report on Form 20-F for the year ended December 31, 2009. The selected consolidated income statement data for the years ended December 31, 2005 and 2006 and the selected consolidated balance sheet data as of December 31, 2005, 2006 and 2007 were derived from WuXi's audited consolidated financial statements, which are not included in WuXi's Annual Report on Form 20-F. You should read the selected consolidated financial data in conjunction with WuXi's audited financial statements and the accompanying notes included in WuXi's Annual Report on Form 20-F, including Item 5 of such Annual Report on Form 20-F, "Operating and Financial Review and Prospects." WuXi's audited consolidated financial statements are prepared and presented in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The following selected consolidated income statement data for WuXi for the quarters ended March 31, 2009 and 2010, and the selected consolidated balance sheet data as of March 31, 2009 and 2010, have been extracted without audit from the unaudited consolidated balance sheets and the unaudited condensed consolidated statements of operations set forth in WuXi's Reports on Form 6-K furnished to the SEC on May 15, 2009 and May 12, 2010. The results of operations for the three months ended March 31, 2010 are not necessarily indicative of WuXi's expected results for the full year or for any future period.

	Year Ended December 31,					Three Months Ended	
	2005	2006	2007	2008	2009	March 31, 2009	March 31, 2010
(in millions of U.S. dollars, except share data)							
<b>WuXi Consolidated Income Statement Data</b>							
Net revenues							
Laboratory services	\$ 29.4	\$ 59.8	\$ 102.4	\$ 205.0	\$ 249.9	\$ 56.6	\$ 67.0
Manufacturing services	4.4	10.1	32.8	48.5	20.1	2.5	13.6
<b>Total</b>	<b>33.8</b>	<b>69.9</b>	<b>135.2</b>	<b>253.5</b>	<b>270.0</b>	<b>59.1</b>	<b>80.6</b>
Cost of revenues							
Laboratory services	(12.8)	(26.5)	(52.4)	(124.7)	(145.2)	(33.8)	(39.3)
Manufacturing services	(2.7)	(9.1)	(19.9)	(32.4)	(16.5)	(2.0)	(10.9)
<b>Total</b>	<b>(15.5)</b>	<b>(35.6)</b>	<b>(72.3)</b>	<b>(157.1)</b>	<b>(161.7)</b>	<b>(35.8)</b>	<b>(50.2)</b>
Gross profit	18.3	34.3	62.9	96.4	108.3	23.3	30.4
Operating expenses:							
Selling and marketing expenses	(1.0)	(1.9)	(2.4)	(7.4)	(7.5)	(1.3)	(2.3)
General and administrative expenses	(8.5)	(22.3)	(30.3)	(49.4)	(48.8)	(11.7)	(10.7)
Impairment charges				(60.5)			
<b>Total</b>	<b>(9.5)</b>	<b>(24.2)</b>	<b>(32.7)</b>	<b>(117.3)</b>	<b>(56.3)</b>	<b>(13.0)</b>	<b>(13.0)</b>
Operating income (loss)	8.8	10.1	30.2	(20.9)	52.0	10.3	17.4
Other income, net	(0.3)	*	2.4	1.1	6.8	3.4	0.2
Interest expense	(1.3)	(1.1)	(1.2)	(1.4)	(1.0)	(0.3)	(0.1)
Interest income	*	0.3	4.0	2.3	1.1	0.2	0.2
Income (loss) from continuing operations before income taxes	7.2	9.3	35.4	(18.9)	58.9	13.6	17.7
Income tax (expense) benefit	(1.1)	(0.4)	(1.5)	4.0	(5.5)	(1.9)	(2.2)
	6.1	8.9	33.9	(14.9)	53.4	11.7	15.5

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Net income (loss) from  
continuing operations(1)

Income (loss) on discontinued  
operations

(49.3) (0.5)

Net income (loss)

\$ 6.1 \$ 8.9 \$ 33.9 \$ (64.2) \$ 52.9 \$ 11.7 \$ 15.5

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	Year Ended December 31,					Three Months Ended	
	2005	2006	2007	2008	2009	March 31, 2009	March 31, 2010
	(in millions of U.S. dollars, except share data)						
Basic earnings (loss) per share from continuing operations	\$ (0.00)	\$ (0.15)	\$ 0.07	\$ (0.03)	\$ 0.10	\$ 0.02	\$ 0.03
Basic loss per share on discontinued operations net of tax				\$ (0.10)	\$ 0.00		
Basic earnings (loss) per share	\$ (0.00)	\$ (0.15)	\$ 0.07	\$ (0.13)	\$ 0.10	\$ 0.02	\$ 0.03
Diluted earnings (loss) per share from continuing operations	\$ (0.00)	\$ (0.15)	\$ 0.05	\$ (0.03)	\$ 0.09	\$ 0.02	\$ 0.03
Diluted loss per share on discontinued operations net of tax				\$ (0.10)	\$ 0.00		
Diluted earnings (loss) per share	\$ (0.00)	\$ (0.15)	\$ 0.05	\$ (0.13)	\$ 0.09	\$ 0.02	\$ 0.03
Dividends declared per ordinary share	\$ (0.01)	\$ (0.02)					

\*  
Less than \$50,000

(1) Includes share-based compensation charges of \$3.1 million, \$8.4 million, \$10.7 million, \$13.0 million and \$10.2 million in 2005, 2006, 2007, 2008 and 2009, respectively, allocated as follows:

	Year Ended December 31,					Three Months Ended	
	2005	2006	2007	2008	2009	March 31, 2009	March 31, 2010
	(in millions of U.S. dollars)						
Cost of revenues	\$ 0.4	\$ 0.5	\$ 2.1	\$ 3.0	\$ 2.7	\$ 0.6	\$ 0.9
Selling expenses					0.1		0.0
General and administrative expenses	2.7	7.9	8.6	10.0	7.4	1.4	1.4
<b>WuXi Consolidated Balance Sheet Data</b>							
Cash and cash equivalents	\$ 4.9	\$ 9.7	\$ 213.6	\$ 56.6	\$ 80.5	\$ 101.9	\$ 74.4
Total current assets	14.5	36.7	261.9	129.8	174.2	163.9	176.9
Total assets	40.9	85.7	343.8	336.4	407.3	376.9	411.8
Total current liabilities	18.4	30.6	45.6	58.8	80.3	85.7	66.8
Total liabilities	23.6	37.5	92.4	105.5	127.2	132.4	113.6
Mezzanine equity	6.1	49.1					
Total shareholders' equity (deficit)	11.2	(0.9)	251.4	230.9	280.1	244.5	298.2
Total liabilities, mezzanine equity and shareholders' equity	40.9	85.7	343.8	336.4	407.3	376.9	411.8

**Exchange Rate Information**

A majority of WuXi's business is conducted in China, and some of its net revenues and a majority of its expenses are denominated in Renminbi. However, periodic reports made to WuXi's shareholders are expressed in U.S. dollars using the then-current exchange rates. This proxy statement contains translations of Renminbi amounts into U.S. dollars at specific rates solely for the convenience of the reader. Unless otherwise noted, all transactions from Renminbi into U.S. dollars and from U.S. dollars to Renminbi in this proxy statement were made at a rate of RMB 6.8282 to \$1.00 in effect as of December 31, 2009. The exchange rate as of May 14, 2010 was RMB 6.8263 to \$1.00. Charles River and WuXi make no representation that any Renminbi or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or Renminbi, as the case may be, at any particular rate, the rates stated below, or at all. The Chinese government imposes control over its foreign-currency

reserves in part through direct regulation of the conversion of Renminbi into foreign exchange and through restrictions on foreign trade.

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The following table sets forth information concerning exchange rates between the Renminbi and the U.S. dollar for the periods indicated. These rates are provided solely for your convenience and are not necessarily the exchange rates that we used in this proxy statement or will use in the preparation of our periodic reports or any other information to be provided to you.

Period	Period-End	Exchange Rate		
		Average(1)	Low	High
2005	8.0702	8.1826	8.2765	8.0702
2006	7.8041	7.9579	8.0702	7.8041
2007	7.2946	7.5806	7.8127	7.2946
2008	6.8225	6.9193	7.2946	6.7800
2009	6.8259	6.8328	6.8470	6.8201
October 2009	6.8264	6.8267	6.8292	6.8248
November 2009	6.8265	6.8271	6.8300	6.8255
December 2009	6.8259	6.8275	6.8299	6.8244
January 2010	6.8268	6.8269	6.8295	6.8258
February 2010	6.8258	6.8285	6.8330	6.8258
March 2010	6.8258	6.8262	6.8270	6.8254
April 2010	6.8247	6.8255	6.8275	6.8229
May 2010	6.8305	6.8275	6.8310	6.8245
June 2010 (through June 25, 2010)	6.7911	6.8227	6.8323	6.7911

Source:

Exchange rate supplied by the Federal Reserve Bank of New York for the years from 2005 to 2008, and by the H.10 Statistical Release of the Federal Reserve Board for 2009 and 2010.

(1)

Annual averages are calculated from month-end rates. Monthly averages are calculated using the average of the daily rates during the relevant period.

Table of Contents**SUMMARY SELECTED UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION**

The transaction will be accounted for under the purchase method of accounting, which means that the assets and liabilities of WuXi will be recorded, as of completion of the transaction, at their fair values and added to those of Charles River. For a more detailed description of purchase accounting, see "Accounting Treatment."

We have presented below selected unaudited pro forma combined financial information that is intended to provide you with a better picture of what the businesses might have looked like had Charles River and WuXi actually been combined. The unaudited pro forma combined balance sheet combines the historical consolidated balance sheets of Charles River and of WuXi as of March 27, 2010 and March 31, 2010, respectively, giving effect to the transaction as if it occurred on March 27, 2010. The unaudited pro forma combined statements of income combine the historical consolidated statements of income of Charles River and of WuXi for the year ended December 26, 2009 and December 31, 2009, respectively, and the three months ended March 27, 2010 and March 31, 2010, respectively, giving effect to the transaction as if it occurred on December 28, 2008. The combined financial information would have been different, perhaps materially, had the companies actually been combined as of that date. The selected unaudited pro forma combined financial information does not reflect the effect of asset dispositions, if any, or cost savings that may result from the transaction. You should not rely on the selected unaudited pro forma combined financial information as being indicative of the historical results that would have occurred had the companies been combined or the future results that may be achieved after the transaction. The following selected unaudited pro forma combined financial information has been derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Financial Statements and related notes included in this proxy statement.

**Unaudited Pro Forma Combined Statement of Income Data:**

	Fiscal Year Ended December 26, 2009	Three Months Ended March 27, 2010
	(dollars in thousands except per share data)	
Net sales	\$ 1,470,812	\$ 377,484
Cost of products sold and services provided	932,118	247,606
Selling, general and administrative expenses	291,720	77,905
Amortization of identifiable intangibles	71,047	20,274
Operating income	175,927	31,699
Interest income	2,902	595
Interest expense	(57,502)	(14,099)
Other, net	8,862	(228)
Income before income taxes and minority interests	130,189	17,967
Provision for income taxes	31,493	4,550
Income from continuing operations	98,696	13,417
Earnings per common share from continuing operations attributable to common shareowners:		
Basic	\$ 1.20	\$ 0.16
Diluted	1.15	0.16

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**Unaudited Pro Forma Combined Balance Sheet Data:**

	As of March 27, 2010 (dollars in thousands)
Cash and cash equivalents	\$ 187,465
Working capital	379,740
Total assets	3,906,681
Total debt	1,256,455
Total equity	2,140,060

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The following table sets forth selected historical earnings per share, book value per share and dividends per share information of Charles River and WuXi and unaudited pro forma combined earnings per share, book value per share and dividends per share information after giving effect to the transaction, assuming that the acquisition had occurred on March 27, 2010. You should read this information in conjunction with the selected historical financial information included elsewhere in this proxy statement and the historical financial statements of Charles River and WuXi and related notes that are incorporated in this proxy statement by reference. See "Where You Can Find More Information," beginning on page 95.

The historical earnings per share and dividends per share information for fiscal year 2009 is derived from audited consolidated financial statements of Charles River and WuXi as of and for the year ended December 26, 2009 and December 31, 2009, respectively. The historical earnings per share, book value per share and dividends per share information for the three months ended March 27, 2010 is derived from unaudited condensed consolidated financial statements of Charles River and WuXi as of and for the three months ended March 27, 2010 and March 31, 2010, respectively. The unaudited pro forma combined earnings per share, book value per share and dividends per share information is derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Financial Statements and related notes included in this proxy statement. The unaudited pro forma equivalent earnings per share, book value per share and dividends per share information of WuXi is calculated as the unaudited pro forma combined earnings per share, book value per share and dividends per share of Charles River multiplied by the exchange ratio of 0.0324 (which would have been the exchange ratio had the acquisition been completed on March 27, 2010).

	Charles River		WuXi	
	Historical Year Ended December 26, 2009	Unaudited Pro Forma Combined	Historical Year Ended December 31, 2009	Unaudited Pro Forma Equivalent
Basic earnings per share from continuing operations attributable to common shareowners	\$ 1.70	\$ 1.20	\$ 0.10	\$ 0.04
Diluted earnings per share from continuing operations attributable to common shareowners	\$ 1.69	\$ 1.15	\$ 0.09	\$ 0.04
Dividends				

	Charles River		WuXi	
	Historical Three Months Ended March 27, 2010	Unaudited Pro Forma Combined	Historical Three Months Ended March 31, 2010	Unaudited Pro Forma Equivalent
Basic earnings per share	\$ 0.27	\$ 0.16	\$ 0.03	\$ 0.01
Diluted earnings per share	\$ 0.26	\$ 0.16	\$ 0.03	\$ 0.01
Book value per share	\$ 20.91	\$ 25.21	\$ 0.54	\$ 0.82
Dividends				

Table of Contents**COMPARATIVE MARKET PRICE INFORMATION**

The table below sets forth the closing sale prices of Charles River common stock and WuXi ADSs as reported on the NYSE on April 23, 2010, the last trading day prior to the public announcement of the transaction, and on June 25, 2010, the most recent practicable trading day prior to the date of this proxy statement.

The table also shows the implied value of one WuXi ordinary share, which we calculated by adding the cash portion of the acquisition consideration, or \$1.40625, to the product of the closing price of Charles River common stock on those dates and the exchange ratio which would have been in effect had the acquisition taken place on those dates, assuming that the closing price on those dates were equal to the 20 day weighted average closing price of Charles River common stock on those dates.

The market prices of Charles River common stock and WuXi ordinary shares will fluctuate between the date of this proxy statement and the time of the special meeting or the completion of the transaction. No assurance can be given concerning the market prices of Charles River common stock or WuXi ordinary shares before the completion of the transaction or the market price of Charles River common stock after the completion of the transaction.

	<b>Closing Price of Charles River Common Stock</b>	<b>Closing Price of WuXi ADSs</b>	<b>Closing Price of WuXi Ordinary Shares(1)</b>	<b>Implied Value of WuXi ADSs</b>	<b>Implied Value of WuXi Ordinary Shares</b>
April 23, 2010	\$ 39.77	\$ 16.57	\$ 2.07	\$ 21.25	\$ 2.66
June 25, 2010	\$ 35.44	\$ 16.26	\$ 2.03	\$ 20.78	\$ 2.60

- (1) Market price data for WuXi ordinary shares is determined by dividing the quoted price of WuXi ADSs on the NYSE as of the relevant date by eight (the number of WuXi ordinary shares underlying each WuXi ADS).

See "Comparative Market Prices and Dividends" for additional market price information.

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**RISK FACTORS**

In addition to the other information included in this proxy statement, including the matters addressed in "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 27, you should carefully consider the following risk factors in determining how to vote at the special meeting. In addition, you should read and consider the risk factors associated with each of the businesses of Charles River and WuXi because these risk factors may affect the operations and financial results of the combined company. These risk factors may be found under Part I, Item 1A, "Risk Factors" of Charles River's Annual Report on Form 10-K for the year ended December 26, 2009, Part II, Item 1A, "Risk Factors" of Charles River's Quarterly Report on Form 10-Q for the quarterly period ended March 27, 2010 and Part 1, Item 3.D, "Key Information Risk Factors" of WuXi's Annual Report on Form 20-F for the year ended December 31, 2009, each of which is on file with the SEC, and each of which is incorporated by reference into this proxy statement.

**Risk Factors Relating to the Transaction**

*Charles River and WuXi may experience difficulties in integrating their businesses, which could cause the combined company to fail to realize many of the anticipated potential benefits of the transaction.*

We have entered into an agreement to acquire WuXi because we believe that the transaction will be beneficial to Charles River and our shareholders. Achieving the anticipated benefits of the transaction will depend in part upon whether we can integrate WuXi into our company in an efficient and effective manner. We may not be able to accomplish this integration process smoothly or successfully. It is possible that the integration process could result in the loss of key Charles River and WuXi employees, the disruption of each company's ongoing businesses or in unexpected integration issues, higher than expected integration costs and an overall post-closing integration process that takes longer than originally anticipated. Issues that must be addressed in integrating WuXi into Charles River include, among other things:

coordinating geographically separated organizations;

addressing possible differences in corporate cultures and management philosophies;

successfully integrating WuXi's operations or adapting to the addition of lines of business in which Charles River has not historically engaged;

combining the companies' sales, marketing, data and operations functions;

integrating the companies' technologies, products and services;

identifying and eliminating redundant and underperforming operations and assets;

harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes;

consolidating the companies' corporate, administrative and information technology infrastructures;

coordinating sales, distribution and marketing efforts;

managing the movement of certain positions to different locations, possibly including moving certain positions from the U.S. to China and vice versa;

maintaining existing agreements with customers and suppliers and avoiding delays in entering into new agreements with prospective customers and suppliers; and

consolidating offices of Charles River and WuXi that are currently in the same locale.

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In addition, at times, the attention of certain members of each company's management and resources may be focused on the completion of the transaction and the integration of the businesses of the two companies and diverted from day-to-day business operations, which may disrupt each company's ongoing business and the business of the combined company.

If Charles River is not able to successfully combine the businesses of Charles River and WuXi within the anticipated time frame, or at all, the anticipated benefits and cost savings of the acquisition may not be realized fully or at all or may take longer to realize than expected, the combined business may not perform as expected and the value of the Charles River common stock may be adversely affected.

***The combined company will depend on its senior management team and other key employees, and the loss of any member of the team could adversely affect the combined company's business.***

The success of the combined company after the transaction will depend in part upon the ability of Charles River and WuXi to retain senior management and other key employees of both companies. Competition for qualified personnel can be very intense. In addition, senior management and key employees may depart because of issues relating to the uncertainty or difficulty associated with the integration of the companies or a desire not to remain with the combined company. Accordingly, no assurance can be given that Charles River or WuXi will be able to retain senior management and key employees to the same extent that they have been able to do so in the past. Employee retention may be particularly challenging during the pendency of the transaction, as employees of Charles River and WuXi may experience uncertainty about their future roles within the combined business. Additionally, WuXi's officers and employees may own WuXi ordinary shares and/or have vested equity awards and, if the transaction is completed (and in the case of vested options, if such vested options are exercised prior to completion of the transaction), may therefore be entitled to the acquisition consideration, the payment of which could provide sufficient financial incentive for certain officers and employees to no longer pursue employment with Charles River post-closing.

***Charles River may not be able to obtain the financing needed for the transaction on favorable terms.***

Charles River has received the commitments of certain lenders to provide financing of up to \$1.2 billion in the aggregate in connection with the transaction. However, the lenders that provided the commitments have the right to decide not to actually fund the loan if, among other reasons, there is any event, occurrence, development or state of circumstances or facts (subject to certain specified exceptions) that has had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the financial condition, business, assets or results of operations of Charles River, WuXi and their respective subsidiaries, taken as a whole. If such an event, occurrence, development or state of circumstances or facts does occur, Charles River may be forced to obtain an alternate source of financing, which may be more expensive for Charles River, may have an adverse impact on the combined company's capital structure, or may be unavailable on terms favorable to Charles River. For a more detailed discussion of the commitments, see "The Transaction Transaction Financing."

Under the acquisition agreement, if, on the date that the transaction otherwise would have closed, Charles River is unable to obtain the financing or a substitution of all or any portion of the financing that has terms that are commercially reasonable in the aggregate, or the substitute financing, there is a nationwide unavailability of acquisition financing (which is not limited to the financing of the transaction contemplated by the acquisition agreement), Charles River has complied in all material respects with its obligations to use commercially reasonable efforts to obtain financing for the transaction and to use its reasonable best efforts to consummate the transaction, either party may terminate the agreement, subject to each party's right to extend the closing date by 30 days. If the acquisition agreement terminates under these circumstances, or either party exercises its right to extend

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the closing date and the acquisition agreement is terminated under any circumstances, Charles River will be required to pay WuXi a reverse break-up fee of \$75 million. See "The Acquisition Agreement Termination," and "The Acquisition Agreement Termination Fees" beginning on pages 65 and 67 of this proxy statement, respectively.

