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# NEWS RELEASE

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## **(CSL) Carlisle Companies Reports First Quarter Results**

CHARLOTTE, NORTH CAROLINA, April 15, 2002...Carlisle Companies Incorporated (NYSE:CSL) reported first quarter sales of \$455 million, a 2% decrease from the first quarter 2001. Net earnings were \$12.8 million, or \$.42 per share (diluted). This compares to the first quarter 2001 net loss of \$10.2 million or \$.33 per share (diluted). The first quarter 2001 net loss included a \$20.9 million after tax restructuring charge. After factoring out the effect of the restructuring charge, net earnings from operations were \$10.7 million or \$0.35 per share in the first quarter 2001.

As required by SFAS 142, goodwill is no longer being amortized. This change had a positive impact of \$2.1 million, or \$0.07 per share in the first quarter 2002 compared to the same period a year ago.

Richmond McKinnish, Carlisle's President and CEO said, "Although net sales were slightly below last year we are encouraged that we were able to maintain the same level of adjusted net earnings. We have yet to see the expected turnaround in many of the markets served by Carlisle. We continue to aggressively cut costs and develop new products. These efforts will result in improved earnings as demand for our products strengthens."

### **Segment Highlights**

Carlisle has expanded its segment reporting and will disclose information for five reportable segments and a sixth classification of General Industry (All Other). The operations previously reported in the Construction Materials segment and Automotive Components segment remain the same. The Industrial Components segment now includes Carlisle Tire & Wheel Company and Carlisle Power Transmission. The new Specialty Products segment includes Carlisle Industrial Brake & Friction and Carlisle Motion Control, and the new Transportation Products segment includes Trail King Industries and Walker Transportation. The General Industry (All Other) segment includes Tensolite, Carlisle FoodService, and Carlisle Systems and Equipment.

Construction Materials sales of \$85 million in the first quarter were 8% below 2001 first quarter sales of \$92 million primarily due to lower sales of insulation material. Operating earnings of \$7.8 million were 13% lower than in the first quarter 2001, primarily caused by a decrease in earnings at a joint venture in Europe.

Industrial Components sales of \$158 million were 15% above the first quarter 2001 sales as a result of the acquisition of Dayco Industrial Power Transmission, renamed Carlisle Power Transmission, in August 2001. Carlisle Tire & Wheel Company continued to experience lower demand in most of its major markets, including the depressed lawn and garden market. First quarter operating earnings of \$16.8 million were slightly above the \$16.7 million realized in the first quarter 2001. The earnings from Carlisle Power Transmission more than offset the lower earnings at Carlisle Tire & Wheel Company.

Net sales in the Specialty Products segment of \$26 million were down 14% from the \$30 million in net sales realized in the first quarter 2001. The markets served by Motion Control and Carlisle Industrial Brake & Friction remain soft with build units on new trucks remaining low, and off-highway brake sales in the heavy construction and haulage markets being lower than a year ago. The \$.1 million operating loss in the first quarter 2002 is primarily the result of lower sales volume at both Motion Control and Carlisle Industrial Brake & Friction and the realignment and start-up of new production facilities at Motion Control.

Automotive Components sales of \$63 million in the first quarter were down 9% from the \$69 million realized in the first quarter 2001, primarily as a result of the decline in vehicle build rates. Although net sales were less than a year ago, operating earnings of \$4.1 million increased 66% in the first quarter 2002. This improvement was the result of a significant restructuring effort and other cost reduction measures taken in 2001 at Carlisle Engineered Products.

Transportation Products sales of \$28 million were slightly below \$29 million realized in the first quarter 2001. With the exception of improved pneumatic and service parts sales, sales of construction, specialized and commercial trailers were less than a year ago. Operating earnings of \$.2 million in the first quarter were favorable to the breakeven position realized in the first quarter 2001.

