
PRESS RELEASE**LIFE SCIENCES RESEARCH, INC.**

(Other OTC: LSRI)

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March 14, 2006**LSR ANNOUNCES 2005 RESULTS**

East Millstone, New Jersey, March 14, 2006 – Life Sciences Research, Inc. (Other OTC: LSRI) announced today that revenues for the year ended December 31, 2005 were \$172.0 million, operating income was \$21.0 million, 12.2% of revenues, and EBITDA, excluding Other Expenses, was \$30.6 million, or 17.8% of revenues.

Revenues for the year ended December 31, 2005 of \$172.0 million were 9.2% above revenues for the year ended December 31, 2004 of \$157.6 million. Excluding the effect of exchange rate movements, the increase was 9.7%. Operating Income for the year ended December 31, 2005 was \$21.0 million, or 12.2% of revenues, compared with \$15.8 million, or 10.0% of revenues for the previous year. The Company reported net income for the year ended December 31, 2005 of \$1.5 million, compared with \$17.6 million for the previous year. Net income per common share for the year ended December 31, 2005 was \$0.12 compared with \$1.45 in the year ended December 31, 2004.

The net income for the year ended December 31, 2005 included Other Expense of \$7.4 million reflecting a non-cash foreign exchange remeasurement loss pertaining to the Convertible Capital Bonds of \$5.1 million and finance arrangement fees of \$2.8 million, offset by other exchange gains of \$0.5 million. For the year ended December 31, 2004, Other Income of \$2.9 million comprised a non-cash foreign exchange remeasurement gain of \$3.3 million pertaining to the Convertible Capital Bonds, offset by a charge of \$0.4 million relating to a currency hedge contract. The net income for the year ended December 31, 2005 also included \$3.5 million of taxes associated with the sale and leaseback transaction announced on June 14, 2005. The net income for the year ended December 31, 2004 included an income tax benefit of \$8.4 million. This benefit represented the credit for tax allowances for research and development expenditure in the UK. Excluding these Other Expense items and related tax effect, and the transaction related tax charges, and assuming a 10% effective tax rate non-GAAP net income for the year ended December 31, 2005 was \$11.7 million or \$0.81 per fully diluted share, compared with \$8.4 million or \$0.63 per fully diluted share for the year ended December 31, 2004.

Earnings before Interest, Taxes, Depreciation and Amortisation and Other Income (Expense) (“EBITDA”), excluding these non operating expenses, was \$30.6 million for the year ended December 31, 2005 or 17.8% of revenues, compared with \$25.4 million, or 16.1% of revenues, for the year ended December 31, 2004.

Net days sales outstanding at December 31, 2005 were 16 (4 at December 31, 2004) and capital expenditures in the year ended December 31, 2005 totaled \$16.0 million compared with \$11.1 million in the previous year. Net cash used in the year ended December 31, 2005 was \$17.9 million compared with \$16.1 million of net cash generated in the previous year. Of this net cash used \$15.8 million was associated with refinancing activities.

Cash on hand at December 31, 2005 was \$15.4 million compared with \$33.3 million at December 31, 2004. Long-term debt was \$30.4 million at December 31, 2005, compared with \$89.7 million at December 31, 2004. This reduction was primarily due to the reclassification to short-term debt of the \$46.2 million outstanding amount of Convertible Capital Bonds; a net repayment of \$11.1 million of our non-bank debt concurrently with completion of the sale and leaseback transaction; and exchange rate movements. The Convertible Capital Bonds, which were to mature in September 2006, are being redeemed from the proceeds of the financing announced by the Company on March 2, 2006.

Revenues for the quarter ended December 31, 2005 of \$40.0 million were 2.7% below the revenues for the same period in the prior year of \$41.1 million. Excluding the effect of exchange rate movements, revenues increased by 2.3%. Revenues for the quarter ended December 31, 2005 were reduced by \$1.1 million representing the write off of old unbilled receivables. These amounts had been fully accrued so they resulted in no impact on Operating Income in the quarter, as the release of the provision also reduced costs. Operating Income for the quarter ended December 31, 2005 was \$4.7 million, or 11.8% of revenues, compared with \$5.0 million, or 12.1% of revenues for the same period in the prior year. The Company reported a net loss for the quarter ended December 31, 2005 of \$0.5 million, compared with net income of \$13.2 million for the same period in the prior year. The net loss per common share for the quarter ended December 31, 2005 was \$0.04 compared with net income per common share of \$1.07 for the same period in the prior year. The net loss per fully diluted share was \$0.04 for the quarter ended December 31, 2005 compared with net income per fully diluted share of \$0.93 for the same period in the prior year.