***The combined company will have a level of debt that could adversely affect its business and growth prospects.***

Upon completion of the acquisition, Charles River will have incurred acquisition debt financing of up to \$1,200 million, which will replace the existing senior secured credit facilities of WuXi of \$36.5 million and Charles River of \$190.4 million outstanding as of the end of their 2009 fiscal years. Covenants to which Charles River has agreed or may agree in connection with the acquisition debt financing, and the combined company's substantial increased indebtedness and higher debt-to-equity ratio following completion of the acquisition in comparison to its recent historical basis, will have the effect, among other things, of reducing Charles River's flexibility to respond to changing business and economic conditions and increasing borrowing costs. In addition, the amount of cash required to service these increased indebtedness levels and the resulting demands on Charles River's cash resources will be significantly greater than the percentages of cash flows required to service indebtedness prior to the transaction. The increased levels of indebtedness could also reduce funds available for capital expenditures and other activities, and may create competitive disadvantages for Charles River relative to other companies with lower debt levels. Charles River's and WuXi's business relationships, including client relationships, may be subject to disruption due to uncertainty associated with the acquisition. The adverse effect of such disruptions could be exacerbated by a delay in the completion of the transaction or termination of the acquisition agreement.

***Impairment of goodwill arising from the transaction may adversely impact future results of operations.***

The combination of Charles River and WuXi will be accounted for as a purchase by Charles River under accounting principles generally accepted in the United States. Under the purchase method of accounting, the assets and liabilities of WuXi, including identifiable intangible assets, will be recorded at their respective fair values as of the date the combination is completed. The excess of the purchase price over the fair value of acquired net assets and liabilities will be recorded as goodwill. As a result of the combination, Charles River expects to record \$823.1 million of additional goodwill and \$612.3 million of other intangible assets, which are material to the combined company. The goodwill will not be amortized, but will be reviewed for impairment by Charles River at least annually. If the future growth and operating results of the acquired businesses are not as strong as anticipated, goodwill may be impaired. To the extent goodwill is impaired, its carrying value will be written down to its implied fair value and a charge will be made to earnings. Such an impairment charge could materially and adversely affect the operating results and financial condition of the combined company.

***In order to complete the acquisition, Charles River and WuXi must obtain certain governmental approvals, and if such approvals are not granted or are granted with conditions that become applicable to the parties, the completion of the acquisition may be jeopardized or the anticipated benefits of the acquisition could be reduced.***

Completion of the acquisition is conditioned upon the expiration or termination of the applicable waiting period relating to the transaction under the HSR Act, the sanction of the Grand Court of the Cayman Islands and, if necessary, the approval of the Chinese antitrust authorities. Although Charles River and WuXi have agreed in the acquisition agreement to use their reasonable best efforts to obtain any requisite governmental or third party approvals, there can be no assurance that these approvals will be obtained in a timely fashion, or at all. In addition, the governmental authorities from which these approvals are required have broad discretion in administering the governing regulations. As a condition

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to approval of the transaction, these governmental authorities may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of the combined company's business after the completion of the acquisition. If either Charles River or WuXi becomes subject to any term, condition, obligation or restriction, the imposition of such term, condition, obligation or restriction could adversely affect the ability to integrate WuXi's operations into Charles River's operations, reduce the anticipated benefits of the acquisition or otherwise adversely affect Charles River's business and results of operations after the completion of the acquisition. See "Regulatory and Other Approvals Required for the Transaction" beginning on page 34 of this proxy statement.

***Failure to complete the acquisition could negatively impact the stock price and the future business and financial results of Charles River.***

If the acquisition is not completed, Charles River's ongoing business may be adversely affected and, without realizing any of the benefits of having completed the acquisition, Charles River would be subject to a number of risks, including the following:

negative reactions from the financial markets and from Charles River's customers and employees;

Charles River may be required to pay WuXi a termination fee of between \$25 million and \$75 million if the acquisition is terminated under certain circumstances (see "The Acquisition Agreement Termination Fees" beginning on page 67 of this proxy statement);

Charles River will be required to pay certain costs relating to the acquisition, whether or not the acquisition is completed;

the acquisition agreement places certain restrictions on the conduct of Charles River's business prior to the completion of the acquisition or the termination of the acquisition agreement. Such restrictions, the waiver of which is subject to the consent of WuXi, may prevent Charles River from making certain acquisitions, taking certain other specified actions or otherwise pursuing business opportunities during the pendency of the acquisition (see "The Acquisition Agreement Principal Covenants Interim Operations of Charles River and WuXi" beginning on page 57 of this proxy statement for a description of the restrictive covenants applicable to Charles River); and

matters relating to the acquisition (including integration planning) will require substantial commitments of time and resources by Charles River's management, which would otherwise have been devoted to day-to-day operations, and other opportunities that may have been beneficial to Charles River.

There can be no assurance that the risks described above will not materialize, and if any of them do, they may adversely affect Charles River's business, financial results and stock price. In addition, Charles River could be subject to litigation related to any failure to complete the acquisition or related to any enforcement proceeding commenced against Charles River to perform its obligations under the acquisition agreement. If the acquisition is not completed, these risks may materialize and may adversely affect Charles River's business, financial results and stock price.

***Charles River will incur significant transaction-related costs in connection with the acquisition.***

Charles River expects to incur a number of non-recurring costs associated with combining the operations of the two companies. The substantial majority of non-recurring expenses resulting from the acquisition will be comprised of transaction costs related to the acquisition, facilities and systems consolidation costs and employment-related costs. Charles River will also incur transaction fees and costs related to formulating and implementing integration plans. Charles River continues to assess the

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magnitude of these costs and additional unanticipated costs may be incurred in the integration of the two companies' businesses.

***The acquisition may not be accretive, and may be dilutive, to Charles River's publicly reported non-GAAP earnings per share, which may negatively affect the market price of Charles River common stock.***

Charles River currently anticipates that the acquisition will be neutral to slightly accretive to publicly reported non-GAAP earnings per share during the first full calendar year after the acquisition, and accretive in subsequent years. This expectation is based on preliminary estimates that may materially change. In addition, future events and conditions could decrease or delay the accretion that is currently expected or could result in dilution, including adverse changes in market conditions, additional transaction and integration related costs and other factors such as the failure to realize all of the benefits anticipated in the acquisition. Any dilution of, or decrease or delay of any accretion to, Charles River's publicly reported non-GAAP earnings per share could cause the price of Charles River's common stock to decline.

***Risks relating to Charles River and WuXi.***

Charles River and WuXi are, and following completion of the acquisition, Charles River and WuXi will continue to be, subject to the risks described in Part I, Item 1.A, "Risk Factors" of Charles River's Annual Report on Form 10-K for the year ended December 26, 2009, Part II, Item 1.A, "Risk Factors" of Charles River's Quarterly Report on Form 10-Q for the quarterly period ended March 27, 2010 and Part 1, Item 3.D, "Key Information Risk Factors" of WuXi's Annual Report on Form 20-F for the year ended December 31, 2009, each of which is on file with the SEC, and each of which is incorporated by reference into this proxy statement. See "Where You Can Find More Information" beginning on page 95 of this proxy statement.



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**CAUTIONARY STATEMENT REGARDING  
FORWARD-LOOKING STATEMENTS**

This proxy statement contains certain forward-looking information about Charles River, WuXi and the combined company after completion of the transaction that is intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. These statements may be made directly in this proxy statement or may be incorporated in this proxy statement by reference to other documents and may include statements for the period following the completion of the transaction. Representatives of Charles River and WuXi may also make forward-looking statements. Forward-looking statements are statements that are not historical facts. Forward-looking statements may be identified by the use of words such as "anticipate," "believe," "expect," "estimate," "plan," "outlook," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These statements are based on current expectations and beliefs of Charles River and WuXi, and involve a number of risks and uncertainties, including the risks described in this proxy statement under "Risk Factors" and other risks described in the SEC reports filed by Charles River and WuXi, that could cause actual results to differ materially from those stated or implied by the forward-looking statements.

Some other risks and uncertainties include, but are not limited to, risks and uncertainties associated with the possibility that:

the companies may be unable to obtain shareholder or regulatory approvals required for the combination;

problems may arise in successfully integrating the businesses of the two companies;

the acquisition may involve unexpected costs;

the combined company may be unable to achieve cost or revenue synergies;

Charles River's business may suffer as a result of uncertainty surrounding the acquisition; and

the industry may be subject to future regulatory or legislative actions and other risks that are described in SEC reports filed or furnished by Charles River and WuXi.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement or in the case of statements incorporated by reference, on the date of the document incorporated by reference. All subsequent written and oral forward-looking statements concerning the transaction or other matters addressed in this proxy statement and attributable to Charles River or WuXi or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, neither Charles River nor WuXi undertakes any obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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**THE SPECIAL MEETING**

This section contains information about the special meeting of shareholders Charles River has called to consider and approve the issuance of Charles River common stock in connection with the transaction. Together with this proxy statement, we are also sending you a notice of the special meeting and a form of proxy that is being solicited by our board of directors for use at the special meeting.

**Date, Time and Place of the Special Meeting**

The special meeting will take place on Thursday, August 5, 2010 at 8:30 a.m., Eastern Time, at Charles River Laboratories International, Inc., 181 Ballardvale Street, Wilmington, MA 01887.

**Purpose of the Special Meeting**

The purpose of the special meeting is to consider and vote on the following proposals:

1. a proposal to issue shares of Charles River common stock in connection with the transaction; and
2. a proposal to approve an adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the issuance of Charles River common stock in connection with the transaction.

Neither proposal to be voted upon at the special meeting is conditioned on the approval of the other proposal.

**Record Date and Outstanding Shares**

Charles River has fixed the close of business on June 30, 2010 as the record date for determining the Charles River shareholders entitled to receive notice of and to vote at the special meeting. As of that date, there were 66,259,323 shares of Charles River common stock outstanding. Only holders of record of Charles River common stock on the record date are entitled to receive notice of and to vote at the special meeting, and any adjournment or postponement thereof. Each share of common stock is entitled to one vote.

**Quorum Requirement**

Under Delaware law and the Charles River bylaws, the presence in person or by proxy of a majority of the outstanding shares of Charles River common stock is necessary to constitute a quorum at the special meeting. Votes of shareholders of record who are present at the special meeting in person or by proxy, abstentions and broker non-votes (as defined below) are counted as present or represented at the special meeting for purposes of determining whether a quorum exists.

If you hold your shares of Charles River common stock through a broker, bank or other representative, generally the broker or your representative may only vote the common stock that it holds for you in accordance with your instructions. However, if it has not timely received your instructions, the broker or your representative may vote on certain matters for which it has discretionary voting authority. If a broker or your representative cannot vote on a particular matter because it does not have discretionary voting authority, this is a "broker non-vote" on that matter.

**Votes Required**

The approval of the proposal to issue shares of Charles River common stock in connection with the transaction, and therefore the consummation of the transaction, requires the affirmative vote of at least a majority of the votes cast in person or by proxy at the special meeting, in a vote in which the total number of votes cast represents more than 50 percent of the outstanding Charles River common

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stock. Your failure to vote on this proposal, including abstentions or broker non-votes, may have the same effect of a vote against that proposal. However, if the 50 percent requirement is satisfied, your failure to vote on this proposal, including abstentions or broker non-votes, will have the effect of reducing the aggregate number of shares voting and the number of affirmative votes required to approve the share issuance proposal.

The proposal to approve an adjournment of the special meeting to solicit additional proxies will be approved if a majority of the outstanding shares of common stock present in person or represented by proxy at the special meeting are voted in favor of the proposal, whether or not a quorum exists. Your failure to vote on this proposal, other than by abstention or broker non-vote, will have the effect of reducing the aggregate number of shares voting with respect to the proposal and, as a result, the number of affirmative votes required to approve the proposal. However, both abstentions and broker non-votes will have the same effect as a vote against the adjournment proposal.

Neither proposal to be voted upon at the special meeting is conditioned on the approval of the other proposal.

**Shares Beneficially Owned as of the Record Date**

As of the record date, directors and executive officers of Charles River and their affiliates, as a group, beneficially owned or otherwise had the right to vote 2,601,107 shares of Charles River common stock, or approximately 3.83 percent of the outstanding Charles River common stock entitled to be voted at the special meeting. At that date, directors and executive officers of WuXi and their affiliates, including WuXi, did not beneficially own or otherwise have the right to vote any shares of Charles River common stock. To Charles River's knowledge, the directors and executive officers of Charles River and their affiliates intend to vote their Charles River common stock in favor of the issuance of Charles River common stock in connection with the transaction.

**Voting at the Special Meeting**

Record holders may vote in person at the special meeting or by proxy. Charles River recommends that record holders vote by proxy even if they plan to attend the special meeting. Record holders can always revoke their proxy and change their votes at the special meeting.

**Proxies**

Voting instructions are attached to your proxy card. If you properly give your proxy and submit it to Charles River in time to vote, one of the individuals named as your proxy will vote your shares as you have directed. You may vote for or against any or all of the proposals submitted at the special meeting or abstain from voting.

*How to Vote by Proxy.* If your shares are registered in your name, there are three ways to vote your proxy: by telephone; through the Internet; or by mail. Your telephone vote or Internet vote authorizes James C. Foster, Thomas F. Ackerman and David P. Johst, and each of them, as proxies, each with the power to appoint his substitute, to represent and vote your shares in the same manner as if you marked, signed and returned your proxy form by mail.

Only the latest dated proxy, whether by mail, telephone or Internet, will be voted at the special meeting. If you choose to vote by mail, we recommend you do so promptly to help ensure timely delivery.

If your shares are held in "street name" (through a broker, bank or other nominee), you may receive a separate voting instruction form, or you may need to contact your broker, bank or other nominee to determine whether you will be able to vote electronically using the telephone or Internet.

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*How Proxies Will Be Voted.* If you sign and submit a proxy but do not mark a box with respect to one or more of the Charles River proposals, your proxy will follow the Charles River board of directors recommendations and vote these shares:

**FOR** the issuance of Charles River common stock in connection with the transaction; and

**FOR** the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of such issuance. Shares represented by a proxy that has been returned with instructions to vote against the proposal to issue shares of Charles River common stock in connection with the transaction but which does not include instructions with respect to the adjournment proposal will not be voted in favor of the adjournment proposal.

*Revoking Your Proxy.* You may revoke your proxy before it is voted by:

submitting a new proxy with a later date, including a proxy given by telephone or through the Internet;

providing a written notice of revocation to Charles River's corporate secretary before the special meeting; or

voting in person by ballot at the special meeting.

If you have instructed your broker to vote your shares, you must follow directions you receive from your broker in order to change or revoke your vote.

Please note that if you hold your shares through a bank or broker or other custodian and wish to vote in person at the special meeting, you must provide a legal proxy from that custodian.

**Solicitation of Proxies**

Charles River will pay its own expenses incurred in connection with the printing and mailing of this proxy statement. Charles River has retained Innisfree M&A Incorporated, or Innisfree, for a fee not to exceed \$50,000, plus additional fees relating to telephone solicitation and reimbursement of certain expenses, to assist in the solicitation of proxies and otherwise in connection with the special meeting. Charles River has agreed to indemnify Innisfree for certain liabilities arising out of Innisfree's engagement (excluding those resulting from Innisfree's gross negligence or willful misconduct). Charles River and Innisfree will also request banks, brokers and other intermediaries holding shares of Charles River common stock beneficially owned by others to send this proxy statement to, and obtain proxies from, the beneficial owners and will reimburse holders for their reasonable expenses in so doing. Solicitation of proxies by mail may be supplemented by telephone, email and other electronic means, advertisements and personal solicitation by the directors, officers and employees of Charles River. No additional compensation will be paid to directors, officers or employees for such solicitation efforts.

The extent to which these proxy soliciting efforts will be necessary depends largely upon how promptly proxies are submitted. Please send in your proxy by mail, telephone or Internet without delay.

**No Other Business; Adjournments**

Under Delaware law and the Charles River bylaws, the business to be conducted at the special meeting will be limited to the purposes stated in the notice to Charles River shareholders provided with this proxy statement.

Adjournments may be made for the purpose of, among other things, soliciting additional proxies. Any adjournment may be made from time to time with the approval of (1) a majority of the votes present in person or by proxy at the time of the vote, whether or not a quorum exists, or (2) if no shareholder is present, any officer entitled to preside at or to act as secretary of such meeting. Charles River is not required to notify shareholders of any adjournment of less than 30 days if the time and

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place of the adjourned meeting are announced at the meeting at which adjournment is taken, unless after the adjournment a new record date is fixed for the adjourned meeting.

References to the special meeting in this proxy statement are to such special meeting as adjourned or postponed.

**Shareholder Questions**

Charles River shareholders with any questions about the transaction or about voting their shares should call Innisfree M&A Incorporated, Charles River's proxy solicitor, toll-free at 888-750-5834 (banks and brokers may call collect at 212-750-5833).

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**INFORMATION ABOUT THE COMPANIES**

**Charles River**

Charles River Laboratories International, Inc.  
251 Ballardvale Street  
Wilmington, Massachusetts 01887  
Telephone: (978) 658-6000  
<http://www.criver.com>

Charles River is a leading global provider of solutions which accelerate the drug discovery and development process, including research models and associated services and outsourced preclinical services. Charles River provides products and services to global pharmaceutical companies and biotechnology companies, as well as government agencies and leading hospitals and academic institutions throughout the world, in order to bring drugs to market faster and more efficiently. Employing approximately 8,000 people, including approximately 500 professionals with advanced degrees, including Ph.D.s, D.V.M.s and M.D.s, Charles River has approximately 70 facilities in 16 countries. The company's broad portfolio of products and services enables customers to reduce costs, increase speed in bringing products to market and enhance their productivity and effectiveness in drug discovery and development.

***Research Models and Services***

Charles River has been supplying research models to the drug development industry since 1947. With approximately 150 different strains, we continue to maintain our position as the global leader in the production and sale of the most widely used rodent research model strains, principally genetically and virally defined purpose-bred rats and mice. We also provide a variety of related services that are designed to assist our customers in supporting the use of research models in drug development. With multiple facilities located on three continents (North America, Europe and Asia (Japan)), we maintain production centers, including a total of approximately 180 barrier rooms or isolator facilities, strategically located near our customers. In 2009, RMS accounted for 55% of our total net sales and approximately 45% of our employees, including approximately 130 science professionals with advanced scientific degrees.

Our Research Models and Services segment is comprised of (1) Research Models, (2) Research Model Services and (3) other related products and services. We currently offer four major categories of research models and services: Genetically Engineered Models and Services, Consulting and Staffing Services, Research Animal Diagnostic Services, and Discovery and Imaging Services. Included in other related products and services is our *in vitro* products business (testing for endotoxin contamination) and avian vaccine services.

***Preclinical Services***

Charles River is one of the two largest providers of preclinical services worldwide and offers particular expertise in the design, execution and reporting of general and specialty toxicology studies, especially those dealing with innovative therapies and biologicals. We currently provide preclinical services at multiple facilities located in the United States, Canada, Europe and Asia (China). Our PCS segment represented 45% of our total net sales in 2009 and employed 51% of our employees including approximately 375 science professionals with advanced scientific degrees. Charles River currently offers the following preclinical services, in which we include both *in vivo* and *in vitro* studies, supportive laboratory services and strategic preclinical consulting and program management to support product development from inception to proof of concept: toxicology; pathology services; bioanalysis, pharmacokinetics and drug metabolism; discovery support; biopharmaceutical services; and phase I clinical trials in healthy, normal and special populations.

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**WuXi**

WuXi PharmaTech (Cayman) Inc.  
288 Fute Zhong Road  
Waigaoqiao Free Trade Zone  
Shanghai 200131  
People's Republic of China  
<http://www.wuxiapptec.com>

WuXi is a leading pharmaceutical, biotechnology and medical device R&D outsourcing company, with operations in China and the United States. WuXi provides a broad and integrated portfolio of laboratory and manufacturing services throughout the R&D process to its customers, which include many of the world's premier pharmaceutical, biotechnology and medical device companies. WuXi's services are designed to assist its global customers in shortening the time and lowering the cost of pharmaceutical and medical device R&D by providing cost-effective and efficient outsourcing solutions. WuXi has more than 800 customers, including most of the largest pharmaceutical companies by revenues, many of whom have presented WuXi with awards for performance and continue to come back to WuXi for additional and integrated projects.

Since its founding in 2001, WuXi's core business has been to provide discovery chemistry services to synthesize small molecules at the beginning of the drug discovery process. Discovery chemistry continues to represent a large majority of revenues for WuXi's China-based laboratory services segment. In recent years, WuXi has added other services, including discovery biology, safety pharmacology, DMPK, bioanalytical services, manufacturing process R&D, clinical-trial-scale manufacturing, formulation and toxicology. The acquisition of AppTec Laboratory Services, Inc. expanded WuXi's capabilities beyond small molecules to large-molecule biologics and medical devices. WuXi continues broadening customer relationships with its expanded capabilities and integrated services.

WuXi is well-positioned to capitalize on the global trend of R&D outsourcing by emphasizing its experience, capabilities, quality, responsiveness, protection of customer intellectual property and reliability. WuXi's primary China-based facilities include a 1,006,000 square-foot R&D center in the Waigaoqiao Free Trade Zone in Shanghai, a 71,000 square-foot small-scale cGMP clinical manufacturing facility and a new 222,000 square-foot large-scale cGMP manufacturing plant in the Jinshan area of Shanghai, a 253,000 square-foot R&D center focused on discovery chemistry in Tianjin and a 314,000 square-foot preclinical toxicology facility in Suzhou. A portion of the toxicology facility began operations in the second half of 2009, and the remaining area is expected to be opened later based on business demand. WuXi's large-scale cGMP manufacturing facility is expected to open in the first half of 2010. WuXi's acquisition of AppTec established a U.S. presence with know-how in biologics and medical device testing, including three FDA-registered facilities. These U.S. facilities include an 82,000 square-foot R&D and manufacturing facility in St. Paul, Minnesota, a 51,000 square-foot testing facility in Atlanta, Georgia and a 75,000 square-foot R&D and testing facility in Philadelphia, Pennsylvania. Approximately 19,000 square feet of space in the Philadelphia facility used for biologics manufacturing operation was discontinued in December 2008. The space is available for future growth of biologics testing services.