General Industry sales of \$95 million were down 9% from the first quarter 2001 of \$105 million, while operating earnings of \$.8 million were above \$.5 million realized in the first quarter 2001. Sales at Tensolite were down 30% from the first quarter 2001 due to a significant decline in the telecommunications and commercial airline markets. Carlisle Systems and Equipment sales were slightly less than a year ago, although Johnson Truck Bodies showed significant improvement over last year. Carlisle FoodService sales were 3% below the first quarter 2001.

### **Cash Flows**

Cash flow from operations was negative in the first quarter due to changes in working capital primarily associated with an increase in accounts receivable. The focus on inventories remains strong with total inventories down \$50.9 million (excluding acquisitions) from the first quarter 2001. Capital expenditures declined from \$21.0 million in 2001 to \$10.7 million in the first quarter of 2002. Total cash flow in the first quarter was a negative \$12.3 million compared to \$.4 million a year ago.

### **Backlog**

The March 31, 2002 backlog of \$270 million is down from March 31, 2001 of \$300 million and is below the December 31, 2001 level of \$288 million. Most of the decrease is associated with lower backlog positions in the General Industry segment at Tensolite and Carlisle Systems & Equipment.

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are made based on known events and circumstances at the time of publication, and as such, are subject in the future to unforeseen risks and uncertainties. We refer you to the documents filed by the Company from time to time with the Securities and Exchange Commission for important facts that may cause results to differ materially from the Company's expectations.

**Carlisle is a diversified global manufacturing company serving the transportation, construction, commercial roofing, automotive, pharmaceutical, foodservice, data transmission, and specialty tire and wheel industries.**

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**CARLISLE COMPANIES INCORPORATED**

March 31, 2002

**FINANCIAL RESULTS**

(In millions, except per share data)

<b>First Quarter</b>		2002	2001	% Change
	Sales	\$ 455.1	\$ 463.2	-2%
	Net Earnings	12.8	(10.2)	226%
	Basic E.P.S.	\$0.42	(\$0.34)	226%
	Diluted E.P.S.	\$0.42	(\$0.33)	226%

**2002 SEGMENT FINANCIAL DATA**

(In millions)

<b>MARCH -YTD</b>	<u>2002</u>			<u>2001</u>		
	Sales	EBIT <sup>(1)</sup>	Assets	Sales	EBIT	Assets
Construction Materials	\$ 84.9	\$ 7.8	\$ 239.9	\$ 91.8	\$ 8.9	\$ 273.6
Industrial Components	158.5	16.8	508.4	138.3	16.7	388.2
Specialty Products	25.9	(0.1)	77.7	30.1	0.5	75.0
Automotive Components	62.8	4.1	129.5	68.9	2.5	123.6
Transportation Products	27.6	0.2	72.7	29.4	-	81.0
General Industry	<u>95.4</u>	0.8	342.6	<u>104.7</u>	0.5	381.8
Subtotal	455.1	29.6	\$ 1,370.8	463.2	29.1	\$ 1,323.2
Corporate	-	(4.9)	49.4	-	(36.9)	45.7
Total	\$ 455.1	\$ 24.7	\$ 1,420.2	\$ 463.2	\$ (7.8)	\$ 1,368.9

(1) Under the provisions of SFAS 142, goodwill is no longer amortized. This resulted in a positive impact to Consolidated Net Earnings of \$2.1 million or \$.07 per diluted share and to Earnings Before Interest and Taxes (EBIT) as follows: Construction Materials, \$0.2 million; Industrial Components, \$0.7 million; Specialty Products, \$0.1 million; Automotive Components, \$0.5 million; Transportation Products, \$0.4 million; General Industry, \$2.1 million; and Corporate, (\$0.7 million)