The net loss for the quarter ended December 31, 2005 included Other Expense of \$2.2 million reflecting a non-cash foreign exchange remeasurement loss pertaining to the Convertible Capital Bonds of \$1.4 million and finance arrangement fees of Alconbury, our landlord, of \$1.1 million associated with FIN46R consolidation of their financing expenses, other financing costs of \$0.2 million offset by other exchange gains of \$0.5 million. In the same period in the prior year, Other Income of \$2.3 million comprised a non-cash foreign exchange remeasurement gain pertaining to the Convertible Capital Bonds of \$2.8 million, offset by a charge of \$0.4 million relating to a currency hedge contract. The net income for the quarter ended December 31, 2004 also included an income tax benefit of \$8.4 million. This benefit represented the full year credit for tax allowances for research and development expenditure in the UK. Excluding these Other Expense items and related tax effect, and assuming a 10% effective tax rate non-GAAP net

income for the quarter ended December 31, 2005 was \$2.3 million, or \$0.16 per fully diluted share, compared with \$3.0 million, or \$0.21 per fully diluted share for the same period in the prior year.

EBITDA, excluding these non operating expenses, was \$7.1 million for the quarter ended December 31, 2005, or 17.7% of revenues, compared with \$7.5 million, or 18.2% of revenues, for the same period in the prior year.

Capital expenditures totaled \$3.9 million in the quarter ended December 31, 2005, compared with \$4.1 million for the same period in the prior year. As a result net cash generated totaled \$3.3 million in the quarter ended December 31, 2005 compared with \$12.8 million of net cash generated for the same period in the prior year.

Net new business signings totaled \$46.3 million for the quarter ended December 31, 2005 and \$183 million for the full year. This represented an increase of 7% and 2% respectively from the prior year. At December 31, 2005, backlog (booked on work) amounted to approximately \$122 million.

Brian Cass, LSR's President, said "2005 was another great year of progress in improving our financial performance with operating income up by one third on 2004, and now representing 12% of revenues. Net orders for the year set a new record and we had a book to bill ratio of 1.06. This would have been even more but some customers faced difficulties in the development of their compounds so cancellations were unusually high this year. However such variations which impact quarterly results are a feature of our business. We approach 2006 with confidence and optimism. Order levels on Q4 were solid with a book to bill of 1.13 and these will flow through to revenues later this year. As always my thanks go to our employees and other stakeholders who have shown commitment and determination in supporting our company through another excellent year."

LSR will hold an investor conference call to discuss the quarter's results on Wednesday morning, March 15, 2006 at 08:30 a.m. Eastern Time. That call can be listened to by dialing (517) 623-4705; pass code 25264. We suggest calling five minutes prior to the scheduled call.

This announcement contains non-GAAP financial measures, including EBITDA and non-GAAP earnings per share which exclude, among other items, gains or losses associated with the non-cash foreign exchange remeasurement loss pertaining to the Company's Convertible Capital Bonds and one time charges. We exclude these items from the non-GAAP financial measures because they are outside our normal operations. We believe that the inclusion of non-GAAP financial measures in this announcement helps investors to gain a meaningful understanding of our core operating results and future prospects, and is consistent with how management measures and forecasts the Company's performance and debt service capabilities, especially when comparing such results to prior periods or forecasts. Non-GAAP results also allow investors to compare the Company's operations against the financial results of other companies in the industry who similarly provide non-GAAP results. The non-GAAP financial measures included in this announcement are not meant to be considered superior to or a substitute for results of operations prepared in accordance with GAAP. Reconciliations of the non-GAAP financial measures used in this announcement to the most directly comparable GAAP financial measures are set forth in the text of this announcement and other public filings, and can also be found on the Company's website at www.lsrinc.net.