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**REGULATORY AND OTHER APPROVALS REQUIRED FOR THE TRANSACTION**

Under the acquisition agreement, each of Charles River and WuXi has agreed to use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to consummate the transactions contemplated by the acquisition agreement, including (1) preparing and filing as promptly as practicable all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents and (2) obtaining and maintaining all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any governmental entity or other third party that are necessary, proper or advisable to consummate the transactions contemplated by the acquisition agreement. WuXi has agreed to use its reasonable best efforts to prepare each of the documents required to be filed with the Grand Court of the Cayman Islands in connection with the scheme, to respond as promptly as reasonably practicable to any comments received from the Grand Court on such documents and perform other customary tasks which are necessary in connection with the preparation of documents, the solicitation of proxies, the holding of shareholder meetings and other customary formalities necessary in order to obtain the Grand Court's sanction of the transaction, and otherwise comply with all legal requirements applicable to the WuXi shareholder meeting and the Grand Court approval process.

It is a condition to each company's respective obligations to consummate the transaction that (1) any waiting period applicable to the transaction under the HSR Act will have expired or been terminated, (2) an interim order and a final order of the Grand Court shall have been obtained on terms consistent with the acquisition agreement and (3) the final order shall have been filed with the Registrar of Companies of the Cayman Islands within one business day of the issuance of the final order by the Grand Court. See "The Acquisition Agreement Principal Conditions to Completion of the Transaction Mutual Closing Conditions."

Charles River and WuXi believe there is no jurisdiction outside the United States and the Cayman Islands in which clearance for the acquisition is required. Each party's obligation to complete the transaction is further conditioned on the absence of any law, regulation or governmental action seeking to prohibit the consummation of the transaction. Charles River's obligations to complete the transaction is further conditioned on (1) the absence any litigation or proceeding by any governmental authority with respect to the transaction under the U.S. federal or state antitrust law that would reasonably be expected to have a material adverse effect on WuXi or Charles River and (2) the receipt of the approval of the Chinese antitrust authorities if the Chinese antitrust authorities have notified Charles River that such approval is required and the absence of any investigation by the Chinese antitrust authorities that would reasonably be expected to have a material adverse effect on WuXi or Charles River.

*U.S. Antitrust Filing.* Under the HSR Act and the rules and regulations promulgated thereunder, certain transactions, including the acquisition, may not be consummated unless certain waiting period requirements have expired or been terminated. Each of Charles River and WuXi filed a Pre-Merger Notification and Report Form pursuant to the HSR Act with the Justice Department and the Federal Trade Commission on May 11, 2010.

Charles River voluntarily withdrew this May 11, 2010 Pre-Merger Notification and Report Form and refiled on June 10, 2010. The refiling is a procedural step to provide the staff at the Federal Trade Commission with an additional 30 days following the refiling to review the information submitted by Charles River and WuXi. The new waiting period under the HSR Act will expire at 11:59 p.m., New York City time, on July 12, 2010, unless terminated earlier or extended by request for additional information.

At any time before the closing of the transaction, the Federal Trade Commission, the Justice Department or others could take action under the antitrust laws with respect to the transaction,



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including seeking to enjoin the completion of the transaction, to rescind the transaction or to require the divestiture of certain assets of Charles River or WuXi. There can be no assurance that the transaction will not be challenged on antitrust grounds or, if such a challenge is made, that the challenge will not be successful.

*Cayman Islands Court Sanction.* Pursuant to Section 86 of the Cayman Companies Law, the transaction requires court approval in the Cayman Islands. This requires WuXi to file a petition and a summons for directions with the Grand Court.

Subject to the scheme meeting being convened by the Grand Court and the shareholders of WuXi approving the transaction with the vote required pursuant to the Cayman Companies Law, a sanction hearing will be required to hear the petition and seek the Grand Court's sanction of the transaction. In determining whether to exercise its discretion and approve the transaction at the sanction hearing, the Grand Court will determine, among other things, whether the scheme is fair to the WuXi shareholders. Assuming that the scheme meeting is conducted in accordance with the Grand Court's orders, and that WuXi's shareholders approve the scheme proposal by the majorities required pursuant to the Cayman Companies Law, we are not aware of any reason why the Grand Court would not sanction the scheme at the sanction hearing. Nevertheless, the Grand Court's sanction is a matter for its discretion and there is no absolute assurance if, and or when such sanction will be obtained.

If obtained, the Grand Court's sanction of the scheme of arrangement will constitute the basis for an exemption under section 3(a)(10) of the Securities Act from the registration requirements of the Securities Act, with respect to the issuance of the Charles River common stock in exchange for the WuXi ordinary shares in connection with the acquisition. At the hearing, the Grand Court will be advised that its sanction of the scheme will constitute the basis for this exemption. **WuXi shareholders will be entitled to appear in person or by counsel at the sanction hearing. Information regarding the date, time and place of the sanction hearing will be included in the scheme document which will be sent by WuXi to WuXi shareholders prior to the scheme meeting.**

Other than the filings described above, neither Charles River nor WuXi is aware of any regulatory approvals required to be obtained, or waiting periods to expire, to complete the transaction. If the parties discover that other approvals or waiting periods are necessary, they will seek to obtain or comply with them. If any additional approval or action proves to be required, however, it is possible that Charles River or WuXi may not be able to obtain it. Even if Charles River or WuXi could obtain all necessary approvals, conditions may be placed on any such approval that could cause the transaction not to be completed.

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**THE TRANSACTION**

*The following discussion contains material information pertaining to the transaction. This discussion is subject and qualified in its entirety by reference to the acquisition agreement included as Annex A to this proxy statement. We urge you to read and review the entire acquisition agreement as well as the discussion in this proxy statement.*

**General**

This section provides material information about the transaction involving Charles River and WuXi and the circumstances surrounding the transaction. You can find a more detailed description of the terms of the acquisition agreement, including information about the conditions to completion of the transaction and the provisions for terminating the acquisition agreement, below under "The Acquisition Agreement."

We are furnishing this proxy statement to Charles River shareholders in connection with the solicitation of proxies by the board of directors of Charles River for use at the special meeting of Charles River shareholders and any adjournment or postponement of the meeting.

At the special meeting, holders of Charles River common stock will be asked to vote upon a proposal to issue shares of Charles River common stock in connection with the transaction and, if necessary, a proposal to approve an adjournment of the special meeting to solicit additional proxies in favor of the issuance of Charles River common stock in connection with the transaction.

**Approval by Charles River shareholders of the proposal to issue Charles River common stock in connection with the transaction is a condition to the completion of the transaction.**

**Structure of the Transaction**

Charles River will acquire all of the outstanding ordinary shares of WuXi by way of a scheme of arrangement under Section 86 of the Cayman Companies Law. At the closing of the acquisition, each holder of WuXi ordinary shares will be entitled to receive a combination of \$1.40625 in cash, without interest, and a number of shares of Charles River common stock equal to \$1.25 divided by the weighted average closing price of Charles River common stock on the NYSE for the 20 trading days ending on the second business day prior to closing (but in no event more than 0.0336 nor less than 0.0290 shares of Charles River common stock) for each outstanding WuXi ordinary share, subject to the payment by Charles River of cash in lieu of any fractional share of Charles River common stock. The ratio of shares of Charles River common stock that will be issued for each WuXi ordinary share is sometimes referred to in this proxy statement as the exchange ratio, the \$1.40625 in cash without interest that will be issued for each WuXi ordinary share is sometimes referred to in this proxy statement as the cash consideration, and the exchange ratio and the cash consideration are together sometimes referred to in this proxy statement as the acquisition consideration.

Upon completion of the transaction, the Charles River shareholders immediately prior to the transaction are expected to own approximately 78 percent of the outstanding common stock of the combined company immediately after the transaction, and the WuXi shareholders immediately prior to the transaction are expected to own approximately 22 percent of the outstanding common stock of the combined company immediately after the transaction. These figures were calculated based upon the number of shares of Charles River common stock outstanding as of June 25, 2010 and the number of shares of WuXi ordinary shares outstanding as of June 14, 2010 (not including WuXi ordinary shares reserved for issuance pursuant to outstanding convertible notes issued on February 9, 2007, or held by the depositary and reserved for issuance upon the exercise of WuXi stock option or restricted share unit awards).

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**Background of the Transaction**

Representatives of WuXi and Charles River, including Mr. James C. Foster, Chairman, President and Chief Executive Officer of Charles River, and Dr. Ge Li, Chairman and Chief Executive Officer of WuXi, periodically have engaged in discussions regarding the companies' industry and potential areas of commercial collaboration. In mid-September 2009, at a dinner meeting, Mr. Foster inquired as to whether Dr. Li would consider exploring a potential strategic transaction between Charles River and WuXi. Later in September, Dr. Li indicated to Mr. Foster that he would be prepared to engage in exploratory discussions. From late September into mid-October 2009, Dr. Li and Mr. Foster engaged in preliminary discussions regarding a potential transaction, both directly and through representatives of Credit Suisse Securities (USA) LLC, or Credit Suisse, and J.P. Morgan, the financial advisors to WuXi and Charles River, respectively.

On October 5, 2009, at a special meeting of the Charles River board of directors held by teleconference, the board authorized Mr. Foster to continue discussions with WuXi regarding its potential acquisition by Charles River.

On October 21, 2009, at a regular meeting of the Charles River board of directors, the board reviewed with representatives of J.P. Morgan possible terms for an acquisition of WuXi. After an extensive discussion, the board authorized Mr. Foster to submit an indicative proposal for the acquisition of WuXi for combined cash and equity consideration within a range of \$17.00 to \$18.00 per WuXi ADS.

On October 22, 2009, at a special meeting of the WuXi board of directors held by teleconference, the board reviewed the status of the Charles River discussions with representatives of Credit Suisse. The board indicated that WuXi should pursue further discussions with Charles River and appointed a committee of three directors consisting of Dr. Li, Mr. Stewart Hen and Mr. Jeff Leng, to facilitate an efficient negotiation process and seek guidance and authorization from the full board when decisions regarding a potential transaction were required.

Later on October 22, 2009, Charles River provided to WuXi an indicative proposal with a value of \$17.00 to \$18.00 per WuXi ADS, consisting of \$8.50 to \$9.00 in cash and \$8.50 to \$9.00 in Charles River common stock.

On October 27, 2009, at a special meeting of the WuXi board of directors held by teleconference, the board reviewed the proposal from Charles River with representatives of Credit Suisse. Representatives of Credit Suisse discussed with the board its preliminary financial analysis of the proposal and certain strategic alternatives that might be available to WuXi. After discussion and deliberations, the board determined that the discussions between representatives of WuXi and Charles River regarding a potential transaction should continue.

On October 30, 2009, representatives of Credit Suisse and WuXi contacted representatives of J.P. Morgan and Charles River to communicate that the WuXi board of directors was willing to consider the possibility of a transaction, but not on the financial terms presented by Charles River on October 22, 2009. During the course of the discussions, Dr. Li indicated to Mr. Foster that, subject to execution of a mutually acceptable confidentiality agreement, WuXi would provide Charles River and its financial advisor with certain WuXi non-public financial projections for 2010. On November 4, 2009, WuXi, through representatives of Credit Suisse, delivered to Charles River the 2010 financial projections discussed on the October 30, 2009 call.

On November 13, 2009, Dr. Li and Mr. Edward Hu, Chief Operating Officer and (at that time) Acting Chief Financial Officer of WuXi, met with Mr. Foster and Mr. Thomas Ackerman, Corporate Executive Vice President and Chief Financial Officer of Charles River, in New York City to discuss their respective companies and a potential transaction. Representatives of Credit Suisse and J.P. Morgan also participated in the meeting. At this meeting and during the next several days,

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representatives of Charles River and WuXi and their respective financial advisors discussed the financial projections provided by WuXi.

On November 17, 2009, the Charles River board of directors held a special meeting by teleconference, together with members of senior management and representatives of J.P. Morgan, to consider and evaluate the potential transaction. At this meeting, the board further discussed WuXi as a potential acquisition candidate, was updated on the status of ongoing negotiations, and considered the financial aspects of the proposed transaction. At the conclusion of this meeting, following a lengthy discussion, the board authorized Charles River management to continue negotiations with WuXi and to make a proposal to acquire WuXi for combined cash and equity consideration of up to \$20.00 per WuXi ADS.

On November 19, 2009, Charles River provided to WuXi a revised indicative proposal with a value of \$20.00 per WuXi ADS, consisting of \$10.00 in cash and \$10.00 in Charles River common stock.

On November 23, 2009, at a special meeting of the WuXi board of directors held by teleconference, the board reviewed the Charles River proposal of November 19 with representatives of Credit Suisse and Cravath, Swaine & Moore LLP, or Cravath, special counsel to WuXi. Representatives of Cravath reviewed with the board their fiduciary duties, and representatives of Credit Suisse discussed with the board certain financial aspects of the Charles River proposal. The board determined that the discussions between representatives of WuXi and Charles River regarding a potential transaction should continue.

From late November 2009 until mid-December 2009, WuXi, Charles River and their respective legal and financial advisors, including O'Melveny & Myers LLP, or O'Melveny, regular outside counsel to WuXi, and Davis Polk & Wardwell LLP, or Davis Polk, outside counsel to Charles River, engaged in discussions regarding a potential transaction and began a mutual due diligence process. Representatives of each party's legal and financial advisors periodically updated and received instructions from their respective clients regarding these discussions. However, WuXi and Charles River did not reach an agreement with respect to a potential transaction at that time.

On March 7, 2010, Mr. Foster contacted Dr. Li to continue discussions regarding a potential strategic transaction between Charles River and WuXi.

On March 23, 2010, at Charles River's request, WuXi, through representatives of Credit Suisse and J.P. Morgan, provided Charles River with certain WuXi non-public financial projections for 2010, 2011 and 2012.

On March 25, 2010, with the approval of the Charles River board of directors, Charles River provided to WuXi an indicative proposal with a value of \$20.00 per WuXi ADS, consisting of \$10.00 in cash and \$10.00 in Charles River common stock.

On March 27, 2010, at a special meeting of the WuXi board of directors held by teleconference, the board reviewed the Charles River proposal of March 25, 2010 with representatives of Credit Suisse and Cravath. The board was provided with an update on communications with Charles River and its financial advisor. The board determined that the discussions between representatives of WuXi and Charles River regarding a potential transaction should continue.

On March 29, 2010, representatives of J.P. Morgan were contacted by representatives of Credit Suisse, who communicated that the WuXi board of directors was still willing to consider the possibility of a transaction, but not on the financial terms presented by Charles River on March 25, 2010.

On March 30, 2010, at a special meeting of the Charles River board of directors held by teleconference, the board discussed certain financial aspects of the Charles River proposal with representatives of J.P. Morgan. Following the discussion, the board authorized Mr. Foster to increase Charles River's indicative proposal within certain parameters.

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Over the course of the next two weeks, at the direction of WuXi and Charles River, the parties' financial and legal representatives engaged in further discussions regarding the value of Charles River's indicative proposal and other terms of a potential acquisition, while periodically providing updates and receiving instructions from their respective clients.

On April 7, 2010, representatives of J.P. Morgan provided to representatives of Credit Suisse an updated indicative proposal with a value of \$21.25 per WuXi ADS, consisting of \$11.25 in cash and \$10.00 in Charles River common stock.

On April 8, 2010, at a special meeting of the WuXi board of directors held by teleconference, the board reviewed the Charles River proposal of April 7. The board was also provided with an update on communications with Charles River and its financial advisor. The board determined that the discussions between representatives of WuXi and Charles River should continue.

From early April 2010 until the announcement of the transaction, each of Charles River and WuXi conducted due diligence on the other party, and representatives of WuXi and Charles River and their respective financial and legal advisors continued their negotiations and exchanged drafts of the acquisition agreement and the ancillary documents relating to the acquisition. The legal and financial representatives of each of WuXi and Charles River periodically updated and received instructions from their respective clients regarding these negotiations.

On April 23, 2010, the Charles River board of directors held a special meeting by teleconference with Charles River senior management and representatives of J.P. Morgan and Davis Polk to further consider and evaluate the potential transaction. At this meeting, the board reviewed the strategic, operational and financial aspects of the proposed acquisition, and received an update on the progress of business, financial and legal due diligence. Also at this meeting, representatives of J.P. Morgan reviewed with the board its financial analysis of the consideration to be paid to the holders of WuXi ordinary shares pursuant to the acquisition agreement and representatives of Davis Polk reviewed with the board their fiduciary duties and the proposed terms of the acquisition agreement. At the conclusion of the meeting, the board authorized Charles River management to continue due diligence and negotiation of transaction terms with WuXi.

On April 24, 2010, the parties tentatively reached an understanding that the acquisition agreement would provide for consideration of \$21.25 per WuXi ADS, consisting of \$11.25 in cash and \$10.00 in Charles River common stock, based on a floating exchange ratio subject to a symmetrical 7.5% collar. Over the next day, representatives of Cravath and Davis Polk continued to negotiate the terms and exchange drafts of the acquisition agreement and the ancillary documents relating to the acquisition.

On April 25, 2010, the Charles River board of directors held a special meeting by teleconference to consider the acquisition and review, with representatives of Davis Polk, the revised terms of the draft acquisition agreement that had been negotiated between representatives of WuXi and Charles River. Also at this meeting, representatives of J.P. Morgan reviewed with the board its financial analysis of the consideration to be paid to the holders of WuXi ordinary shares pursuant to the acquisition agreement and delivered to the board an oral opinion, which opinion was confirmed by delivery of a written opinion dated April 26, 2010, to the effect that as of that date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth therein, the consideration to be paid by Charles River pursuant to the proposed transaction was fair, from a financial point of view, to Charles River. Following further discussion and deliberations, the board unanimously approved and declared advisable the acquisition agreement and the transactions contemplated thereby, including the acquisition, and resolved to recommend that Charles River's shareholders approve the issuance of Charles River common stock in connection with the acquisition.

Also on April 25, 2010, the WuXi board of directors held a special meeting by teleconference to consider the acquisition and review the draft acquisition agreement that had been negotiated between representatives of WuXi and Charles River. Representatives of Cravath reviewed with the board their

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fiduciary duties and reviewed with the board the proposed terms of the acquisition agreement. Also at this meeting, representatives of Credit Suisse reviewed with the board its financial analysis of the consideration to be received by the holders of WuXi ordinary shares pursuant to the acquisition agreement and delivered to the board an oral opinion, which opinion was confirmed by delivery of a written opinion dated April 26, 2010, to the effect that as of that date and based upon and subject to the qualifications, limitations and assumptions set forth therein, the consideration to be received by the holders of WuXi ordinary shares pursuant to the acquisition agreement was fair, from a financial point of view, to such holders. Following further discussion and deliberations, the board unanimously approved the acquisition agreement and the transactions contemplated thereby, including the acquisition, and resolved to recommend that WuXi's shareholders approve the scheme.

Following the unanimous approval of the acquisition and the other transactions contemplated by the acquisition agreement by the boards of directors of both WuXi and Charles River, representatives of Cravath, O'Melveny and Davis Polk finalized the documentation for the proposed transaction and, thereafter, the acquisition agreement and the ancillary documents relating to the acquisition were executed and delivered.

On April 26, 2010, WuXi and Charles River issued a press release announcing the acquisition. The material terms of the acquisition agreement are described below under "The Acquisition Agreement," beginning on page 54 of this proxy statement, which is attached as Annex A to this proxy statement.

**Charles River's Reasons for the Transaction; Recommendation of the Charles River Board of Directors**

The Charles River board of directors believes that the transaction will create the first global early-stage contract research organization, or CRO, to offer fully integrated drug research and development services from molecule creation to first in-human testing. The Charles River board of directors believes that the transaction significantly expands Charles River's services portfolio and strengthens its global footprint in the growing market for pharmaceutical research and development products and services. The Charles River board of directors considered the factors set forth below in reaching these conclusions.

*Strategic Benefits.* The Charles River board of directors believes that the transaction brings together two global leaders in *in vivo* biology and chemistry with complementary businesses to create a leading player across multiple disciplines in the drug discovery and development spectrum. The two businesses have highly complementary portfolios with limited overlap, and the combined company will offer an extended portfolio of products and outsourced services from molecule creation to first-in-human testing to multinational pharmaceutical, biotechnology and medical device companies and academic and government institutions. These organizations increasingly seek the flexibility to access high quality, early-stage drug development expertise from one global company which affords them the opportunity to work in the locale which best suits their needs: North America, Europe or China.

*Revenue Growth.* The Charles River board of directors believes that acquisition of WuXi will provide an opportunity to diversify the revenue base and enhance revenue growth while expanding Charles River's margins. This revenue growth will be fueled by discovery and chemistry services (a rapidly growing business segment as pharmaceutical companies increasingly choose to outsource these services), GLP (good laboratory practice) safety assessment in China, manufacturing services, new upstream and downstream business opportunities and expanded market share due to an expanded portfolio of products.

*Synergies.* The Charles River board of directors considered management's estimates that, as a result of the transaction, the combined company is expected to achieve annual pre-tax cost synergies of approximately \$20 million, beginning in 2011, principally from reduction in public company-related expenses and other corporate expenses, refinement of certain operating units and other selling, general and administrative expenses. The Charles River board of directors also considered management's assessment of opportunities for revenue synergies through cross-selling to existing clients (both upstream and downstream) and by leveraging Charles River's sales force to expand WuXi's penetration of small to midsized biopharmaceutical companies and academic accounts.

