
NEWS RELEASE



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(CSL) Carlisle Companies Reports A Record First Quarter

SYRACUSE, NEW YORK, April 18, 2000...Carlisle Companies Incorporated reported record first quarter net earnings of \$25.5 million or \$.83 per share (diluted), an increase of 17% versus first quarter 1999 earnings of \$21.8 million or \$.71 per share. Sales of \$434 million, a record for any quarter, were up 11% over the first quarter 1999 sales of \$390 million.

During the first quarter, the Company completed the acquisition of DynAir, Inc., a Canadian manufacturer of duct supplies; and Damrow Denmark and Damrow USA, global equipment suppliers to the cheese industry. Since the close of the first quarter, the Company has completed three more acquisitions; the Dura-Ware Company, a U.S. manufacturer of commercial cookware and servingware; Extract Technologies, a U.K. based biotech/pharmaceutical systems provider; and the Tire and Wheel Consumer Products Division of Titan International, Inc.

Stephen P. Munn, Carlisle's Chairman and CEO said, "Carlisle has reported another record for first quarter sales and earnings. Sales growth was driven by internal programs and acquisitions. Additionally, our emphasis on operating efficiencies and cost control have enabled us to generate earnings growth in excess of our sales growth. We continue to implement our acquisition strategy with five acquisitions completed since the first of the year. We are delighted with yesterday's announcement of the purchase of the Tire and Wheel Consumer Products Division of Titan. These acquisitions will have a favorable impact on our results for 2000."

Carlisle is a diversified manufacturer of products serving construction materials, industrial components, automotive components and general industry markets.

CONTACT: Dennis J. Hall
Vice Chairman
Carlisle Companies Incorporated
(315) 474-2500

<http://www.carlisle.com>

CARLISLE COMPANIES INCORPORATED

Financial Results
As of March 31, 2000

(In Millions, except per share data)

| First Quarter | | <u>2000</u> | <u>1999</u> | <u>% Change</u> |
|----------------------|------|--------------------|--------------------|------------------------|
| | | Sales | \$434.0 | \$390.0 |
| Net Earnings | 25.5 | 21.8 | 17% | |
| Basic E.P.S. | .84 | 0.72 | 17% | |
| Diluted E.P.S. | .83 | 0.71 | 17% | |

2000 SEGMENT FINANCIAL DATA

(In Millions)

MARCH - QTR

| | <u>2000</u> | | | <u>1999</u> | | |
|-----------------------------|--------------|--------------|----------------|--------------|--------------|----------------|
| | <u>Sales</u> | <u>EBIT</u> | <u>% Sales</u> | <u>Sales</u> | <u>EBIT</u> | <u>% Sales</u> |
| Construction Materials | \$ 87.6 | \$ 8.9 | 10.2% | \$ 76.3 | \$ 8.3 | 10.9% |
| Industrial Components | 163.0 | 24.5 | 15.0% | 145.1 | 20.4 | 14.1% |
| Automotive Components | 83.4 | 7.2 | 8.6% | 81.9 | 6.6 | 8.0% |
| General Industry /All Other | <u>100.0</u> | <u>8.6</u> | 8.6% | <u>86.7</u> | <u>7.5</u> | 8.7% |
| Subtotal | 434.0 | 49.2 | 11.3% | 390.0 | 42.8 | 11.0% |
| Corporate/Elims | <u>--</u> | <u>(3.5)</u> | -- | <u>--</u> | <u>(2.7)</u> | -- |
| Total | \$434.0 | \$45.7 | 10.5% | \$390.0 | \$40.1 | 10.3% |

Carlisle Companies Incorporated
April 2000

Discussion of Results

Summary

Carlisle Companies Incorporated reported record sales for any quarter of \$434 million, up 11% over 1999, and record first quarter net earnings of \$25.5 million or \$0.83 per share (diluted), an increase of 17% versus first quarter 1999 earnings of \$21.8 million. Strong sales over 1999 were led by Carlisle Tire & Wheel (Industrial Components), Carlisle Systems & Equipment (General Industry), Carlisle SynTec (Construction Materials) and Carlisle FoodService Products (General Industry). Market share gains and expanded product line offerings were the primary factors drawing sales.

Earnings growth resulted from the increased sales, as well as the continued focus on cost reduction and efficiency improvement programs across all operations. Additionally, through continued implementation of tax savings strategies throughout the Company, the effective tax rate has been further reduced from 38% to 37%. The impact of this change is an additional \$0.01 a share.

Construction Materials' sales of \$88 million were up 16% over 1999 first quarter sales of \$76 million. Sales to Carlisle SynTec's domestic roofing markets were responsible for much of this increase. Despite inclement winter weather conditions, Carlisle SynTec benefited from strong EPDM rubber membrane sales as well as the continued growth of the Company's thermoplastic polyolefin (TPO) membrane and insulation product lines. Segment earnings for the quarter rose 7% versus 1999 first quarter earnings of \$8.3 million. This increase reflects higher sales levels impacted by raw material price increases and product mix. The need to recover cost increases experienced over the last year resulted in the announcement of a price increase on EPDM rubber membrane which took effect April 1, 2000. In February 2000, the company acquired the assets of DynAir, Inc., a Canadian manufacturer of duct supplies to the heating, ventilation and air conditioning market. This acquisition will complement the product offerings of Carlisle Coatings & Waterproofing's existing business.