Life Sciences Research, Inc. is a global contract research organization providing product development services to the pharmaceutical, agrochemical and biotechnology industries. LSR brings leading technology and capability to support its clients in non-clinical safety testing of new compounds in early stage development and assessment. The purpose of this work is to identify risks to humans, animals or the environment resulting from the use or manufacture of a wide range of chemicals which are essential components of LSR's clients' products. The Company's services are designed to meet the regulatory requirements of governments around the world. LSR operates research facilities in the United States (the Princeton Research Center, New Jersey) and the United Kingdom (Huntingdon and Eye, England).

This announcement contains statements that may be forward-looking as defined by the Private Securities Litigation Reform Act of 1995. These statements are based largely on LSR's expectations and are subject to a number of risks and uncertainties, certain of which are beyond LSR's control, as more fully described in the Company's SEC filings, including its Form 10-K for the fiscal year ended December 31, 2004, as filed with the US Securities and Exchange Commission.

**Life Sciences Research Inc.
 Statement of Operations**

Unaudited

	Quarter ended December 31		Year ended December 31	
(Dollars in thousands, except per share data)	2005	2004	2005	2004
Revenues	\$40,020	\$41,145	\$172,013	\$157,551
Cost of revenues	(29,606)	(29,841)	(124,820)	(117,061)
Gross profit	10,414	11,304	47,193	40,490
Selling, general and administrative expenses	(5,678)	(6,321)	(26,174)	(24,666)
Operating income	4,736	4,983	21,019	15,824
Interest income	13	73	79	114
Interest expense	(2,217)	(1,777)	(8,072)	(6,635)
Other (expense)/income	(2,211)	2,265	(7,406)	2,890
Income before income taxes	321	5,544	5,620	12,193
Income tax (expense)/benefit	(841)	7,659	(4,129)	5,401
Net (loss)/income	\$(520)	\$13,203	\$1,491	\$17,594
(Loss)/income per common share				
- Basic	\$(0.04)	\$1.07	\$0.12	\$1.45
- Diluted	\$(0.04)	\$0.93	\$0.10	\$1.29
Weighted average common shares outstanding				
- Basic (000's)	12,553	12,360	12,518	12,153
- Diluted (000's)	14,547	14,215	14,533	13,607

**Life Sciences Research Inc.
Balance Sheet**

(Dollars in thousands, except per share data)

	December 31, 2005	December 31, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	\$15,420	\$33,341
Accounts receivable, net of allowance of \$618 and \$255 in 2005 and 2004, respectively	26,810	27,841
Unbilled receivables	11,981	11,516
Inventories	1,992	2,024
Prepaid expenses and other current assets	7,062	2,929
Total current assets	63,265	77,651
Property and equipment, net	105,605	109,999
Goodwill	1,195	901
Other Intangibles	901	-
Unamortized capital bonds issue costs	70	271
Deferred income taxes	13,333	11,253
Total assets	\$184,369	\$200,075
LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)		
Current liabilities:		
Accounts payable	\$15,742	\$13,547
Accrued payroll and other benefits	3,655	4,024
Accrued expenses and other liabilities	15,862	19,987
Short-term debt	46,946	719
Fees invoiced in advance	32,920	37,574
Total current liabilities	115,125	75,851
Long-term debt	30,430	89,685
Pension liabilities	53,382	36,603
Total liabilities	198,937	202,139
Commitments and contingencies		
Stockholders' equity/(deficit)		
Preferred Stock, \$0.01 par value. Authorized: 5,000,000		
Issued and outstanding : None	-	-
Non-Voting Common Stock, \$0.01 par value. Authorized: 5,000,000		
Issued and outstanding: None	-	-
Voting Common Stock, \$0.01 par value. Authorized 50,000,000		
Issued and outstanding at December 31, 2005: 12,553,251 (December 31, 2004: 12,441,281)	\$126	\$125
Paid in capital	75,848	75,671
Less: Promissory notes for the issuance of common stocks	(205)	(697)
Accumulated comprehensive loss	(49,389)	(34,724)
Accumulated deficit	(40,948)	(42,439)
Total stockholders' deficit	(14,568)	(2,064)
Total liabilities and stockholders' equity/(deficit)	\$184,369	\$200,075