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*Compatible Cultures.* The Charles River board of directors believes that the similar business approaches and management cultures of Charles River and WuXi will help to ease the process of integrating the two companies. The board believes that both companies are well-managed, generate strong cash flows and value their employees, with each company achieving notable levels of employee longevity.

*Opinion of Financial Advisor.* The Charles River board of directors considered the oral opinion of J.P. Morgan rendered to the Charles River board on April 25, 2010, which opinion was confirmed by delivery of a written opinion dated April 26, 2010, that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, the acquisition consideration to be paid by Charles River was fair, from a financial point of view, to Charles River. The J.P. Morgan opinion is more fully described below under "Opinion of Charles River's Financial Advisor." The full text of the J.P. Morgan opinion, dated April 26, 2010, is attached as Annex B to this proxy statement. Charles River shareholders are urged to read the J.P. Morgan opinion carefully and in its entirety.

*Governance.* The Charles River board of directors considered the fact that James C. Foster is expected to be the Chairman, President and Chief Executive Officer of the combined company. The board also considered the terms of the acquisition agreement which provide that, upon completion of the transaction, 10 of the 13 members of the board of directors will be historical Charles River directors, and of the remaining three members, one will be Dr. Ge Li (the current Chairman and Chief Executive Officer of WuXi) and the other two will be designated by WuXi and which further provide that, in connection with its two annual shareholder meetings following the closing, Charles River is required to include WuXi's three designees (or, if Charles River's Corporate Governance and Nominating Committee determines that any of them does not meet Charles River's director qualification requirements, replacement nominees designated by Dr. Li) in its proxy statement as part of the "management slate" recommended for election to its board.

*Other Terms of the Acquisition Agreement.* The Charles River board of directors considered the other terms and conditions of the acquisition agreement, including but not limited to the conditions to closing, the termination fees payable under certain circumstances and the restrictions imposed on the conduct of the respective businesses of Charles River and WuXi in the period prior to closing.

The Charles River board of directors also considered potential adverse consequences and negative factors, primarily consisting of the following, but concluded that the positive factors outweighed these negative factors:

*Risk Factors.* The Charles River board of directors considered the risks described in this proxy statement under "Risk Factors," including the challenges and costs inherent in integrating two businesses the size of Charles River and WuXi and the management time and effort from both Charles River and WuXi executives that will be required to successfully achieve that integration.

*Transaction Risk.* The Charles River board of directors considered the risk that the transaction would not be consummated, whether as a result of regulatory delays or otherwise.

*Interests of Directors and Officers.* In its review of the proposed transaction, the Charles River board of directors reviewed and considered the interests that certain officers and directors of Charles River may have with respect to the transaction. These interests are described under the heading "Interests of Certain Persons in the Transaction."

Due to the variety of factors and the quality and amount of information considered, the Charles River board of directors did not find it practicable to and did not make specific assessments of, quantify or assign relative weights to the specific factors considered in reaching its determination to approve the acquisition agreement and the related transactions and the issuance of Charles River

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common stock in connection with the transaction. Instead, the Charles River board of directors made its determination after consideration of all factors taken together. In addition, individual members of the Charles River board of directors may have given different weight to different factors. Some information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under "Cautionary Statement Regarding Forward-Looking Statements."

***Recommendation of the Charles River Board of Directors.*** At a meeting held on April 25, 2010, after due consultation with Charles River's management and advisors, the Charles River board of directors unanimously determined that the acquisition agreement and the transactions contemplated by the acquisition agreement are fair to and in the best interests of Charles River and its shareholders and approved the acquisition agreement and the related transactions and the issuance of Charles River common stock in connection with the transaction. The Charles River board of directors recommends that Charles River shareholders vote

**FOR the issuance of Charles River common stock in connection with the transaction; and**

**FOR the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of such issuance.**

**Board of Directors and Management of Charles River Following the Transaction**

At the closing of the transaction, the Charles River board of directors will consist of 13 directors, 10 of whom will be Charles River directors prior to the transaction and three of whom will be designated by WuXi. WuXi has selected Dr. Ge Li as one of its designees to the Charles River board and will select two other individuals prior to the closing. In connection with its two annual shareholder meetings following the closing, Charles River is required to include WuXi's three designees (or, if Charles River's Corporate Governance and Nominating Committee determines that any of them does not meet Charles River's director qualification requirements, replacement nominees designated by Dr. Li) in its proxy statement as part of the "management slate" recommended for election to its board.

At the closing of the transaction, James C. Foster is expected to continue to be Chairman, President and Chief Executive Officer of the combined company and Dr. Li, currently Chairman and Chief Executive Officer of WuXi, is expected to be appointed Corporate Executive Vice President and President, Global Discovery and China Services of the combined company. Thomas F. Ackerman is expected to continue as Chief Financial Officer of the combined company after the closing of the transaction.

See "Interests of Certain Persons in the Transaction Charles River" for a description of the material interests of the directors and executive officers of Charles River in the transaction that are in addition to, or different than, their interests as shareholders. Additional information about the current directors and executive officers of Charles River can be found in the Annual Report on Form 10-K for the fiscal year ended December 26, 2009, of Charles River, which is incorporated by reference into this proxy statement. See "Where You Can Find More Information" beginning on page 95.

**Headquarters**

After completion of the transaction, Charles River will retain the name Charles River Laboratories International, Inc. and will continue to have its headquarters and principal executive offices in Wilmington, Massachusetts.

**Public Trading Markets**

The Charles River common stock is currently listed on the NYSE under the symbol "CRL." WuXi ADSs (each representing eight underlying ordinary shares) are currently listed on the NYSE under the



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symbol "WX." Upon completion of the transaction, WuXi ADSs will be delisted from the NYSE and will be deregistered under the Securities Exchange Act of 1934, as amended, which is referred to in this proxy statement as the Exchange Act. The Charles River common stock to be issued in connection with the transaction will be listed on the NYSE.

As reported on the NYSE, the closing sale price per share of Charles River common stock on April 23, 2010, the last business day prior to the announcement of the transaction, was \$39.77. As reported on the NYSE, the closing sale price per WuXi ADS on that date was \$16.57 (implying an underlying price per WuXi ordinary share of \$2.07). Assuming the Charles River average price were equal to the closing price of Charles River common stock on the NYSE on April 23, 2010, the implied value of the acquisition consideration to be received by WuXi shareholders in the transaction is \$2.66 per ordinary share or \$21.25 per WuXi ADS.

As reported on the NYSE, the closing sale price per share of Charles River common stock on June 25, 2010, the most recent practicable date prior to the date of this proxy statement, was \$35.44. As reported on the NYSE, the closing sale price per WuXi ADS on that date was \$16.26 (implying an underlying price per WuXi ordinary share of \$2.03). Assuming the Charles River average price were equal to the closing price of Charles River common stock on the NYSE on June 25, 2010, the implied value of the acquisition consideration to be received by WuXi shareholders in the transaction is \$2.60 per ordinary share or \$20.78 per WuXi ADS. This value will fluctuate prior to the completion of the acquisition as a result of changes in the market value of Charles River common stock.

**Appraisal Rights**

Charles River shareholders are not entitled to appraisal rights under Delaware law in connection with the acquisition. WuXi shareholders are not entitled to appraisal rights under Cayman Islands law in connection with the acquisition.

**Transaction Financing**

Charles River will have cash requirements of approximately \$885 million in connection with the transaction, including both the cash consideration and transaction costs. As of March 27, 2010, Charles River had approximately \$234 million of cash, cash equivalents and short-term investments and access to \$119.4 million of credit facilities. Charles River has obtained a commitment letter from J.P. Morgan Securities Inc. and Banc of America Securities LLC (together the "arrangers") for \$1.2 billion in new senior secured credit facilities, to consist of (1) \$950 million under a five-year term loan facility and (2) \$250 million under a five-year revolving credit facility, in order to, among other things, refinance Charles River's existing credit facilities and finance a portion of the cash consideration and transaction costs. The availability of the new credit facilities is subject to certain conditions contained in the commitment letter, including (1) the absence of any event, occurrence, development or state of circumstances or facts (subject to certain specified exceptions) that has had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the financial condition, business, assets or results of operations of Charles River, WuXi and their respective subsidiaries, taken as a whole, (2) Charles River's delivery of a solvency certificate to the arrangers, (3) the delivery of satisfactory definitive financing documentation, (4) Charles River having a maximum total leverage ratio of 3.50 to 1.00, (5) Charles River, WuXi and their respective subsidiaries having other indebtedness (subject to certain exceptions) not in excess of \$40 million and (6) other customary closing conditions more fully set forth in the commitment letter.

Pricing for the loans under the credit facility will be, at the option of Charles River, LIBOR plus an applicable margin ranging from 2.00% to 2.75% per annum or alternate base rate plus an applicable margin ranging from 1.00% to 1.75% per annum, in each case to be determined in accordance with Charles River's total leverage ratio. In addition, Charles River will pay a commitment fee ranging from 0.25% to 0.50% per annum on the unused portion of the revolving credit facility, to be determined in

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accordance with Charles River's total leverage ratio. Subject to certain limitations, the arrangers are entitled, after consultation with Charles River, at any time on or prior to the earlier of a successful syndication of the credit facilities and the date that is 60 days after the closing date of the credit facilities, to change the pricing, terms, tranching and tenor of the credit facilities if the arrangers determine (1) that such changes are necessary to ensure a successful syndication or (2) that a successful syndication could not be consummated.

Charles River has represented to WuXi in the acquisition agreement that, as of the date of the acquisition agreement, no event has occurred which would constitute a breach or default on the part of Charles River or, to the actual knowledge of Charles River, any other party to the commitment letter, under the commitment letter and that, subject to WuXi's compliance with its obligations under the acquisition agreement, Charles River does not have any reason to believe that any of the conditions to the committed financing will not be satisfied or that the committed financing or any other funds necessary to pay the aggregate acquisition consideration and to make all other necessary payments by Charles River in connection with the transaction, will not be available to Charles River on the closing date. The availability of such funds is not a condition to Charles River's obligation to complete the transaction.

**Certain U.S. Federal Securities Law Matters; Resale Restrictions**

The Charles River common stock to be issued to holders of WuXi ordinary shares as part of the acquisition consideration will not be registered under the Securities Act. Such securities will instead be issued in reliance upon the exemption provided by Section 3(a)(10) of the Securities Act. Section 3(a)(10) exempts securities issued in exchange for one or more bona fide outstanding securities, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange will have the right to appear, by any court expressly authorized by law to grant such approval. The Staff of the SEC has stated in Revised Staff Legal Bulletin No. 3A (June 18, 2008) that the term "any court" in Section 3(a)(10) may include a foreign court. As described above, in connection with the plan of arrangement, the Grand Court of the Cayman Islands will conduct a hearing to determine the fairness of the terms and conditions of the acquisition, including the acquisition consideration to be received by WuXi shareholders. The Grand Court will be advised at the hearing that if the terms and conditions of the acquisition are approved by the Grand Court, the Charles River common stock issued as part of the acquisition consideration will not be registered under the Securities Act pursuant to the Section 3(a)(10) exemption.

Holders of Charles River common stock issued as part of the acquisition consideration will be subject to U.S. federal and state securities laws, including the Securities Act. WuXi shareholders who are not affiliates of Charles River within 90 days prior to the effective date may generally resell the Charles River common stock they receive as acquisition consideration without regard to Rule 144 under the Securities Act, as such Charles River common stock would not constitute "restricted stock" within the meaning of Rule 144(a)(3) under the Securities Act. WuXi shareholders who are affiliates of Charles River within 90 days prior to the closing, or who will be affiliates of the combined company after the closing, will be subject to restrictions on resale imposed by the Securities Act with regards to the Charles River common stock they receive as acquisition consideration, and may be able to resell such Charles River common stock in accordance with the provisions of Rule 144 under the Securities Act.

For purposes of the above, an affiliate of an issuer is a person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer and will generally include the directors, executive officers and certain large shareholders of the issuer.

**The above discussion is a general overview of certain requirements of applicable U.S. federal securities laws. You are advised to consult with your own legal advisors to ensure that the resale of Charles River common stock complies with applicable U.S. federal and state securities laws.**

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**OPINION OF CHARLES RIVER'S FINANCIAL ADVISOR**

Pursuant to an engagement letter dated December 7, 2009, Charles River retained J.P. Morgan as its financial advisor in connection with the proposed transaction and to deliver a fairness opinion in connection with the transaction.

At the meeting of the Charles River board of directors on April 25, 2010, J.P. Morgan rendered its oral opinion, which opinion was confirmed by delivery of a written opinion dated April 26, 2010, to the Charles River board of directors that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, the consideration to be paid by Charles River in the proposed transaction was fair, from a financial point of view, to Charles River. No limitations were imposed by the Charles River board of directors upon J.P. Morgan with respect to the investigations made or procedures followed by it in rendering its opinion. The issuance of J.P. Morgan's opinion was approved by a fairness opinion committee of J.P. Morgan. The J.P. Morgan written opinion, dated April 26, 2010, is sometimes referred to herein as the J.P. Morgan opinion.

**The full text of the written opinion of J.P. Morgan which sets forth, among other things, the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken by J.P. Morgan in connection with its opinion, is attached as Annex B to this proxy statement and is incorporated herein by reference. The description of the J.P. Morgan opinion is qualified in its entirety by reference to the full text of the opinion set forth in Annex B. Charles River shareholders are urged to read the opinion carefully and in its entirety. J.P. Morgan's written opinion is addressed to the Charles River board of directors and addresses only the fairness, from a financial point of view, to Charles River of the consideration to be paid in connection with the transaction and does not address the underlying decision by Charles River to enter into the transaction.**

In arriving at its opinion, J.P. Morgan, among other things:

reviewed the acquisition agreement;

reviewed certain publicly available business and financial information concerning WuXi and Charles River and the industries in which they operate;

compared the proposed financial terms of the transaction with the publicly available financial terms of certain transactions involving companies J.P. Morgan deemed relevant and the consideration paid for such companies;

compared the financial and operating performance of WuXi and Charles River with publicly available information concerning certain other companies J.P. Morgan deemed relevant, and reviewed the current and historical market prices of the WuXi common stock and ADSs and the Charles River common stock and certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts relating to the business of WuXi which were prepared by the management of WuXi and, in the case of later years, the management of Charles River;

reviewed certain internal financial analyses and forecasts prepared by the management of Charles River relating to its business and the estimated amount and timing of the cost savings and related expenses and synergies expected to result from the transaction, which are referred to in this proxy statement as the synergies; and

performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of its opinion.

J.P. Morgan also held discussions with certain members of the management of WuXi and Charles River with respect to certain aspects of the transaction, and the past and current business operations of



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WuXi and Charles River, the financial condition and future prospects and operations of WuXi and Charles River, the effects of the transaction on the financial condition and future prospects of Charles River, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

In giving its opinion, J.P. Morgan relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by WuXi and Charles River or otherwise reviewed by or for J.P. Morgan, and J.P. Morgan did not independently verify (nor did it assume responsibility or liability for independently verifying) any such information or its accuracy or completeness. J.P. Morgan did not conduct and was not provided with any valuation or appraisal of any assets or liabilities, nor did J.P. Morgan evaluate the solvency of WuXi and Charles River under any state, federal or foreign laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to J.P. Morgan or derived therefrom, including the synergies, J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best then available estimates and judgments by management as to the expected future results of operations and financial condition of WuXi and Charles River to which such analyses or forecasts relate. J.P. Morgan expressed no view as to such analyses or forecasts (including the synergies) or the assumptions on which they were based. J.P. Morgan also assumed that the transaction and the other transactions contemplated by the acquisition agreement will have the tax consequences described in discussions with, and materials furnished to J.P. Morgan by, representatives of Charles River, and will be consummated as described in the acquisition agreement. J.P. Morgan also assumed that the representations and warranties made by Charles River and WuXi in the acquisition agreement are true and correct in all respects material to its analysis. J.P. Morgan is not a legal, regulatory or tax expert and relied on the assessments made by Charles River and its advisors with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents, authorizations and approvals necessary for the consummation of the transaction will be obtained without any adverse effect on WuXi or Charles River or on the contemplated benefits of the transaction.

The J.P. Morgan opinion is necessarily based on economic, market, regulatory and other conditions as in effect on, and the information made available to J.P. Morgan as of, the date of the J.P. Morgan opinion. Subsequent developments may affect the J.P. Morgan opinion, and J.P. Morgan does not have any obligation to update, revise or reaffirm the J.P. Morgan opinion. The J.P. Morgan opinion is limited to the fairness, from a financial point of view, of the consideration to be paid by Charles River in the proposed transaction and J.P. Morgan has expressed no opinion as to the fairness of the transaction to any person or entity, or as to the fairness of such consideration to the holders of any class of securities, creditors or other constituencies of Charles River, or as to the underlying decision by Charles River to engage in the transaction. Furthermore, J.P. Morgan has expressed no opinion with respect to the amount or nature of any compensation to any officers, directors or employees of any party to the transaction, or any class of such persons relative to the consideration to be paid by Charles River in the transaction or with respect to the fairness of any such compensation. J.P. Morgan has also expressed no opinion as to the price at which the Charles River common stock, the WuXi common stock or the ADSs will trade at any future time.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses undertaken by J.P. Morgan in connection with rendering the J.P. Morgan opinion delivered to the Charles River board of directors on April 25, 2010 and contained in the presentation delivered to the Charles River board of directors on April 25, 2010 in connection with the rendering of such opinion. Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by J.P. Morgan, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial

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analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of J.P. Morgan's financial analyses.

**Estimates**

In performing its analysis of WuXi, J.P. Morgan relied upon the WuXi unaudited prospective financial information provided by the management of WuXi for the period beginning with fiscal year 2010 and ending with fiscal year 2012, plus an extrapolation of such financial information for the period beginning with fiscal year 2013 and ending with fiscal year 2019 developed based on extensive discussion between Charles River and WuXi and approved by the management of Charles River, which are referred to in this "Opinion of Charles River's Financial Advisor" section as the WuXi management estimates.

The forecasts furnished to J.P. Morgan for WuXi and Charles River were prepared by the managements of WuXi and Charles River, respectively, in connection with the proposed transaction. Neither WuXi nor Charles River publicly discloses internal management forecasts of the type provided to J.P. Morgan in connection with J.P. Morgan's analysis of the transaction, and such forecasts were prepared in connection with the proposed transaction and were not prepared with a view toward public disclosure. These forecasts were based on numerous variables and assumptions that are inherently uncertain and may be beyond the control of management, including, without limitation, factors related to general economic and competitive conditions and prevailing interest rates. Accordingly, actual results could vary significantly from those set forth in such forecasts.

**Selected Publicly Traded Companies**

Using publicly available information, J.P. Morgan compared the financial and operating performance of WuXi with publicly available information of selected publicly traded companies engaged in businesses which J.P. Morgan deemed relevant to WuXi's business. The companies were as follows:

Covance Inc.;	Medidata Solutions, Inc.;
Charles River;	Phase Forward Inc. (excludes stock price from April 16, 2010 onwards after announcement of acquisition by Oracle);
ICON Plc;	Albany Molecular Research, Inc.;
Kendle International Inc.;	Jubilant Organosys Limited
Parexel International Corp.;	Lonza Group AG;
Pharmaceutical Product Development Inc. (PPD);	Patheon Inc.; and
eResearch Technology, Inc.;	West Pharmaceutical Services, Inc.
inVentiv Health, Inc.;	

These companies were selected, among other reasons, because they provide outsourcing services and products to the pharmaceutical and biotech industries to aid in drug discovery and development. Companies with a more similar business and end-market mix to WuXi, in addition to above market growth and profitability, were given more relevance.

In all instances, multiples were based on closing stock prices on April 23, 2010. For each of the following analyses performed by J.P. Morgan, estimated financial data for selected companies were based on the selected companies' filings with the SEC and publicly available Wall Street research analysts' estimates.

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J.P. Morgan reviewed, among other information, the particular company's firm value, or FV (calculated as the market value of the particular company's common equity on a fully-diluted treasury-stock basis taking into account options, restricted stock units and warrants plus total debt, plus non-controlling interest, less equity in affiliates, less cash and cash equivalents) compared to calendar year 2010 estimated EBITDA, or CY2010 estimated EBITDA, (calculated as earnings before interest, taxes, depreciation and amortization) to determine a range of multiples of the ratio of FV to 2010 estimated EBITDA for the selected companies. The analyses indicated that the multiples for FV/CY2010 estimated EBITDA ranged from a low of 5.7x to a high of 13.2x. J.P. Morgan applied a range of 10.0x to 12.5x (derived from such analysis) for FV/CY2010 estimated EBITDA to WuXi and calculated an implied per ADS equity value using estimated EBITDA provided by the management of WuXi for calendar year 2010.

The results of such analyses are set forth in the chart below, as compared to the implied price per ADS in the proposed transaction of \$21.25. The implied price per ADS used throughout this "Opinion of Charles River's Financial Advisor" section assumes the Charles River average price was equal to the closing price of Charles River common stock on the NYSE on April 23, 2010, the last trading day prior to the announcement of the transaction.

<b>Trading Multiple</b>	<b>Implied Valuation Range for WuXi ADS</b>
FV/CY2010 estimated EBITDA	\$14.25 to \$17.50

J.P. Morgan also reviewed, among other information, the particular company's estimated price to "cash" earnings (excludes amortization expense, but includes FAS123 expense) ratio, or CY2010 estimated Cash P/E, to determine a range of multiples for the selected companies. The analyses indicated that the multiples for CY2010 estimated Cash P/E ranged from a low of 13.1x to a high of 38.1x. J.P. Morgan applied a range of 20.0x to 25.0x (derived from such analysis) to WuXi and calculated an implied per ADS equity value using CY2010 estimated Cash P/E provided by the management of WuXi for calendar year 2010.