Industrial Components' sales increased 12% to \$163 million versus 1999 first quarter sales of \$145 million. Carlisle Tire & Wheel exhibited a strong performance as activity in the lawn and garden markets commenced for the spring selling season. The brake and friction businesses also reported improved first quarter sales with a strong improvement in earnings over 1999. Healthy sales to original equipment manufacturers in the Heavy Friction business and strengthening demand in the haulage/mining markets combined with margin improvement to generate the overall improvement in the friction and brake businesses. Sales at Tensolite's specialty cable and cable assembly businesses also increased, fueled by a broad customer base and increased demand including a recovery in aerospace markets. Segment earnings increased 20% to \$24.5 million over the 1999 first quarter. The earnings increase, beyond the rate of sales, is largely attributable to cost reduction programs and efficiency programs.

Automotive Components' segment sales of \$83 million, a record, reflect steady demand as vehicle builds remained at record levels throughout the quarter. Segment earnings of \$7.2 million, grew 9% over first quarter 1999 as a result of the Company's ability to adapt to persistent high volumes, coupled with the continued reduction of inefficiencies related to the high demand. Good progress is being made in managing controllable assets, especially in reduced working capital needs.

General Industry segment sales of \$100 million showed a 15% improvement over 1999 first quarter sales of \$87 million. After eliminating the results of the Perishable Cargo business, which was divested during the first quarter of 1999, segment sales and earnings were up 40% and 36%, respectively, over last year. Carlisle Systems & Equipment was the primary driver behind this increase as Johnson Truck Bodies, acquired in May of 1999, continued to experience strong demand from the home delivery markets it serves. In April of this year, the

Company announced the acquisition of Extract Technologies Limited, a leading biotech/pharmaceutical systems provider, headquartered in Huddersfield, England. The Company will merge Extract with Carlisle Barrier Systems to comprise Carlisle Pharmaceutical Systems. Scherping Systems, the Company's cheese processing systems business, has been able to capitalize on the robust demands of the cheese/dairy industry to contribute to both sales and earnings. In addition, in March 2000, Scherping completed the acquisition of Damrow Denmark and Damrow USA, global equipment suppliers to the cheese industry. The acquisition of Damrow, coupled with the recent acquisition of Innovative Engineering Ltd. of New Zealand, make Carlisle the leading global supplier of cheese manufacturing systems. Trail King's specialty trailer business continues to benefit from strong demand in the construction market, but diesel fuel price increases have dampened sales of trailers to commercial haulers. Carlisle FoodService experienced robust sales gains for the quarter from improved international sales. In addition, in April of this year, Carlisle FoodService completed the acquisition of the Dura-Ware Company, a manufacturer of commercial cookware and servingware for the foodservice and hospitality markets. Segment earnings of \$8.6 million, for the quarter, were up 15% over first quarter 1999. The earnings increase was driven by the increase in sales, particularly at Johnson Truck Bodies, as well as the implementation of operational improvements at Carlisle Systems & Equipment and Carlisle FoodService offset somewhat by softer margins at Trail King and Carlisle Home Products.

Acquisitions

In the first quarter, Carlisle completed two acquisitions; Damrow Denmark and Damrow USA, global equipment suppliers to the cheese industry, and DynAir, Inc., a Canadian manufacturer of duct supplies to the HVAC market. In addition, two acquisitions were completed in early April; the Dura-Ware Company, a manufacturer of commercial cookware and servingware for the foodservice and hospitality markets, and Extract Technologies Limited, a leading biotech/pharmaceutical systems provider, headquartered in Huddersfield, England. On April 14, the acquisition of the Tire and Wheel Consumer Products Division of Titan International, Inc. was announced. The annualized rate of sales of these acquisitions is approximately \$175 million.

Cash Flows

Cash generated from operations for the first quarter was \$21 million, attributable to improved earnings and higher depreciation and amortization. For the first quarter 1999, cash generated from operations and cash used in investing activities reflect the impact of proceeds, net of a \$39 million tax payment, from the divestiture of the perishable cargo business.

Backlog

The consolidated backlog of \$245 million at March 31, 2000 approximated March 31, 1999 levels. Stronger backlog positions have been experienced at Tensolite and the Systems & Equipment businesses with a slight decline at Carlisle SynTec and Trail King. The backlog has not yet been adjusted for recently announced acquisitions.

Overall

Carlisle has reported another record for first quarter sales and earnings. The focus on cost control and operational efficiencies generate earnings growth in excess of sales growth. Strength in most markets should result in good organic growth for the year. Additionally, we are enthusiastic about opportunities for growth through acquisitions as the year unfolds. Altogether, we anticipate that 2000 will see the attainment of record milestones for Carlisle in revenue and earnings as well as position Carlisle for even greater returns to its shareholders.