**CARLISLE COMPANIES INCORPORATED**  
**Comparative Balance Sheet**  
**As of March 31**  
(In thousands)

	2002	2001
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 3,289	\$ 9,327
Receivables	244,453	263,594
Inventories	246,952	275,267
Prepaid expenses and other	74,071	71,681
<b>Total current assets</b>	<b>568,765</b>	619,869
Property, plant and equipment, net	451,931	393,534
Other assets	399,498	355,472
	<b>\$ 1,420,194</b>	<b>\$ 1,368,875</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Short-term debt, including current maturities	\$ 28,748	\$ 153,724
Accounts payable	141,484	141,539
Accrued expenses	119,324	105,567
<b>Total current liabilities</b>	<b>289,556</b>	400,830
Long-term debt	465,354	347,297
Other liabilities	117,717	92,893
Shareholders' equity	547,567	527,855
	<b>\$ 1,420,194</b>	<b>\$ 1,368,875</b>

**CARLISLE COMPANIES INCORPORATED**

**Consolidated Statement of Earnings**

For the periods ended March 31

(In thousands except per share data)

	<b>First Quarter</b>		
	<b>2002</b>	2001	% Change
<b>Net sales</b>	<b>\$ 455,101</b>	\$ 463,158	-1.7%
Cost and expenses:			
Cost of goods sold	<b>371,720</b>	383,429 (a)	-3.1%
Selling and administrative expenses	<b>51,844</b>	51,511	0.6%
Research and development expenses	<b>5,160</b>	4,004	28.9%
Restructuring charges	-	32,811 (a)	-
Other (income) & expense, net	<b>1,639</b>	(842)	294.7%
Earnings before interest & income taxes	<b>24,738</b>	(7,756)	419.0%
Interest expense, net	<b>5,149</b>	8,214	-37.3%
Earnings before income taxes	<b>19,589</b>	(15,970)	222.7%
Income taxes	<b>6,758</b>	(5,781)	216.9%
Net earnings	<b>\$ 12,831</b>	\$ (10,189)	225.9%
% of Net Sales	<b>2.8%</b>	-2.2%	
Basic earnings per share	<b>\$ 0.42</b>	\$ (0.34)	223.5%
Average shares outstanding (000's) - basic	<b>30,292</b>	30,191	
Diluted earnings per share	<b>\$ 0.42</b>	\$ (0.33)	227.3%
Average shares outstanding (000's) - diluted	<b>30,434</b>	30,512	
Dividends	<b>\$ 6,358</b>	\$ 6,047	
Per share	<b>\$ 0.21</b>	\$ 0.20	5.0%

*(a) Restructuring charge reduced by \$4,883 as a result of reclassification to Cost of goods sold*

**CARLISLE COMPANIES INCORPORATED**  
**Comparative Consolidated Statement of Cash Flows**

For the periods ended March 31

(In thousands)

	<b>First Quarter</b>	
	<b>2002</b>	<b>2001</b>
<b>Operating activities</b>		
Net earnings	\$ 12,831	\$ (10,189)
Reconciliation of net earnings to cash flows:		
Restructuring Charge	-	24,650
(Gain) on property, equipment and business, net	(27)	-
Depreciation and amortization	15,406	18,096
Working capital	(32,139)	(9,883)
Other	(1,612)	(3,733)
<b>Net cash (used in) provided by operating activities</b>	<b>(5,541)</b>	<b>18,941</b>
<b>Investing activities</b>		
Capital expenditures	(10,757)	(21,015)
Acquisitions, net of cash	(1,026)	(37,935)
Proceeds from sale of property, equipment and business	47	6,374
Other	(1,093)	(3,219)
<b>Net cash used in investing activities</b>	<b>(12,829)</b>	<b>(55,795)</b>
<b>Financing activities</b>		
Net change in short-term debt and revolving credit lines	10,848	44,962
Reductions of long-term debt	(412)	(1,024)
Dividends	(6,358)	(6,047)
Treasury shares and stock options, net	1,975	(677)
<b>Net cash provided by financing activities</b>	<b>6,053</b>	<b>37,214</b>
<b>Change in cash and cash equivalents</b>	<b>(12,317)</b>	<b>360</b>
<b>Cash and cash equivalents</b>		
Beginning of period	15,606	8,967
End of period	\$ 3,289	\$ 9,327