The results of such analyses are set forth in the chart below, as compared to the implied price per ADS in the proposed transaction of \$21.25:

<b>Trading Multiple</b>	<b>Implied Valuation Range for WuXi ADS</b>
CY2010 estimated Cash P/E	\$16.00 to \$20.00

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Using publicly available information, J.P. Morgan examined the following selected transactions involving companies in the pharmaceuticals outsourcing sector.

Acquiror	Target	Announcement Date	Transaction Value/LTM EBITDA Multiple
Oracle Corporation	Phase Forward Inc.	April 2010	23.2x
Apax Partners	Marken Ltd.	December 2009	N/A
Pharmaceutical Product Development Inc.	BioDuro LLC	November 2009	N/A
Berkshire Hathaway Inc.	United BioSource Corporation (partial stake)	October 2009	N/A
Water Street Healthcare Partners	AAI Pharma Inc. (pharmaceutical development business)	July 2009	N/A
JLL Partners	Pharmanet Development Group Inc.	February 2009	8.6x
TA Associates	MPI Research Inc.	September 2008	N/A
Parexel International Corp.	ClinPhone plc	June 2008	20.0x
Jubilant Organosy Limited	Draxis Health Inc.	April 2008	21.2x
Pharmaceutical Product Development Inc.	InnoPharm Ltd.	February 2008	N/A
WuXi	AppTec Laboratory Services, Inc.	January 2008	~28.0x
Bain Capital	Quintiles Transnational Corp.	December 2007	N/A
Genstar Capital	PRA International	July 2007	15.8x
American Capital	WIL Research Laboratories Inc.	July 2007	N/A
Jubilant Organosy Limited	Hollister Stier Laboratories Inc.	April 2007	12.7x
JLL Partners	Patheon Inc.	March 2007	8.9x
Avista Capital Partners	BioReliance Corporation	February 2007	~10.0x
The Blackstone Group	CardinalHealth, Inc. (PTD division)	January 2007	11.0x
Lonza Group AG	Cambrex Corporation (Bioproducts and biopharma units)	November 2006	12.2x
Mylan Inc.	Matrix Laboratories Limited	August 2006	19.8x
Kendle International Inc.	Charles River (Phase II - IV Business)	May 2006	11.6x

For each of the selected transactions, J.P. Morgan calculated and, to the extent information was publicly available, compared the transaction value divided by the target's EBITDA for the twelve-month period immediately preceding the announcement of the respective transaction, or Transaction Value/LTM EBITDA Multiple. J.P. Morgan applied a range of 15.0x to 20.0x derived from the Transaction Value/LTM EBITDA Multiple analysis to WuXi's EBITDA for the twelve month period preceding April 23, 2010, and arrived at an implied estimated price as of April 23, 2010 of \$17.50 to \$23.00 per ADS.



Table of Contents**Discounted Cash Flow Analysis**

J.P. Morgan conducted a discounted cash flow analysis for WuXi for the purpose of determining an implied fully diluted equity value per ADS for WuXi on a stand-alone basis (i.e., without the synergies) and including the impact of the synergies. A discounted cash flow analysis is a method of evaluating an asset using estimates of the future unlevered free cash flows generated by the asset and taking into consideration the time value of money with respect to those future cash flows by calculating their "present value." "Present value" refers to the current value of one or more future unlevered free cash flows from the asset, which we refer to as that asset's cash flows, and is obtained by discounting those cash flows back to the present using a discount rate that takes into account macro-economic assumptions and estimates of risk, the opportunity cost of capital, capitalized returns and other appropriate factors. "Terminal value" refers to the capitalized value of all cash flows from an asset for periods beyond the final forecast period.

J.P. Morgan calculated the value of the unlevered free cash flows that WuXi is expected to generate for the last quarter of fiscal year 2010 through fiscal year 2019 implied by the WuXi management estimates. The unlevered free cash flows and range of terminal values were then discounted to present value using a range of discount rates from 11.0% to 13.0%, which were chosen by J.P. Morgan based upon an analysis of the weighted average cost of capital of WuXi. J.P. Morgan also calculated a range of terminal values for WuXi at the end of the 9.25-year period ending with fiscal year 2019 by applying a perpetual revenue growth rate ranging from 3.0% to 4.0%.

J.P. Morgan calculated the after-tax value of the synergies (as estimated by Charles River management) that the proposed transaction is expected to generate for the last quarter of fiscal year 2010 through fiscal year 2019. The synergies and range of terminal values were discounted to present value using a range of discount rates from 11.0% to 13.0%, which were chosen by J.P. Morgan based upon an analysis of the weighted average cost of capital of WuXi. J.P. Morgan also calculated a range of terminal values for WuXi at the end of the 9.25-year period ending with fiscal year 2019 by applying a perpetual revenue growth rate ranging from 3.0% to 4.0%.

A summary of the implied valuation ranges of WuXi's ADSs that J.P. Morgan derived from such analyses, as compared to the implied price per ADS in the proposed transaction of \$21.25 is set forth below:

DCF	Implied Valuation Range for WuXi ADSs
WuXi management estimates	\$17.25 to \$23.75
WuXi management estimates (including annual run-rate synergies of approximately \$20 million)	\$20.50 to \$28.00

The foregoing summary of the material financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above were merely utilized to create points of reference for analytical purposes and should not be taken to be the view of J.P. Morgan with respect to the actual value of WuXi. In arriving at its opinion, J.P. Morgan reviewed various financial and operational metrics for both WuXi and Charles River, including forecasts with respect to WuXi and Charles River which were made available to J.P. Morgan by or on behalf of WuXi and Charles River. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation,

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supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion. Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold. The consideration and other terms of the transaction were determined through arm's-length negotiations between WuXi and Charles River.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. J.P. Morgan was selected on the basis of such experience and its familiarity with WuXi, Charles River and other companies in the industries in which they operate to advise Charles River in connection with the proposed transaction and to potentially deliver a fairness opinion to the board of directors of Charles River addressing the fairness from a financial point of view of the consideration to be paid by Charles River in the proposed transaction as of the date of such opinion.

For services rendered in connection with the transaction (including the delivery of its opinion), Charles River has agreed to pay J.P. Morgan a fee of \$12.0 million, a substantial portion of which will become payable only if the proposed transaction is consummated. In addition, Charles River has agreed to reimburse J.P. Morgan for certain expenses incurred in connection with its services, including the fees and disbursements of counsel, and will indemnify J.P. Morgan against certain liabilities, including liabilities arising under the federal securities laws.

J.P. Morgan and its affiliates have performed in the past, and may continue to perform, certain services for Charles River, WuXi and their respective affiliates, all for customary compensation or other financial benefits including, during the last two years, (a) acting as financial advisor to WuXi in connection with its acquisition of AppTec Laboratory Services Inc. in January 2008, (b) acting as lead bookrunner of WuXi's initial public offering in August 2007, (c) acting as an agent bank and a lender under the outstanding credit facilities of Charles River and as a lender to WuXi and (d) providing cash management and other treasury services to each of Charles River and WuXi. It is anticipated that J.P. Morgan and its affiliates will arrange and/or provide financing to Charles River in connection with the transaction which will result in the payment of customary compensation. In the ordinary course of its businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities of Charles River or WuXi (including the ADSs) for their own accounts or for the accounts of customers and, accordingly, they may at any time hold long or short positions in such securities.

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**WUXI UNAUDITED PROSPECTIVE FINANCIAL INFORMATION**

WuXi does not as a matter of course make public long-term projections as to future revenues, earnings or other results, and WuXi is especially cautious of making financial forecasts for extended periods due to the unpredictability of the underlying assumptions and estimates. However, in connection with the review of the acquisition, WuXi management provided to Charles River and the respective financial advisors of WuXi and Charles River certain unaudited prospective financial information on a stand-alone, pre-acquisition basis, which information is referred to in this proxy statement (including in "Opinion of Charles River's Financial Advisor" beginning on page 45 of this proxy statement) as the WuXi unaudited prospective financial information. Charles River has included below a subset of the WuXi unaudited prospective financial information to give Charles River's shareholders access to certain non-public information that was made available to Charles River's board of directors, WuXi's board of directors and the respective financial advisors of Charles River and WuXi in connection with the acquisition.

The WuXi unaudited prospective financial information was, in general, prepared solely for internal use and is subjective in many respects and thus subject to interpretation. The WuXi unaudited prospective financial information was not prepared with a view toward public disclosure, and the inclusion of this information should not be regarded as an indication that any of Charles River, WuXi, Charles River's financial advisor, WuXi's financial advisor or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results. In the view of WuXi's management, the WuXi unaudited prospective financial information was prepared on a reasonable basis and reflects the best information available to WuXi management at the time. Although presented with numeric specificity, the WuXi unaudited prospective financial information reflects numerous estimates and assumptions made by the management of WuXi, all of which are difficult to predict and many of which are beyond WuXi's control. Important factors that may affect actual results and cause the failure to achieve internal financial forecasts include, but are not limited to, risks and uncertainties relating to WuXi's business (including its ability to achieve strategic goals, objectives and targets over applicable periods), competition, industry performance, the regulatory environment, general business, economic, market and financial conditions and other factors described under "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 27 of this proxy statement and under Part 1, Item 3.D, "Key Information Risk Factors" of WuXi's Annual Report on Form 20-F for the year ended December 31, 2009, which is on file with the SEC and is incorporated by reference into this proxy statement. The WuXi unaudited prospective financial information also reflects assumptions as to certain business decisions that are subject to change. As a result of the foregoing, actual results may differ materially from those contained in the WuXi unaudited prospective financial information. Accordingly, there can be no assurance that the WuXi unaudited prospective financial information will be realized or that actual results will not be significantly higher or lower than estimated.

The WuXi unaudited prospective financial information was not prepared with a view toward complying with generally accepted accounting principles, the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither WuXi's independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the WuXi unaudited prospective financial information, nor have they expressed any opinion or any other form of assurance with respect to such projections or their achievability, and they assume no responsibility for, and disclaim any association with, the WuXi unaudited prospective financial information. Furthermore, the WuXi unaudited prospective financial information does not take into account any circumstance or event occurring after the date it was prepared.

The WuXi unaudited prospective financial information included estimates of revenue, adjusted EBITDA and adjusted non-GAAP operating income for fiscal years 2010, 2011 and 2012. These projections assumed that WuXi would continue its business generally as then conducted and that WuXi

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would not take any extraordinary actions, such as acquisitions or dispositions of assets or properties or refinancing of indebtedness.

A chart summarizing the WuXi unaudited prospective financial information is set forth below.

**WuXi Unaudited Prospective Financial Information**

(in millions)

	2010 Estimated	2011 Estimated	2012 Estimated
Revenue	\$ 330	\$ 395	\$ 455
Adjusted EBITDA(1)	\$ 110	\$ 140	\$ 168
Adjusted non-GAAP operating income(2)	\$ 79	\$ 100	\$ 121

- (1) EBITDA (net income before interest income, interest expense, income tax expense, depreciation and amortization), excluding share-based compensation.
- (2) Operating income excluding share-based compensation and amortization of intangible acquired assets.

This summary of the WuXi unaudited prospective financial information is not being included in this proxy statement to influence your decision whether to vote for the issuance of shares of Charles River common stock in connection with the acquisition, but rather because the WuXi unaudited prospective financial information was made available to the Charles River board of directors, the WuXi board of directors and the respective financial advisors of Charles River and WuXi in connection with the acquisition. Charles River's shareholders and WuXi's shareholders are urged to review WuXi's most recent SEC filings, including Part 1, Item 3.D, "Key Information Risk Factors" of WuXi's Annual Report on Form 20-F for the year ended December 31, 2009, which is on file with the SEC and is incorporated by reference into this proxy statement, for a description of risk factors with respect to WuXi's business. See "Cautionary Statement Regarding Forward-Looking Statements" and "Where You Can Find More Information" beginning on pages 27 and 95, respectively, of this proxy statement. Since the date of preparation of the WuXi unaudited prospective financial information, WuXi has made publicly available its actual results of operations for the quarter ended March 31, 2010. Charles River's shareholders are urged to review the information contained in "GAAP Results," the unaudited consolidated balance sheets, the unaudited condensed consolidated statements of operations and the revenue reconciliation by geography set forth in WuXi's Report on Form 6-K furnished to the SEC on May 12, 2010, which information is incorporated by reference into this proxy statement.

Readers of this proxy statement are cautioned not to place undue reliance on the summary of the WuXi unaudited prospective financial information set forth above. No representation is made by Charles River, WuXi or their respective affiliates, advisors, officers, directors or representatives or any other person to any shareholder of Charles River or any shareholder of WuXi regarding the ultimate performance of WuXi compared to the information included in the above prospective financial information. The inclusion of the summary of the WuXi unaudited prospective financial information should not be regarded as an indication that such prospective financial information will be an accurate prediction of future events nor construed as financial guidance, and they should not be relied on as such. WuXi has made no representation to Charles River or Charles River's financial advisor, in the acquisition agreement or otherwise, concerning the WuXi unaudited prospective financial information. WUXI DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE WUXI UNAUDITED PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING THE WUXI UNAUDITED PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE.

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**THE ACQUISITION AGREEMENT**

**General**

The following summary of the acquisition agreement is qualified in its entirety by reference to the complete text of the acquisition agreement, which is attached as Annex A to this proxy statement. We urge you to read the entire acquisition agreement, because it is the legal document governing the transaction.

**Explanatory Note Regarding the Acquisition Agreement and the Summary of the Acquisition Agreement: Representations, Warranties and Covenants in the Acquisition Agreement Are Not Intended to Function or Be Relied on as Public Disclosures**

The acquisition agreement and the summary of its terms in this proxy statement have been included to provide information about the terms and conditions of the acquisition agreement. The terms and information in the acquisition agreement are not intended to provide any other public disclosure of factual information about Charles River, WuXi or any of their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the acquisition agreement are made by Charles River and WuXi only for the purposes of the acquisition agreement and were qualified and subject to certain limitations and exceptions agreed to by Charles River and WuXi in connection with negotiating the terms of the acquisition agreement. In particular, in your review of the representations and warranties contained in the acquisition agreement and described in this summary, it is important to bear in mind that the representations and warranties were made solely for the benefit of the parties to the acquisition agreement and were negotiated for the purpose of allocating contractual risk between the parties to the acquisition agreement rather than to establish matters as facts. The representations and warranties may also be subject to a contractual standard of materiality or material adverse effect different from those generally applicable to reports and documents filed with the SEC or what might be viewed as material to shareholders and in some cases may be qualified by disclosures made by one party to the other, which are not necessarily reflected in the acquisition agreement. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this proxy statement, may have changed since the date of the acquisition agreement, and subsequent developments or new information qualifying a representation or warranty may have been included in or incorporated by reference into this proxy statement.

For the foregoing reasons, the representations, warranties and covenants or any descriptions of those provisions should not be read alone or relied upon as characterizations of the actual state of facts or condition of Charles River, WuXi or any of their respective subsidiaries or affiliates. Instead, such provisions or descriptions should be read only in conjunction with the other information provided elsewhere in this proxy statement or incorporated by reference into this proxy statement.

**Structure of the Acquisition**

The acquisition agreement provides for the acquisition of WuXi by Charles River. Upon the terms and subject to the conditions set forth in the acquisition agreement, Charles River will acquire all of the outstanding ordinary shares of WuXi by way of a scheme of arrangement under Section 86 of the Cayman Companies Law.

**Acquisition Consideration**

At the closing of the acquisition, each WuXi shareholder will be entitled to receive a combination of \$1.40625 in cash, without interest, and a number of shares of Charles River common stock equal to \$1.25 divided by the weighted average closing price of Charles River common stock on the NYSE for the 20 trading days ending on the second business day prior to closing (but in no event more than

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0.0336 nor less than 0.0290 shares of Charles River common stock) for each outstanding ordinary share of WuXi they hold. WuXi shareholders will receive cash in lieu of any fractional shares of Charles River common stock that would have otherwise been issued at the completion of the transaction. The number of shares of Charles River common stock that will be issued for each WuXi ordinary share is sometimes referred to in this proxy statement as the exchange ratio; the \$1.25 in cash, without interest, that will be paid for each WuXi ordinary share is sometimes referred to in this proxy statement as the cash consideration; and the exchange ratio and the cash consideration are together sometimes referred to in this proxy statement as the acquisition consideration. If, between the date of the acquisition agreement and the closing, there is a reclassification, recapitalization, stock split, combination, exchange or readjustment of shares or stock dividend with respect to Charles River common stock or WuXi ordinary shares, the acquisition consideration will be adjusted accordingly.

**Exchange of Shares**

Following completion of the transaction, Charles River will make available to Computershare Trust Company, N.A., acting as exchange agent:

the shares of Charles River common stock issuable in exchange for the outstanding WuXi ordinary shares; and

an amount of cash necessary to pay the aggregate cash portion of the acquisition consideration.

Cash deposited with the exchange agent to pay the cash consideration will be deposited in a separate fund established for the benefit of WuXi shareholders.

Promptly after the closing, the exchange agent will mail to each holder of WuXi ordinary shares an instruction letter requesting each shareholder to provide the name and address of the recipient of the acquisition consideration in respect of the WuXi ordinary shares held by such shareholder. Once a holder of WuXi ordinary shares has delivered a duly completed and executed instruction letter to the exchange agent, such shareholder will be entitled to receive the acquisition consideration in respect of each WuXi ordinary share transferred by such holder to Charles River pursuant to the acquisition agreement and the scheme. The shares of Charles River common stock so issued will be in uncertificated book-entry form.

Holders of WuXi ordinary shares will not be entitled to receive any dividends or other distributions payable by Charles River with respect to those shares of Charles River common stock, or cash in lieu of fractional shares, until the applicable instruction letter is surrendered. Upon surrender, those holders will receive accumulated dividends and distributions, without interest, together with cash in lieu of fractional shares.

No fractional shares of Charles River stock will be issued and any holder of WuXi ordinary shares otherwise entitled to receive a fractional share of Charles River stock will be entitled to receive a cash payment in lieu thereof, which payment will represent such holder of WuXi ordinary shares' proportionate interest in the net proceeds from the sale by the exchange agent on behalf of such holder of the aggregate fractional shares of Charles River stock that such holder otherwise would be entitled to receive.

**WuXi Stock Options and Stock-Based Awards**

At the closing, each outstanding option to purchase WuXi ordinary shares granted under any equity compensation plan or arrangement of WuXi, collectively referred to in this proxy statement as WuXi stock options, whether or not exercisable or vested, will be converted into an option to purchase Charles River common stock on the same terms and conditions in effect at the closing and each unvested and outstanding WuXi restricted share unit will be converted into a restricted share unit with respect to Charles River common stock on the same terms and conditions in effect at the closing. The

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number of shares of Charles River common stock subject to each such replacement stock option or restricted share unit will be determined by multiplying the number of WuXi ordinary shares subject to such stock option or restricted share unit by the equity award exchange ratio and rounding down to the nearest whole number of shares. The "equity award exchange ratio" is determined by dividing (1) the sum of (x) \$1.40625 and (y) the product of the exchange ratio for the stock portion of the acquisition consideration and the closing price of Charles River common stock on the last trading day before closing by (2) the closing price of Charles River common stock on the last trading day before closing.

Prior to the closing, WuXi will use its best efforts to (1) obtain any consents from holders of WuXi stock options and restricted share units and (2) make any amendments to the terms of any equity compensation plans or arrangements and take any action, in each case that is necessary under the terms of the applicable WuXi stock options and restricted share units to give effect to the rollover described in this section.

**Charles River Board of Directors**

At the closing of the transaction, the Charles River board of directors will consist of 13 directors, 10 of whom will be the Charles River directors prior to the transaction and three of whom will be designated by WuXi. WuXi has selected Dr. Ge Li, the current chairman and chief executive officer of WuXi, as one of its designees to the Charles River board. WuXi has not yet selected its other two designees. In connection with its two annual shareholder meetings following the closing, Charles River is required to include WuXi's three designees (or, if Charles River's Corporate Governance and Nominating Committee determines that any of them does not meet Charles River's director qualification requirements, replacement nominees designated by Dr. Li) in its proxy statement as part of the "management slate" recommended for election to its board. See "The Transaction Board of Directors and Management of Charles River following the Transaction."

**Representations and Warranties**

The acquisition agreement contains a number of substantially reciprocal representations and warranties of Charles River and WuXi as to, among other things: corporate authority; non-contravention; capital structure; SEC reports and financial statements; absence of certain changes or events; absence of undisclosed material liabilities; compliance with laws; litigation; intellectual property; properties; material contracts; finder's fees; opinion of financial advisors; and absence of existing discussions with respect to an acquisition proposal (as defined below). In addition, WuXi makes certain representations and warranties regarding taxes; employment benefit plans; labor and employment matters; insurance policies; environmental matters; and certain business practices. Charles River makes certain representations and warranties regarding financing; absence of registration requirement for the offering of Charles River common stock; and ownership of WuXi ordinary shares.

Certain of these representations and warranties are qualified as to "materiality" or "material adverse effect." For purposes of the acquisition agreement, "material adverse effect" means with respect to Charles River or WuXi, as the case may be:

a material adverse effect on the financial condition, business, assets or results of operations of such party and its subsidiaries, taken as a whole, excluding any effect resulting from (1) changes in the financial or securities markets or general economic, political or regulatory conditions (including changes resulting from the items set forth in clause (4) below), to the extent such changes do not have a materially disproportionate effect on such party and its subsidiaries, taken as a whole, relative to other participants in the industry in which such party and its subsidiaries operate (and taking into account for purposes of determining whether a material adverse effect has occurred only the materially disproportionate portion of the adverse effect of such changes), (2) changes or conditions generally affecting the industry in which such party and its subsidiaries

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operate, to the extent that such changes or conditions do not have a materially disproportionate effect on such party and its subsidiaries, taken as a whole, relative to other participants in the industry in which such party and its subsidiaries operate (and taking into account for purposes of determining whether a material adverse effect has occurred only the materially disproportionate portion of the adverse effect of such changes), (3) changes, after the date of the acquisition agreement, of applicable law or applicable accounting regulations or principles or interpretations thereof, to the extent that such changes do not have a materially disproportionate effect on such party and its subsidiaries, taken as a whole, relative to other participants in the industry in which such party and its subsidiaries operate (and taking into account for purposes of determining whether a material adverse effect has occurred only the materially disproportionate portion of the adverse effect of such changes), (4) acts of war, sabotage or terrorism, other outbreaks or escalations of hostilities or natural disasters, to the extent that they do not have a materially disproportionate effect on such party and its subsidiaries, taken as a whole, relative to other participants in the industry in which such party and its subsidiaries operate (and taking into account for purposes of determining whether a material adverse effect has occurred only the materially disproportionate portion of the adverse effect of such changes), (5) the announcement or consummation of the transactions contemplated by the acquisition agreement, the announcement of the identity of Charles River or any of its affiliates as the acquiror of WuXi or any party's performance of or compliance with the terms of the acquisition agreement (including any loss of customers or employees resulting from the items set forth in this clause (5)) or (6) any change, in and of itself, in such party's stock price or trading volume, or any failure, in and of itself, by such party to meet any internal or published projections, forecasts or revenue or earnings predictions (it being understood that this clause (6) will not prevent a party from asserting that any event, occurrence, development or state of circumstances or facts that may have contributed to such change or failure independently constitutes or contributes to a material adverse effect); or

a material adverse effect on such party's ability to consummate the transactions contemplated by the acquisition agreement.

The representations and warranties in the acquisition agreement do not survive the closing and, as described below under " Termination," if the acquisition agreement is validly terminated, neither party will have any liability for inaccuracies in its representations and warranties, or otherwise under the acquisition agreement, unless the termination resulted from a party's intentional failure to fulfill a condition to the performance of the obligations of the other party or to perform a covenant contained in the acquisition agreement.

**Principal Covenants**

*Interim Operations of Charles River and WuXi.* Each of Charles River and WuXi has undertaken separate covenants that place restrictions on it and its subsidiaries until either the closing or termination of the acquisition agreement. In general, Charles River and its subsidiaries and WuXi and its subsidiaries are required to conduct their respective businesses in the ordinary course consistent with past practices and to use all reasonable efforts to preserve intact their present business organizations and relationships with third parties and to keep available the services of their present officers and employees. Each party has also agreed to certain restrictions on its and its subsidiaries' activities that are subject to exceptions described in the acquisition agreement. The most significant activities that each party has agreed not to do, and not to permit any of its subsidiaries to do, are as follows:

amending the organizational documents of such party or its subsidiaries;

(1) splitting, combining or reclassifying any shares of such party's capital stock; (2) declaring, setting aside or paying any dividend or other distribution in respect of such party's capital stock,



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except for dividends paid by such party's subsidiaries (3) redeeming, repurchasing or otherwise acquiring or offering to redeem, repurchase, or otherwise acquire any of such party's securities or securities of such party's subsidiaries (except pursuant to forfeiture of stock options or restricted share units or the acquisition of stock in settlement of the exercise of stock options (in the case of WuXi, in accordance with the terms of these options on the date of the acquisition agreement) or for purposes of satisfying tax withholding obligations with respect to holders of stock options or restricted share units) or, in the case of Charles River, pursuant to the share repurchase program approved by the Charles River board of directors on July 27, 2005 and amended on October 26, 2005, May 9, 2006, August 1, 2007 and July 24, 2008);

subject to certain exceptions, issuing, delivering or selling, or applying to any governmental authority for approval of any issuance of, any shares of any of such party's securities or such party's subsidiary's securities, other than the issuance of (1) any shares upon the exercise of stock options that were outstanding on the date of the acquisition agreement or granted after the date of the acquisition agreement in accordance with the terms of the acquisition agreement, (2) any of such party's subsidiary's securities to such party or any other subsidiary of such party, (3) in the case of Charles River, any stock options or restricted shares in the ordinary course of business, or any securities issued in connection with the acquisition, or (4) in the case of WuXi, any shares upon the conversion of convertible notes that were outstanding on the date of the acquisition agreement;

amending any term of any of such party's securities or any of such party's subsidiary's securities in any material respect;

making any change in any method of accounting or accounting principles or practices, except as required by concurrent changes in generally accepted accounting principles or Regulation S-X of the Exchange Act;

settling, or offering or proposing to settle, any material litigation, investigation, arbitration, proceeding or other claim, or any litigation, arbitration, proceeding or dispute that relates to the transaction;

creating, incurring, assuming, suffering to exist or otherwise being liable with respect to any indebtedness for borrowed money to any person other than such party and its subsidiaries, or guarantees thereof, other than (1) refinancing of existing indebtedness, (2) in the ordinary course of business in amounts not exceeding \$50 million in the aggregate in the case of Charles River and \$15 million in the aggregate in the case of WuXi and (3) in the case of Charles River, to provide the funds necessary to consummate the transaction, including pursuant to the committed financing or any substitute financing;

taking any action that would reasonably be expected to result in any of the conditions described below under " Principal Conditions to Completion of the Transaction" not being satisfied, or entering into or consummating any transaction or series of related transactions that would reasonably be expected to prevent or materially impair or delay the consummation of the transactions contemplated by the acquisition agreement; or

agreeing, resolving or committing to do any of the foregoing.

In addition, WuXi has also agreed to certain other restrictions on its and its subsidiaries' activities. The most significant additional activities that WuXi has agreed not to do, and not to permit any of its subsidiaries to do, are as follows:

incurring any capital expenditures except for those contemplated by the capital expenditure budget that was previously made available to Charles River and any unbudgeted capital expenditures that do not exceed \$1 million individually or \$10 million in the aggregate;

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acquiring any assets, securities, properties, interests or businesses, other than (1) supplies and other acquisitions of assets in the ordinary course of business, (2) in connection with permitted capital expenditures and (3) acquisitions with a purchase price (including assumed indebtedness) that does not exceed \$2 million individually or \$10 million in the aggregate;

subject to certain exceptions, selling, leasing or otherwise transferring, or creating or incurring any lien on any of WuXi's or its subsidiaries' assets, securities, properties, interests or businesses, other than (1) sales of inventory or obsolete equipment in the ordinary course of business, (2) in connection with permitted capital expenditures and (3) sales of assets, securities, properties, interests or businesses with a sale price that does not exceed \$2 million individually or \$10 million in the aggregate;

subject to certain exceptions and other than in connection with permitted capital expenditures or permitted acquisitions, making any loans, advances or capital contributions to, or investments in, any person other than WuXi and its subsidiaries, other than in the ordinary course of business;

subject to certain exceptions, entering into, amending, modifying or terminating any material contract or otherwise waiving, releasing or assigning any material rights, claims or benefits of WuXi or any of its subsidiaries;

subject to certain exceptions, (1) granting or increasing any severance or termination pay to any director, officer or employee at or above the vice president level of WuXi or any of its subsidiaries, (2) entering into any employment, change in control, retention, deferred compensation or other similar agreement (or amending any such existing agreement) with any director, officer or employee at or above the vice president level of WuXi or any of its subsidiaries, (3) increasing benefits payable under any existing severance or termination pay policies or employment agreements covering any director, officer or employee at or above the vice president level of WuXi or any of its subsidiaries, (4) establishing, adopting or amending any collective bargaining or other labor agreement or (5) increasing compensation, bonus or other benefits payable to any director, officer or employee of WuXi or any of its subsidiaries except, in the case of this clause (5) for regular annual increases and any increases due to promotions, in the ordinary course of business consistent with past practice, and except, in the case of each of the foregoing clauses (1) through (5), as required by law or the terms of any applicable benefit plan;

establishing, adopting or materially amending any employee plan or other benefit plan or arrangement (including any plan providing for the grant of equity or equity-based awards) or providing for the acceleration of the vesting, exercise, payment or settlement of any equity or equity-based awards, or providing for the adjustment (subject to the terms of the acquisition agreement) of the terms of such awards, in any such case upon the occurrence of the transactions contemplated by the acquisitions agreement or upon any other event, except, in each case, as required by law or the terms of any applicable benefit plan; or

agreeing or committing to do any of the foregoing.

*Shareholder Meetings and Duties to Recommend.* Charles River has agreed that its board of directors will recommend the approval by Charles River shareholders of the proposal to issue Charles River common stock in connection with the transaction, and all related proposals, and has agreed to call a meeting of its shareholders for this purpose. WuXi has agreed that its board of directors will recommend the approval by WuXi shareholders of the proposal to adopt the acquisition agreement, and all related proposals, and has agreed to call a meeting of its shareholders for this purpose. Each party's board of directors, however, can fail to make, withdraw or modify in a manner adverse to the other party, its recommendation (any such action referred to in this proxy statement as a change in recommendation), if such board of directors determines in good faith, after consultation with its outside

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counsel, that failure to take such action would be inconsistent with its fiduciary duties under applicable law, and after giving the other party two business days' prior notice. Also, as discussed below under " Termination," the WuXi board may terminate the acquisition agreement in order to accept a superior proposal (as defined below under " No Solicitation"), subject to the two business days notice requirement and payment to Charles River of a \$50 million termination fee.

*No Solicitation.* Each party has agreed that neither it nor its subsidiaries nor any of their respective officers, directors, employees or other representatives will:

solicit, initiate or take any action to knowingly facilitate or encourage the submission of any acquisition proposal;

enter into or participate in any discussions or negotiations with, furnish any non-public information relating to it or any of its subsidiaries or afford access to the business, properties, assets, books or records of it or any of its subsidiaries to, or otherwise cooperate in any way with or knowingly assist, participate in, facilitate or encourage any effort by, any third party that is seeking to make, or has made, an acquisition proposal;

fail to make, withdraw or modify in a manner adverse to the other party its board recommendation to shareholders, or recommend an acquisition proposal;

grant any waiver or release under any standstill or similar agreement with respect to any class of its equity securities or any class of equity securities of its subsidiaries; or

enter into any agreement with respect to an acquisition proposal.

However, each party's board of directors, directly or indirectly through advisors, agents or other intermediaries, may:

engage in negotiations or discussions with any third party that, subject to the party's compliance with the restrictions described in this " No Solicitation" section, has made a bona fide acquisition proposal that such board of directors has determined is or reasonably could be expected to lead to a superior proposal;

furnish to such third party or its representatives non-public information relating to the party or any of its subsidiaries pursuant to a confidentiality agreement with terms no less favorable to such party than those contained in the applicable confidentiality agreement between Charles River and WuXi; provided that (1) such confidentiality agreement may contain less restrictive provisions (including no standstill restriction), in which case the confidentiality agreement will be deemed to be amended to contain only such less restrictive provisions and (2) all such information is provided or made available to the other party prior to or concurrently with the time it is provided or made available to the third party; and

following receipt of a superior proposal, make a change in recommendation (and, in the case of WuXi, subject to the terms and conditions described below under " Termination Mutual Closing Conditions," terminate the acquisition agreement); provided that (1) such party's board of directors determines in good faith, after consultation with its outside legal counsel, that failure to take such action would be inconsistent with its fiduciary duties under applicable law and (2) such party provides at least two business days' notice to the other party before taking such action.

The restrictions described above will not prohibit the board of directors of either party from complying with Rule 14e-2(a) under the Exchange Act, with regard to an acquisition proposal; or from making any disclosure to its shareholders if such board of directors determines in good faith, after consultation with outside legal counsel, that the failure so to make such disclosure would be inconsistent with its obligations under applicable law; provided that the foregoing will not limit or modify the effect that such action, statement or disclosure has under the terms of the acquisition agreement.



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"**Acquisition proposal**" means, with respect to either party (each an "applicable party"), other than the transactions contemplated by the acquisition agreement, any offer, proposal or inquiry relating to, or any third party indication of interest in, (1) any acquisition or purchase, direct or indirect, of 20% or more of the consolidated assets of the applicable party and its subsidiaries or 20% or more of any class of equity or voting securities of the applicable party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the applicable party, (2) any tender offer (including a self-tender offer) or exchange offer that, if consummated, would result in such third party beneficially owning 20% or more of any class of equity or voting securities of the applicable party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the applicable party or (3) a merger, consolidation, share exchange, business combination, sale of substantially all the assets, reorganization, recapitalization, liquidation, dissolution, scheme of arrangement, amalgamation or other similar transaction involving the applicable party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the applicable party.

"**Superior proposal**" means, with respect to either party, a written acquisition proposal for at least a majority of the outstanding shares of such party's capital stock or all or substantially all of the consolidated assets of such party and its subsidiaries on terms that such party's board of directors determines in good faith by a majority vote, after considering the advice of a financial advisor of internationally recognized reputation and outside legal counsel and taking into account all the terms, conditions and other relevant aspects of the acquisition proposal, including availability of financing (if applicable), any break-up fees, expense reimbursement provisions and conditions and timing to consummation, are more favorable to such party's shareholders than the transactions contemplated by the acquisition agreement.

Neither party's board of directors will take any of the actions referred to above unless such party has delivered to the other party a prior written notice advising the other party that it intends to take such action, and the party taking such action is obligated to continue to advise the other party after taking such action. Each party is required to notify the other party promptly (but in no event later than 24 hours) after receipt by such party (or any of its advisors) of any acquisition proposal, any indication that a third party is considering making an acquisition proposal or of any request for information relating to the party or any of its subsidiaries or for access to the business, properties, assets, books or records of the party or any of its subsidiaries by any third party that may be considering making, or has made, an acquisition proposal. The party receiving the acquisition proposal is required to provide such notice orally and in writing and to identify the third party making, and the material terms and conditions of, any such acquisition proposal and to keep the other party reasonably informed in all material respects and on a reasonably current basis of the status and terms of, and any material changes or revisions to, such acquisition proposal.

WuXi has agreed to, and to cause its subsidiaries, advisors, employees and other agents to, cease immediately and cause to be terminated any and all existing activities, discussions or negotiations, if any, with any third party conducted prior to April 26, 2010 with respect to any acquisition proposal and to use its reasonable best efforts to cause any such third party (or its agents or advisors) in possession of confidential information about WuXi that was furnished by or on behalf of WuXi to return or destroy all such information.

*Indemnification and Insurance.* The acquisition agreement provides that for six years following the completion of the acquisition:

Charles River will indemnify and hold harmless the present and former officers and directors of WuXi with respect to acts or omissions occurring at or prior to the closing to the fullest extent permitted by applicable law or provided under the WuXi second amended and restated memorandum and articles of association in effect on April 26, 2010;

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Charles River will continue to maintain WuXi's current policies of directors and officers liability insurance, with respect to acts and omissions occurring at or prior to completion of the transaction and covering each present or former officer or director of WuXi currently covered by WuXi's directors' and officers' liability insurance policy. Alternatively, Charles River may substitute one or more policies containing terms and conditions and providing coverage no less favorable in the aggregate than those provided under WuXi's policies in effect as of the date of the acquisition agreement. In fulfilling its responsibility to maintain the insurance policies described in this paragraph, Charles River will not be obligated to pay premiums in excess of 200 percent of the amount per year that WuXi paid for fiscal year 2009.

*Employee Matters.* For a period of 18 months after the closing, Charles River will provide or cause WuXi to provide to each employee of WuXi or any of its subsidiaries who continues employment with WuXi or any of its subsidiaries following the closing compensation and benefits that are substantially comparable in the aggregate to the compensation and benefits (including the value of equity compensation and equity based compensation) provided to such employee by WuXi and its subsidiaries immediately prior to the closing.

From and after the closing, Charles River will and will cause WuXi to honor all obligations under WuXi employee benefit plans in accordance with their respective terms as in effect immediately prior to the closing.

With respect to any employee benefit plan maintained by Charles River or any of its subsidiaries (other than WuXi and any of its subsidiaries) in which any WuXi employee or any dependent thereof participates after the closing, such WuXi employee will receive full credit for service with WuXi or any of its subsidiaries (or predecessor employers to the extent WuXi currently provides such past service credit) for purposes of eligibility to participate and vesting (but not for purposes of benefit accrual), to the same extent that such service was recognized as of the closing under a comparable plan of WuXi and its subsidiaries in which such WuXi employee participated; provided, however, that such service need not be recognized to the extent that such recognition would result in any duplication of benefits.

Charles River will waive, or cause to be waived, any pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods under any welfare benefit plan maintained by Charles River or any of its subsidiaries (other than WuXi and any of its subsidiaries) in which any WuXi employee or any dependent thereof participates from and after the closing, except to the extent that such pre-existing condition limitations, exclusions, actively-at-work requirements and waiting periods would not have been satisfied or waived under the comparable WuXi welfare benefit plan immediately prior to the closing. Charles River will recognize, or cause to be recognized, the dollar amount of all expenses incurred by each WuXi employee (and his or her eligible dependents) during the calendar year in which the closing occurs for purposes of satisfying such year's deductible and co-payment limitations under the relevant welfare benefit plans in which such WuXi employee or dependent participates from and after the closing.

*Cayman Court Process; WuXi Shareholder Meeting; Proxy Statement.* WuXi has agreed to use its reasonable best efforts to prepare each of the documents required to be filed with the Grand Court in connection with the scheme, to respond as promptly as possible to any comments received from the Grand Court on such documents and otherwise perform all customary tasks which are necessary in connection with the preparation of documents, the solicitation of proxies, the holding of shareholder meetings, and all other customary formalities necessary in order to obtain the sanction of the transaction by the Grand Court.

*Reasonable Best Efforts Covenant.* Subject to the terms and conditions of the acquisition agreement, each of Charles River and WuXi have agreed to use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable

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under applicable law to consummate the transactions contemplated by the acquisition agreement as promptly as practicable, including (1) preparing and filing as promptly as practicable with any governmental authority or other third party all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents and (2) obtaining as promptly as practicable and maintaining all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any governmental authority or other third party that are necessary, proper or advisable to consummate the transactions contemplated by the acquisition agreement.

Without limiting the foregoing, each of Charles River and WuXi have agreed not to make any inquiries of, make any filing with, seek any approval of or take any similar action with respect to any governmental authority in respect of the Chinese anti-monopoly law, without the prior written consent of the other party, except (1) on a no-names basis, to the extent reasonably required by changes of applicable law dealing with antitrust or competition announced by, or new applicable law dealing with antitrust or competition adopted by, the Chinese antitrust authorities after the date of the acquisition agreement or (2) to the extent that such party is expressly required to take such action by the Chinese antitrust authorities or the Chinese antitrust authorities initiate an investigation or inquiry that reasonably requires such action in response, subject in each case to such party providing prior written notice to the other party that it intends to take such action.

*Financing Covenant.* Charles River has agreed to use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and obtain the financing for the acquisition on the terms and conditions described in the commitment letter, including, among other things, using commercially reasonable efforts to (1) maintain in effect the commitment letter, (2) negotiate definitive agreements with respect to the financing of the acquisition on terms and conditions contemplated by the commitment letter and execute and deliver to WuXi a copy thereof concurrently with such execution, (3) satisfy on a timely basis all conditions applicable to Charles River in the commitment letter that are within its control and comply with its obligations thereunder, (4) enforce its rights under the commitment letter in the event of a breach by the lenders or the other persons providing such financing that would reasonably be expected to prevent, impede or delay the closing, including seeking specific performance of the lenders or the other persons providing such financing thereunder.

If any portion of the financing contemplated by the commitment letter becomes unavailable or Charles River becomes aware of any event or circumstance that makes any portion of the financing unavailable, Charles River has agreed to use its commercially reasonable efforts to arrange and obtain one or more alternative financings in an amount sufficient to complete the acquisition and make all other necessary payments by Charles River in connection therewith as promptly as practicable following the occurrence of such event.

Charles River has agreed to give WuXi prompt oral and written notice of any material breach by any party to the commitment letter or of any condition not likely to be satisfied, in each case, of which Charles River becomes aware, or any termination of the commitment letter. Charles River has agreed to keep WuXi reasonably informed in all material respects of the status of its efforts to arrange the financing of the acquisition.

Charles River has the right to amend, replace, supplement or otherwise modify, or waive any of its rights under, the commitment letter and/or substitute other debt or equity financing for all or any portion of the financing contemplated by the commitment letter from the same and/or alternative financing sources or reduce the amount of financing under the commitment letter and definitive financing agreements in its reasonable discretion (but not to an amount below the amount that is required to complete the acquisition and make all other necessary payments by Charles River in connection therewith) so long as such actions (1) do not expand upon the conditions precedent or

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contingencies to the financing as set forth in the commitment letter or (2) prevent, impede or delay the consummation of the acquisition and the other transactions contemplated by the acquisition agreement.

WuXi has agreed to use, and to cause its subsidiaries to use, their commercially reasonable efforts to cooperate with reasonable requests by Charles River in its efforts to obtain financing for the acquisition, including, among other things, cooperation (1) in arranging contact between the arrangers for the financing and the officers and directors of WuXi and its subsidiaries, (2) in the preparation of confidential information memoranda, financial information and other materials to be used in connection with obtaining such financing, including reasonable access to information regarding WuXi and its subsidiaries to be used in the preparation of such materials, (3) in Charles River's and its financing sources' marketing efforts for such financing, including participation in management presentation sessions, "road shows" and sessions with rating agencies, (4) in obtaining any third party consents necessary in connection with such financing, (5) in extinguishing existing indebtedness of WuXi and its subsidiaries and releasing liens securing such indebtedness, (6) with respect to matters relating to pledges of collateral to take effect at the closing in connection with such financing, (7) in obtaining legal opinions and other customary documents and instruments to be delivered in connection with such financing, (8) in securing the cooperation of WuXi's independent accountants, including with respect to the delivery of customary accountants' comfort letters and consents, (9) in providing the financial and other information regarding WuXi and its subsidiaries required pursuant to the commitment letter and (10) with Charles River's and the arrangers' due diligence.

Prior to approval of the scheme under Section 86 of the Cayman Companies Law, WuXi will not be obligated (1) to pay any commitment or other similar fee, (2) to have any liability or any obligation related to the financing other than the acquisition agreement or (3) to incur any other liability in connection with the financing.

Charles River has agreed (1) to reimburse WuXi for all reasonable documented out-of-pocket costs incurred by WuXi in connection with WuXi's cooperation, (2) that WuXi will not have any responsibility for, or incur any liability to any person prior to the closing under, the financing and (3) subject to certain customary exceptions, to indemnify WuXi from and against any and all losses, damages, claims, costs or expenses incurred in connection with the arrangement of the financing and any information used in connection therewith.

*Certain Other Covenants.* The acquisition agreement contains additional and generally mutual covenants, including covenants relating to cooperation in connection with the preparation of this proxy statement and the documents required to be filed with the Grand Court pursuant to the scheme, public announcements, notices of certain events and cooperation in connection with the de-listing of WuXi ADSs from the NYSE and the deregistration of WuXi ordinary shares under the Exchange Act and, in the case of Charles River, the use of reasonable best efforts to cause the shares of Charles River common stock to be issued in connection with the transaction to be listed on the NYSE and matters relating to Section 16 under the Exchange Act.

**Principal Conditions to Completion of the Transaction**

*Mutual Closing Conditions.* The obligations of each of Charles River and WuXi to consummate the transaction are subject to the satisfaction or waiver at or before the closing of the following conditions:

obtaining the required approvals of the Charles River shareholders and WuXi shareholders (as described under "The Special Meeting Votes Required");

obtaining an interim order and final order of the Grand Court of the Cayman Islands on terms consistent with the acquisition agreement and the filing of the final order with the Registrar of Companies of the Cayman Islands;



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absence of legal prohibitions on the completion of the transaction;

expiration or termination of the applicable waiting period under the HSR Act;

approval for the listing on the NYSE of the Charles River common stock to be issued in connection with the transaction, subject to official notice of issuance;

accuracy as of the closing of the representations and warranties made by the other party, except generally where the failure of such representations and warranties to be true has not had and would not reasonably be expected to have a material adverse effect on the other party;

performance in all material respects by the other party of the obligations required to be performed by it at or prior to the closing; and

except as set forth in the other party's disclosure letter or as disclosed in any SEC document filed by the other party prior to April 26, 2010, the absence of any event, occurrence, development or state of circumstances or facts that has had or reasonably could be expected to have, individually or in the aggregate, a material adverse effect on the other party.

*Additional Closing Conditions of Charles River.* In addition to the conditions described above, the obligations of Charles River to consummate the transaction are subject to the satisfaction or waiver at or before the closing of the following additional conditions:

the absence of any instituted and pending litigation or proceeding (or any investigation that would reasonably be expected to result in such litigation or proceeding) by any governmental authority with respect to the acquisition under the U.S. federal or state antitrust laws that would reasonably be expected to have, individually or in the aggregate, a material adverse effect (disregarding clause (5) of such definition for these purposes) on WuXi or Charles River;

in the event that the Chinese antitrust authorities have notified Charles River in writing that the approval of the Chinese antitrust authorities is required under Chinese anti-monopoly law to consummate the acquisition, obtaining such approval; and

in the event that the Chinese antitrust authorities have notified Charles River in writing that the Chinese antitrust authorities have initiated an investigation under Chinese anti-monopoly law with respect to the acquisition pursuant to Article 4 of the Regulation on the Reporting Threshold of Business Concentration promulgated by the People's Republic of China State Council on August 3, 2008 (or under any implementing rules or regulations adopted by the Chinese antitrust authorities) that would reasonably be expected to have, individually or in the aggregate, a material adverse effect (disregarding clause (5) of such definition for these purposes) on Charles River or WuXi, such investigation no longer being pending.

**Termination**

*Termination Rights.* The acquisition agreement may be terminated at any time before the closing, whether before or after the receipt of the required approvals from Charles River and WuXi shareholders or Cayman Islands court approvals, in any of the following ways:

- (a) by mutual written agreement of Charles River and WuXi;
- (b) by either Charles River or WuXi;

if the acquisition is not consummated on or before the earlier of (1) the date that is two business days after the date on which all conditions to closing are satisfied or waived (such date is referred to in this proxy statement as the preliminary date) and (2) January 26, 2011 (such earlier date is sometimes referred to in this proxy statement as the end date); provided that if on the preliminary date a financial market event (as defined below) exists

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and all conditions to closing are satisfied or waived, each party has the right to extend the end date by 30 days;

if any law, regulation, judgment, injunction, order or decree of any court or other governmental entity having competent jurisdiction makes consummation of the transaction illegal or otherwise prohibited or enjoins Charles River or WuXi from consummating the transaction and such injunction becomes final and nonappealable, provided that neither party may terminate the acquisition agreement for this reason if such party has not complied in all material respects with its obligations under the acquisition agreement; or

if either the approval of the Charles River shareholders or the WuXi shareholders has not been obtained at their respective shareholder meetings;

(c)

by Charles River:

if WuXi's board of directors has made a change in recommendation, or at any time after receipt or public announcement of an acquisition proposal with respect to WuXi, WuXi's board of directors has failed to reaffirm promptly its recommendation;

if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of WuXi has occurred that would result in the failure of the condition relating to the accuracy of WuXi's representations and warranties and compliance with its covenants to be satisfied and such failure cannot be cured by the end date; or

if WuXi has intentionally and materially breached its obligations described above under " Principal Covenants Shareholder Meetings and Duties to Recommend" or " Principal Covenants No Solicitation";

(d)

by WuXi:

if, prior to WuXi shareholder approval being obtained, the board of directors of WuXi authorizes the entry by WuXi into a written agreement concerning a superior proposal; provided that concurrently with such termination, WuXi pays a termination fee of \$50 million to Charles River as described below under " Termination Fees";

if Charles River's board of directors has made a change in recommendation;

if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Charles River has occurred that would result in the failure of the condition relating to the accuracy of Charles River's representations and warranties and compliance with its covenants to be satisfied and such failure cannot be cured by the end date; or

if Charles River has intentionally and materially breached its obligations described above under " Principal Covenants Shareholder Meetings and Duties to Recommend" or " Principal Covenants No Solicitation."

A "**financial market event**" shall exist, at any time, if: (1) none of Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., Credit Suisse, Goldman Sachs Credit Partners L.P., HSBC Bank USA, National Association, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., The Royal Bank of Scotland plc, Wells Fargo Bank, National Association, and their respective affiliates have provided any loan commitments for acquisition financings in the United States during the period of 10 consecutive business days prior to such time; (2) proceeds from the financing to be obtained pursuant to the commitment letter are not available and proceeds from any substitute financing are not available on commercially reasonable terms at such time; and (3) Charles River has complied in all material respects with its obligations described above under " Principal Covenants Reasonable Best Efforts Covenant" and " Principal Covenants Financing Covenant."



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*Effect of Termination.* If the acquisition agreement is validly terminated, it will become void and of no effect without any liability on the part of any party (or any shareholder, director, officer, employee, agent, consultant or representative of such party) unless the termination resulted from such party's willful failure to fulfill a condition to the performance of the obligations of the other party or to perform a covenant contained in the acquisition agreement, in which case such party will be fully liable for any and all liabilities and damages incurred or suffered by the other party as a result of such party's failure. However, the provisions of the acquisition agreement relating to the effects of termination, termination fees and expenses, governing law, jurisdiction and waiver of jury trial, as well as the confidentiality agreements entered into between Charles River and WuXi, will continue in effect notwithstanding termination of the acquisition agreement.

**Termination Fees**

WuXi has agreed to pay Charles River a termination fee of \$50 million in the event that:

Charles River terminates the acquisition agreement pursuant to a change in recommendation by the WuXi board of directors;

Charles River terminates the acquisition agreement due to an intentional and material breach by WuXi of its obligations described above under " Principal Covenants Shareholder Meetings and Duties to Recommend" or " Principal Covenants No Solicitation";

WuXi terminates the acquisition agreement, prior to WuXi shareholder approval being obtained in connection with the WuXi board of directors authorizing the entry into a written agreement concerning a superior proposal; or

the acquisition agreement is terminated by either party following the failure of WuXi's shareholders to approve the transaction or the acquisition is not consummated by the end date (except where the financing reverse termination fee or the specified regulatory condition reverse termination fee (each as described below) is payable by Charles River) and (1) an acquisition proposal for WuXi has been made prior to such termination and (2) WuXi enters into a definitive agreement with respect to or consummates an acquisition proposal (provided that, for purposes of this payment obligation, the definition of the term "acquisition proposal" is modified so that each 20 percent threshold in such definition is deemed to be a 50 percent threshold) within 12 months after termination.

Charles River has agreed to pay WuXi a reverse termination fee (in the amount specified below) if the acquisition agreement is terminated under any of the following circumstances:

a fee of \$50 million if WuXi terminates the acquisition agreement by reason of Charles River's board of directors changing its recommendation to its shareholders;

a fee of \$50 million if WuXi terminates the acquisition agreement due to an intentional and material breach by Charles River of its obligations described above under " Principal Covenants Shareholder Meetings and Duties to Recommend" or " Principal Covenants No Solicitation";

a fee of \$50 million if the acquisition is not consummated by the end date (except where the financing reverse termination fee or the specified regulatory condition reverse termination fee (each as described below) is payable by Charles River) and (1) an acquisition proposal for Charles River has been made prior to such termination and (2) Charles River enters into a definitive agreement with respect to or consummates an acquisition proposal (provided that, for purposes of this payment obligation, the definition of the term "acquisition proposal" is modified so that each 20 percent threshold in such definition is deemed to be a 50 percent threshold) within 12 months after termination;

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a "financing reverse termination fee" of \$75 million if (1) (x) either party terminates the agreement by reason of the acquisition failing to close by the end date (subject to each party's right to extend the deadline for closing by 30 days in the event of a financial market event), (y) a financial market event exists on the preliminary date and all conditions to closing are satisfied or waived and (z) neither party exercises its right to extend the end date by 30 days or (2) a party exercises its right to extend the end date by 30 days due to the existence of a financial market event and the agreement is subsequently terminated for any reason;

a "specified regulatory condition reverse termination fee" of \$75 million if (1) (x) either party terminates the agreement by reason of the acquisition failing to close by the end date, (y) on the end date, all conditions to closing have been satisfied or waived except that (a) the Chinese antitrust authorities have notified Charles River that their approval is required to consummate the acquisition and such approval has not been obtained or (b) the Chinese antitrust authorities have initiated an investigation with respect to the acquisition that could reasonably be expected to have material adverse effect on Charles River or WuXi and such investigation remains pending or (2) either party terminates the agreement solely by reason of a final and nonappealable injunction, judgment, order or decree enjoining or otherwise prohibiting the consummation of the transaction under Chinese antitrust law; or

a fee of \$25 million if Charles River shareholder approval is not obtained at the Charles River shareholder meeting; provided that if (1) an acquisition proposal for Charles River had been made prior to termination and (2) Charles River enters into a definitive agreement with respect to or consummates an acquisition proposal (provided that, for purposes of this payment obligation, the definition of the term "acquisition proposal" is modified so that each 20 percent threshold in such definition is deemed to be a 50 percent threshold) within 12 months after termination, an additional \$25 million will be payable.

In no event shall Charles River be required to pay more than one termination fee to WuXi, except for the potential payment of two \$25 million termination fees as described in the immediately preceding bullet point.

**Amendments; Waivers**

Any provision of the acquisition agreement may be amended or waived prior to the closing if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to the acquisition agreement or, in the case of a waiver, by each party against whom the waiver is to be effective; provided that, after the WuXi shareholder approval or the Charles River shareholder approval has been obtained, there will be no amendment or waiver that would require the further approval of either party's shareholders, without such approval having first been obtained under the applicable law; provided further that after the interim order of the Grand Court of the Cayman Islands has been obtained, there will be no amendment or waiver without the court approval having first been obtained.

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**THE VOTING AGREEMENTS**

The following is a summary of the material terms and conditions of the voting agreements. This summary may not contain all the information about the voting agreements that is important to you. This summary is qualified in its entirety by reference to the voting agreements attached as Annexes C, D and E to, and incorporated by reference into, this proxy statement. You are encouraged to read the voting agreements in their entirety.

Concurrently with the execution of the acquisition agreement, Charles River entered into voting agreements with (1) Dr. Ge Li and NGM Family 2006 Irrevocable Trust, (2) Warburg Pincus Private Equity X, L.P. and Warburg Pincus X Partners, L.P. and (3) General Atlantic Partners (Bermuda), L.P., GAP-W International, L.P., GapStar, LLC, GAP Coinvestments III, LLC, GAP Coinvestments IV, LLC, GAP Coinvestments CDA, L.P., and GAPCO GmbH & Co. KG. The shareholders party to each voting agreement are not affiliates of the shareholders party to the other voting agreements. Dr. Li, the Warburg Pincus entities and the General Atlantic entities are not affiliated with each other. As of April 26, 2010, the shareholders party to the voting agreements collectively held 83,227,183 WuXi ordinary shares (representing approximately 14.5% of the total outstanding WuXi ordinary shares). As of April 26, 2010, the shareholders party to the voting agreements also collectively held stock options (both vested and unvested), restricted stock units (both vested and unvested) and convertible notes collectively exercisable (when all fully vested) for an additional approximately 4.6% of the outstanding WuXi ordinary shares). If any of the stock options, restricted stock units or convertible notes held by the shareholders party to the voting agreements are exercised for or converted into WuXi ordinary shares prior to the termination of the voting agreements, such WuXi ordinary shares will also be subject to the voting agreements.

**Voting of Shares**

Under the voting agreements, each shareholder party thereto has agreed, subject to the terms and conditions set forth therein, to vote or exercise its right to consent with respect to all the WuXi ordinary shares that such party is entitled to vote at the time of any vote to approve the scheme at any meeting of the shareholders of WuXi, and at any adjournment thereof, at which the scheme (or any amended version thereof (subject to the termination provisions described below)), is submitted for the consideration and vote of the shareholders of WuXi.

Each shareholder party to a voting agreement has further agreed that it will not vote any WuXi ordinary shares in favor of, or consent to, and will vote against and not consent to, the approval of any:

acquisition proposal with respect to WuXi;

reorganization, recapitalization, liquidation or winding-up of WuXi or any other extraordinary transaction involving WuXi;  
or

corporate action the consummation of which would prevent, interfere with, impede or delay the consummation of the transactions contemplated by the acquisition agreement.

Except as expressly described above, nothing in the applicable voting agreement limits the right of each shareholder party thereto to vote or exercise its right to consent in favor of or against, or abstain with respect to, any matter presented to WuXi's shareholders, including in connection with the election of directors.

**Grant of Proxy**

In furtherance of the voting agreements, each shareholder party to a voting agreement granted an irrevocable proxy to Charles River to vote its or his shares in the manner described above under " Voting of Shares."

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**Transfer and Other Restrictions**

Each shareholder party to a voting agreement has agreed that until the termination of the applicable voting agreement, without the prior consent of Charles River, it or he will not:

grant any proxy or power of attorney or enter into any voting trust or other agreement or arrangement with respect to the voting of any WuXi ordinary shares; or

sell, assign, transfer, encumber, pledge or otherwise dispose of, or enter into any contract, option or other arrangement or understanding with respect to the direct or indirect sale, assignment, transfer, encumbrance, pledge or other disposition of, any WuXi ordinary shares during the term of the voting agreements.

Each shareholder party to a voting agreement has agreed not to seek or solicit any sale, assignment, transfer, encumbrance or other disposition or seek to enter into any contract, option or other arrangement or understanding referred to in the second bullet point above.

**Termination**

The voting agreements will terminate automatically on the earliest of:

the termination of the acquisition agreement in accordance with its terms;

the consummation of the acquisition; and

the date of any amendment, modification, change or waiver of the acquisition agreement that results in (1) a decrease in the cash or stock portion of the acquisition consideration, (2) a decrease in the acquisition consideration or (3) any delay in the consummation of the acquisition until after the end date, in each case, that is not consented to in writing by each shareholder party thereto in its sole discretion prior to such amendment, modification, change or waiver of the acquisition agreement.



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**THE EMPLOYMENT AGREEMENTS**

In connection with entering into the acquisition agreement, Charles River, WuXi and WuXi AppTec Co., Ltd. (a subsidiary of WuXi) also entered into new employment agreements with Drs. Li, Chen and Tang and Mr. Hu, each dated April 26, 2010, that replaced each such individual's existing employment agreement (if any), effective as of and contingent upon the closing. These agreements generally provide for (1) an initial award of stock options and restricted stock following the closing, (2) compensation and benefits during the term of employment, (3) compensation and benefits following termination of employment under certain circumstances (including vesting of all stock options and restricted stock units granted prior to the closing) and (4) certain restrictive covenants during and following the executive's employment period.

Additional information about the current directors and executive officers of WuXi (including Dr. Li, the Chairman and Chief Executive Officer of WuXi, who will become a member of the Charles River board of directors after the closing) can be found in WuXi's Annual Report on Form 20-F for the year ended December 31, 2009, which is incorporated by reference into this proxy statement. See "Where You Can Find Additional Information" beginning on page 96 of this proxy statement.

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**INTERESTS OF CERTAIN PERSONS IN THE TRANSACTION**

Certain members of Charles River management and the Charles River board of directors may be deemed to have financial interests in the transaction that are in addition to, or different from, the interests of other Charles River shareholders. The Charles River board of directors was aware of these interests and considered them, among other matters, in approving the transaction and the acquisition agreement.

*Compensation, Incentive Plans and Other Agreements.* The transaction does not trigger any payments under change in control agreements in place between Charles River and certain of its senior executives. Nor does any executive or other employee of Charles River receive any special bonus or other payments related solely to the successful completion of the transaction.

*Security Ownership of Officers and Directors.* For information concerning security ownership of directors and certain officers of Charles River, see Charles River's proxy statement used in connection with its 2010 annual meeting of shareholders, the relevant portions of which are incorporated by reference in this proxy statement from Charles River's Annual Report on Form 10-K for the year ended December 26, 2009.

*Board Compensation.* For information concerning Charles River's compensation policy for members of the board of directors, see Charles River's proxy statement used in connection with its 2010 annual meeting of shareholders, the relevant portions of which are incorporated by reference in this proxy statement from Charles River's Annual Report on Form 10-K for the year ended December 26, 2009.

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**ACCOUNTING TREATMENT**

The transaction will be accounted for as a purchase by Charles River under accounting principles generally accepted in the United States. Under the purchase method of accounting, the assets and liabilities of WuXi will be recorded, as of the date the transaction is completed, at their respective fair values and added to those of Charles River. Charles River's financial statements issued after the completion of the transaction will reflect WuXi's assets, liabilities, and operating results after the completion of the transaction but will not be restated retroactively to reflect the historical pre-closing financial position or results of operations of WuXi. Following the completion of the transaction, the earnings of the combined company will reflect the impact from fair value adjustments in purchase accounting, including amortization and depreciation expense for acquired assets and related tax benefits, and incremental stock-based compensation expense from the conversion of unvested stock options held by WuXi employees into Charles River stock options. In accordance with the applicable accounting rules, goodwill resulting from the transaction will not be amortized, but will be reviewed for impairment at least annually, and to the extent goodwill is determined to be impaired in value, its carrying value will be written down to its implied fair value and a charge will be made to earnings in the amount of the write-down.

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**DESCRIPTION OF CHARLES RIVER'S CAPITAL STOCK**

The following is a summary of the material terms of the capital stock of Charles River and is not complete. You should refer to Charles River's certificate of incorporation and bylaws, as well as to the applicable provisions of the General Corporation Law of the State of Delaware, for a complete description of the rights and preferences of Charles River's capital stock. Copies of Charles River's certificate of incorporation and bylaws will be sent to holders of shares of Charles River common stock upon request. See "Where You Can Find More Information," beginning on page 95.

**Authorized Capital Stock**

Under Charles River's current certificate of incorporation, the authorized capital stock of Charles River is 140 million shares, consisting of 120 million shares of voting common stock, par value \$0.01 per share, and 20 million shares of preferred stock, par value \$0.01 per share.

**Common Stock**

*Shares Outstanding.* As of the close of business on June 25, 2010, the most recent practicable trading day prior to the date of this proxy statement, Charles River had outstanding 66,258,356 shares of common stock and had reserved 16,700,466 shares of common stock for issuance under employee or director option plans or pursuant to convertible securities of Charles River or to other securities of Charles River. The outstanding shares of Charles River common stock are validly issued, fully paid and nonassessable.

*Voting Rights.* Each holder of Charles River common stock is entitled to one vote for each share of Charles River common stock held of record on the applicable record date on all matters submitted to a vote of shareholders, including the election of directors.

*Dividend Rights; Rights upon Liquidation.* The holders of Charles River common stock may receive dividends as declared by the Charles River board of directors and paid either in cash, in property or in shares of the capital stock of Charles River, subject to the rights of any holders of preferred shares. Each share of Charles River common stock is entitled to participate pro rata in distributions upon liquidation, subject to the rights of holders of preferred shares.

*Preemptive Rights.* Holders of Charles River common stock have no preemptive or similar equity-preservation rights.

*Cumulative Voting.* Holders of Charles River common stock do not have the right to cumulate votes for directors.

*Transfer Agent.* The transfer agent and registrar for Charles River common stock is Computershare Trust Company, N.A.

**Preferred Stock**

As of the close of business on June 30, 2010, the record date, no shares of Charles River preferred stock were issued or outstanding.

Subject to the limitations prescribed by law and the provisions of Charles River's certificate of incorporation, the Charles River board of directors is authorized to issue preferred stock from time to time in one or more series, each of which will have such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and such qualifications, limitations or restrictions thereof, as the board of directors determines in a resolution or resolutions providing for the issue of such preferred stock.

**Stock Exchange Listing**

It is a condition to the completion of the transaction that the shares of Charles River common stock to be issued in the transaction be approved for listing on the NYSE at or prior to the closing of the transaction, subject to official notice of issuance.

Table of Contents**COMPARISON OF SHAREHOLDERS' RIGHTS**

The following table describes the rights of Charles River shareholders under Delaware law, the Charles River certificate of incorporation and the Charles River bylaws prior to the transaction and the rights of WuXi shareholders under Cayman Islands law and the WuXi second amended and restated memorandum and articles of association prior to the transaction. The rights of Charles River shareholders will remain unchanged after the transaction. Holders of WuXi ordinary shares prior to the transaction will become holders of Charles River common stock following the transaction. Copies of the Charles River certificate of incorporation and the Charles River bylaws will be sent to holders of WuXi ordinary shares upon request. See "Where You Can Find More Information," beginning on page 95. You should refer to these documents and to the applicable provisions of Delaware General Corporation Law, or DGCL, and Cayman Companies Law for a complete description of the rights of Charles River shareholders and WuXi shareholders prior to the completion of the transaction and Charles River shareholders following completion of the transaction.

	<b>Charles River Shareholder Rights</b>	<b>WuXi Shareholder Rights</b>
<i>General:</i>	The rights of Charles River shareholders are currently governed by Delaware law and the Charles River certificate of incorporation and Charles River bylaws.	The rights of WuXi shareholders are currently governed by Cayman Islands law and the WuXi second amended and restated memorandum and articles of association.
<i>Authorized Capital Stock:</i>	The authorized capital stock of Charles River is currently 140 million shares, consisting of 120 million shares of common stock and 20 million shares of preferred stock.	The authorized share capital of WuXi is 5,002,500,000 ordinary shares.
<i>Number of Directors:</i>	<p>The Charles River bylaws provide that the number of Charles River directors shall be determined by resolution of the board of directors, but in no event shall be less than three. The number of directors may be decreased from time to time either by the shareholders or by a majority of the directors then in office, but only to eliminate vacancies; and increased from time to time by the shareholders or by a majority of the directors then in office.</p> <p>There are currently 10 members of the Charles River board of directors.</p> <p><i>After the transaction:</i> Under the acquisition agreement, Charles River has agreed to increase its number of directors from 10 to 13 and to cause three individuals designated by WuXi to be appointed to the Charles River board of directors at the closing of the transaction and at the following two annual shareholders meetings.</p>	<p>The WuXi second amended and restated memorandum and articles of association provide for up to 10 directors. Any change in the number of directors shall be approved from time to time by the board of directors.</p> <p>There are currently nine members of the WuXi board of directors.</p>

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	<b>Charles River Shareholder Rights</b>	<b>WuXi Shareholder Rights</b>
<i>Classification of Board of Directors:</i>	The Charles River certificate of incorporation and Charles River bylaws do not provide for the board of directors to be divided into classes.	The WuXi second amended and restated memorandum and articles of association provide that the WuXi board of directors is divided into three classes, each consisting, as nearly as may be possible, of one-third of the total number of directors. The terms of office of one class of directors expires each year, resulting in each class serving a staggered three-year term.
<i>Vacancies on the Board of Directors:</i>	<p>The Charles River bylaws provide that a vacancy in the board of directors, however occurring, including a vacancy resulting from an enlargement of the board of directors, shall be filled only by vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director.</p> <p>A director elected to fill a vacancy will be elected for the unexpired term of his or her predecessor in office, and a director chosen to fill a position resulting from an increase in the number of directors shall hold office until the next annual meeting of shareholders and until his successor is elected and qualified or until his earlier death, resignation or removal.</p>	<p>Directors are elected or appointed in accordance with the WuXi second amended and restated memorandum and articles of association. WuXi may by ordinary resolution elect any person to be a director to fill a casual vacancy. The directors by the affirmative vote of a simple majority of the remaining directors present and voting at a board meeting, even though less than a quorum, or the sole remaining director, have the power to appoint any person as a director to fill a vacancy.</p> <p>Any director appointed by the board shall, unless designated by the board as a Class A Director, a Class B Director or a Class C Director, hold office only until the next following annual general meeting and shall then be eligible for re-election. A vacancy on the board created by the removal of a director may only be filled by the affirmative vote of a simple majority of the remaining directors present and voting at a board meeting.</p>
<i>Removal of Directors:</i>	The Charles River bylaws provide that a director may not be removed without cause and may be removed for cause only by the affirmative vote of the holders of 80 percent of the shares of the capital stock of Charles River issued and outstanding and entitled to vote in the election of directors at a meeting of the shareholders called for that purpose.	The WuXi second amended and restated memorandum and articles of association provide that a director may be removed only by a special resolution of at least two-thirds of the shareholders, notwithstanding anything in the second amended and restated articles of association or in any agreement between WuXi and such director.

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**Charles River Shareholder Rights**

**WuXi Shareholder Rights**

*Board Quorum and Action:*

The Charles River bylaws provide that a majority of the total number of directors shall constitute a quorum at all meetings. In the event that one or more of the directors shall be disqualified to vote at any meeting, then the quorum shall be reduced by one for each such director, provided that in no case shall fewer than one-third of the number of directors constitute a quorum.

The vote of a majority of those present at any meeting at which a quorum is present shall be sufficient to take any action, unless a different vote is specified by law or by the Charles River certificate of incorporation or Charles River bylaws.

The WuXi second amended and restated memorandum and articles of association provide that the quorum necessary for the transaction of the business of the board may be fixed by the board and, unless so fixed at any other number, shall be at least 50% of the directors. Any director who ceases to be a director at a board meeting may continue to be present and to act as a director and be counted in the quorum until the termination of such board meeting if no other director objects and if otherwise a quorum of directors would not be present. A meeting of the board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the board.

*Shareholders' Quorum:*

The Charles River bylaws provide that a majority of the shares issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum, except as otherwise provided by law or by the Charles River certificate of incorporation or Charles River bylaws.

The WuXi second amended and restated articles of association provide that at any general meeting at least two WuXi shareholders entitled to vote and present in person or represented by proxy, collectively representing not less than one-third in nominal value of the total issued WuXi ordinary shares, shall form a quorum.

*Vote Required for Certain Shareholder Actions:*

The Charles River bylaws provide that, when a quorum is present at any meeting of shareholders, a plurality of the votes properly cast for election to any office shall elect to such office and a majority of the votes properly cast upon any question other than an election to an office shall decide the question, except when a larger vote is required by law, the Charles River certificate of incorporation or Charles River bylaws.

The WuXi second amended and restated memorandum and articles of association provide that, when a quorum is present at any meeting of shareholders, the vote of holders of a majority of WuXi ordinary shares present in person or represented by proxy shall decide any question brought before such meeting, unless express provisions of the Cayman Companies Law or the WuXi second amended and restated memorandum and articles of association require a different vote.

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	<b>Charles River Shareholder Rights</b>	<b>WuXi Shareholder Rights</b>
<i>Vote Required for Approval of Certain Business Combinations</i>	Under the DGCL, a sale or other disposition of all or substantially all of a corporation's assets, a merger or consolidation of a corporation with another corporation or a dissolution of a corporation requires the affirmative vote of the corporation's board of directors (except in limited circumstances) plus, with limited exceptions, the affirmative vote of a majority of the aggregate voting power of the outstanding stock entitled to vote on the transaction. Charles River's amended and restated certificate of incorporation and bylaws include no additional provisions in this regard, and Delaware law applies without modification.	There are a number of mechanisms by which a Cayman Islands exempted limited company may be acquired, including:  a court approved scheme of arrangement under the Cayman Companies Law; a scheme of arrangement requires a court order from the Grand Court of the Cayman Islands and the approval of a majority in number representing 75% or more in value of those present and voting in each class of the company, whether in person or by proxy;  a takeover offer for the entire issued share capital of the company which could become effective without the offeror acquiring 100% of the issued share capital. The Cayman Companies Law would permit the offeror to acquire 100% of the company if the offer is approved by holders of not less than 90% in value of the shares affected within four months after making the offer, and the offeror acquires the shares of the dissenting shareholders within two months thereafter; if the target is listed, the takeover offer may be subject to the tender offer rules of the relevant exchange and the rules and regulations thereunder;  a merger or consolidation; in each case, the property and liabilities of the constituent companies will be vested in the surviving or consolidated company; the plan of merger or consolidation must be authorized by each constituent company by a shareholder resolution by a majority in number representing 75% in value of the shareholders voting together as one class.
<i>Shareholder Action by Written Consent:</i>	The Charles River bylaws provide that shareholder action by written consent in lieu of a meeting is prohibited.	The WuXi second amended and restated memorandum and articles of association provide that shareholder action by written consent in lieu of a meeting is prohibited.
<i>Amendment of Certificate of Incorporation or Memorandum and Articles of Association:</i>	The Charles River certificate of incorporation provides that Charles River reserves the right to amend the certificate of incorporation, in the manner prescribed by statute.	The WuXi second amended and restated memorandum and articles of association provide that alterations or amendments may only be made by special resolution of no less than two-thirds of the votes cast at a meeting of the shareholders.



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**Charles River Shareholder Rights**

Under the DGCL, an amendment to the certificate of incorporation requires that the corporation's board of directors adopt an amending resolution, which resolution must be approved by holders of a majority of the outstanding stock entitled to vote, unless the certificate of incorporation requires a greater vote. All shareholder rights are granted subject to this reservation.

The Charles River certificate of incorporation further provides that the affirmative vote of 80 percent of the shares entitled to vote is required to amend any provision with respect to director liability to the corporation or its shareholders, the prohibition on shareholder action by written consent or procedures for calling a special meeting.

*Amendment of Bylaws:*

The Charles River bylaws provide that the amendment of sections of the bylaws regarding notice of shareholder meetings, shareholder action without a meeting, nomination of directors, notice of business at shareholder meetings, and removal of directors (or adoption of bylaws containing provisions inconsistent with such sections) requires an affirmative vote of the holders of at least 80 percent of the shares of issued and outstanding stock entitled to vote.

Amendment of all other sections requires approval of a majority of the voting power of shares outstanding and entitled to vote or an affirmative vote of a majority of the directors present at any regular or special meeting of the board of directors at which a quorum is present.

*Voting Stock:*

The Charles River certificate of incorporation provides that subject to the rights of any preferred stock, and except as otherwise provided by law, the holders of the common stock shall possess all voting rights, and each share of common stock shall be entitled to one vote.

**WuXi Shareholder Rights**

Not applicable.

The WuXi second amended and restated memorandum and articles of association provide that at any general meeting on a show of hands every shareholder present in person (or in the case of a shareholder being a corporation, is present by a duly authorized representative) or by proxy shall have one vote and on a poll every shareholder present in person or by proxy or, in the case of a shareholder being a corporation, by its duly authorized representative shall have one vote for every fully paid share of which he is the holder.

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**Charles River Shareholder Rights**

**WuXi Shareholder Rights**

A resolution put to the vote of a meeting is decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded (1) by the chairman of such meeting, (2) by at least three shareholders present in person or in the case of a shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting, (3) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all shareholders having the right to vote at the meeting, or (4) by a shareholder or shareholders present in person or in the case of a shareholder being a corporation by its duly authorized representative or by proxy and holding shares in WuXi conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

*Dividends:*

The Charles River bylaws provide that, subject to limitations contained in the DGCL, the certificate of incorporation and the bylaws, the board of directors may declare and pay dividends upon the shares of capital stock, which dividends may be paid either in cash, in property or in shares of capital stock.

The WuXi second amended and restated memorandum and articles of association provide that, subject to any rights and restrictions for the time being attached to any class or classes of shares and the articles, the directors may from time to time declare dividends (including interim dividends) and other distributions on shares in issue and authorize payment of the same out of the funds of WuXi lawfully available therefor. WuXi may by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the directors. Such dividends may be paid either in cash or in specie.

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**Charles River Shareholder Rights**

**WuXi Shareholder Rights**

*Limitation of Liability and Indemnification of Directors and Officers:*

The Charles River certificate of incorporation provides that to the fullest extent permitted by Section 145 of the DGCL, Charles River:

may indemnify any persons whom it shall have the power to indemnify from and against any and all of the expenses, liabilities or other matters referred to in or covered thereby;

shall indemnify each such person if he is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he was a director, officer or employee of Charles River or because he was serving Charles River or any other legal entity in any capacity at the request of Charles River while a director, officer or employee of Charles River; and

shall pay the expenses of such a current or former director, officer or employee incurred in connection with any such action in advance of the final disposition of such action.

The Charles River certificate of incorporation further provides that this indemnification shall not be deemed exclusive of any other rights provided by law, agreement, contract or vote of shareholders or disinterested directors or pursuant to the direction of any court of competent jurisdiction or otherwise. Indemnification shall continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Charles River certificate of incorporation further provides that a director shall not be personally liable to Charles River or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability:

for any breach of the director's duty of loyalty to Charles River or its shareholders;

The WuXi second amended and restated memorandum and articles of association provide that the directors, secretary and other officers and every auditor for the time being of WuXi and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of WuXi and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of WuXi from and against all actions, costs, charges, losses, damages and expenses which they or any of them, them or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to WuXi shall or may

be lodged or deposited for the safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to WuXi shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

Each shareholder agrees to waive any claim or right of action he might have, whether individually or by or in the right of WuXi, against any director on account of any action taken by such director, or the failure of such director to take any action in the performance of his duties with or for WuXi; provided that such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such director.

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**Charles River Shareholder Rights**

for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;  
under Section 174 of the DGCL; or  
for any transaction from which the director derived any improper personal benefit.

**WuXi Shareholder Rights**

*Appraisal Rights:*

Charles River shareholders are not entitled to appraisal rights in connection with the transaction.

WuXi shareholders are not entitled to appraisal rights in connection with the transaction.

*Annual Meeting Proposals and Notice:*

The Charles River bylaws provide that a shareholder may bring business before an annual meeting by giving notice in writing to the secretary of the corporation, received not less than 90 days nor more than 120 days prior to the anniversary date of the immediately preceding annual meeting of shareholders, or if the annual meeting is not held within 30 days of the anniversary, then received not later than the close of business on the 70th day prior to the date of the meeting or the close of business on the 10th day following the date of notice of the meeting. The notice shall include (1) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (2) the name and address of the shareholder, (3) the class and number of shares beneficially owned by the shareholder, (4) a description of any agreement, arrangement or understanding with respect to the proposal between the shareholder and his or its affiliates or associates, (5) a description of any agreement, arrangement or understanding entered into by the shareholder the effect of which would be to mitigate loss to, manage risk or benefit of share prices for, or increase or decrease the voting power of, the shareholder, (6) a representation that the shareholder is a holder of record entitled to vote at the meeting and intends to appear in person or by proxy and (7) a representation that the shareholder intends to solicit proxies in support of such proposal.

The WuXi second amended and restated memorandum and articles of association do not specifically provide that a shareholder may bring business before the annual meeting. Subject to regulatory requirements, an annual general meeting and any extraordinary general meeting may be called with not less than 10 days' notice in writing. A general meeting may be called by shorter notice subject to the Cayman Companies Law. Notice of every general meeting shall be given to all shareholders (other than such shareholders as, under the provisions of the WuXi second amended and restated articles of association or the terms of issue of the WuXi shares they hold, are not entitled to receive such notices from WuXi), every person entitled to a share in consequence of the death, bankruptcy or winding-up of a shareholder, and each director and the auditors of WuXi. Subject to applicable regulatory requirements, a general meeting called by shorter notice is deemed to have been duly called, if it is so agreed (1) in the case of a meeting called as an annual general meeting, by all of WuXi's shareholders entitled to attend and vote at the meeting, or (2) in the case of any other meeting, by a majority in number of WuXi's shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the issued shares giving that right.

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	<b>Charles River Shareholder Rights</b>	<b>WuXi Shareholder Rights</b>
<i>Special Meetings:</i>	<p>The Charles River certificate of incorporation provides that special meetings of shareholders may be called at any time only by the chairman of the board of directors, the chief executive officer or the board of directors pursuant to a resolution adopted by the affirmative vote of a majority of the total number of directors then in office.</p> <p>The Charles River bylaws provide that written notice of a special meeting shall be given not less than 10 nor more than 60 days before the date of the meeting to each shareholder entitled to vote. The notices shall state the place, date and hour of the meeting, and in addition, the purpose of the meeting.</p>	<p>The WuXi second amended and restated memorandum and articles of association provide that extraordinary general meetings may be called only by the chairman of the board of directors, the board of directors or the chief executive officer, and may not be called by any other person.</p> <p>All business is deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting other than with respect to (1) the declaration and sanctioning of dividends, (2) consideration and adoption of the accounts and balance sheet and the reports of the directors and auditors and other documents required to be annexed to the balance sheet, (3) the election of directors, (4) appointment of auditors (where special notice of the intention for such appointment is not required by the Cayman Companies Law) and other officers, (5) the fixing of the remuneration of the auditors, and the voting of remuneration or extra remuneration to the directors, (6) granting of any mandate or authority to the directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of WuXi representing not more than 20% in nominal value of its existing issued share capital, and (7) the granting of any mandate or authority to the directors to repurchase WuXi's securities.</p>
<i>Anti-Takeover Statutes:</i>	<p>Under the Delaware business combination statute, a corporation is prohibited from engaging in any business combination with an interested shareholder who, together with its affiliates or associates, owns, or who is an affiliate or associate of the corporation and within a three-year period did own, 15 percent or more of the corporation's voting stock for a three year period following the time the shareholder became an interested shareholder, unless:</p>	<p>The Cayman Companies Law does not include any provisions comparable to the Delaware business combination statute.</p>

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**Charles River Shareholder Rights**

prior to the time the shareholder became an interested shareholder, the board of directors of the corporation approved either the business combination or the transaction which resulted in the shareholder becoming an interested shareholder;

the interested shareholder owned at least 85 percent of the voting stock of the corporation, excluding those shares owned (1) by persons who are directors and also officers and (2) certain employee stock plans upon consummation of the transaction which resulted in the shareholder becoming an interested shareholder; or

at or subsequent to the time the shareholder became an interested shareholder, the business combination is approved by the board of directors of the corporation and authorized by the affirmative vote, at an annual or special meeting and not by written consent, of at least  $66\frac{2}{3}$  percent of the outstanding voting shares of the corporation, excluding shares held by that interested shareholder.

A business combination generally includes:

mergers, consolidations and sales or other dispositions of 10 percent or more of the assets of a corporation to or with an interested shareholder;

specified transactions resulting in the issuance or transfer to an interested shareholder of any capital stock of the corporation or its subsidiaries; and

other transactions resulting in a disproportionate financial benefit to an interested shareholder.

**WuXi Shareholder Rights**

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**Charles River Shareholder Rights**

The provisions of the Delaware business combination statute do not apply to a corporation if, subject to certain requirements, the certificate of incorporation or bylaws of the corporation contain a provision expressly electing not to be governed by the provisions of the statute or the corporation does not have voting stock listed on a national securities exchange, authorized for quotation on an inter-dealer quotation system of a registered national securities association or held of record by more than 2,000 shareholders.

Charles River has not adopted any provision in its certificate of incorporation or bylaws to "opt out" of the Delaware business combination statute and the statute is applicable to business combinations involving Charles River. The Charles River board of directors has satisfied the requirements of the statute by approving the transaction.

**WuXi Shareholder Rights**

Table of Contents**COMPARATIVE MARKET PRICES AND DIVIDENDS**

Charles River common stock is currently listed on the NYSE under the symbol "CRL." WuXi ADSs (each representing eight underlying WuXi ordinary shares) are currently listed on the NYSE under the symbol "WX." The following table sets forth the high and low daily closing sale prices of shares of Charles River common stock and WuXi ordinary shares as reported on the NYSE. Neither Charles River nor WuXi paid quarterly cash dividends during the periods indicated.

	Charles River Common Stock		WuXi Ordinary Shares(1)	
	High	Low	High	Low
<b>2008</b>				
First Quarter	\$ 69.04	\$ 53.73	\$ 3.79	\$ 2.42
Second Quarter	65.95			