CARLISLE COMPANIES INCORPORATED
Comparative Balance Sheet
As of March 31,

(Dollars in Thousands)

| | 2000 | 1999 | % |
|------------------------------------|---------------------------|---------------------------|-------------|
| | | | Change |
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | \$ 3,624 | \$ 23,305 | -84.5% |
| Receivables | 270,281 | 248,624 | 8.7% |
| Inventories | 231,040 | 205,681 | 12.3% |
| Prepaid expenses and other | 66,121 | 56,750 | 16.5% |
| Total current assets | 571,066 | 534,360 | 6.9% |
| Property, plant and equipment, net | 350,647 | 355,837 | -1.5% |
| Other assets | 193,631 | 176,845 | 9.5% |
| | <u>\$1,115,344</u> | <u>\$1,067,042</u> | 4.5% |

Liabilities and Shareholders' Equity

| | | | |
|---|---------------------------|---------------------------|---------------|
| Current Liabilities | | | |
| Short-term debt, including current maturities | \$2,472 | \$1,749 | 41.3% |
| Accounts payable | 113,823 | 116,195 | -2.0% |
| Accrued expenses | 139,708 | 166,751 | -16.2% |
| Total current liabilities | 256,003 | 284,695 | -10.1% |
| Long-term debt | 281,379 | 281,823 | -0.2% |
| Other liabilities | 82,382 | 78,808 | 4.5% |
| Shareholders' equity | 495,580 | 421,715 | 17.5% |
| | <u>\$1,115,344</u> | <u>\$1,067,042</u> | 4.5% |

| Supplemental Information | 2000 | 1999 |
|---------------------------------|-------------|-------------|
| Working capital | \$315,063 | \$249,665 |
| Working capital turnover * | 5.51 | 6.25 |
| Net debt | \$280,227 | \$260,267 |
| Net debt / Total capitalization | 36.1% | 38.2% |

* Quarterly sales annualized divided by March working capital

CARLISLE COMPANIES INCORPORATED
Comparative Statement of Earnings
For the period ended March 31,

(In Thousands, except for per share data)

| | First Quarter | | |
|--|----------------------|-----------|----------|
| | 2000 | 1999 | % Change |
| Net sales | \$434,018 | \$390,024 | 11.3% |
| Cost and expenses: | | | |
| Cost of goods sold | 336,527 | 305,401 | 10.2% |
| Selling and administrative expenses | 48,922 | 42,945 | 13.9% |
| Research and development expenses | 4,092 | 3,925 | 4.3% |
| Gain on divestiture of business (\$16.6m), net of other charges (\$15.9m) | --- | (685) | --- |
| Other (income) & expense, net | (1,189) | (1,679) | -29.2% |
| Earnings before interest & income taxes | 45,666 | 40,117 | 13.8% |
| Interest expense, net | 5,179 | 4,657 | 11.2% |
| Earnings before income taxes | 40,487 | 35,460 | 14.2% |
| Income taxes | 15,028 | 13,652 | 10.1% |
| Net earnings | \$25,459 | \$21,808 | 16.7% |
| % of Net Sales | 5.9% | 5.6% | |
| Basic earnings per share | \$0.84 | \$0.72 | 16.7% |
| Average shares outstanding (000's) - basic | 30,191 | 30,183 | |
| Diluted earnings per share | \$0.83 | \$0.71 | 16.9% |
| Average shares outstanding (000's) - diluted | 30,526 | 30,639 | |
| Dividends | \$5,443 | \$4,830 | |
| Per share | \$0.18 | \$0.16 | 12.5% |

CARLISLE COMPANIES INCORPORATED
Comparative Statement of Cash Flows
For the nine month period ended March 31,

(In Thousands of Dollars)

| | First Quarter | |
|--|----------------------|----------|
| | 2000 | 1999 |
| Operating activities | | |
| Net earnings | \$25,459 | \$21,808 |
| Reconciliation of net earnings to cash flows: | | |
| Depreciation and amortization | 14,004 | 12,884 |
| Working capital | (19,223) | 19,938 |
| Other | 547 | 1,112 |
| Net cash provided by operating activities | 20,787 | 55,742 |
| Investing activities | | |
| Capital expenditures | (12,874) | (14,638) |
| Acquisitions, net of cash | (4,929) | (10,584) |
| Proceeds from sale of property, equipment and business | 0 | 11,568 |
| Other | (3,265) | 3,863 |
| Net cash used in investing activities | (21,068) | (9,791) |
| Financing activities | | |
| Net change in short-term debt | 483 | (29,285) |
| Proceeds from long-term debt | 0 | 8,441 |
| Reductions of long-term debt | (365) | (346) |
| Dividends | (5,443) | (4,830) |
| Purchases of treasury shares | (1,187) | (509) |
| Net cash used in financing activities | (6,512) | (26,529) |
| Change in cash and cash equivalents | (6,793) | 19,422 |
| Cash and cash equivalents | | |
| Beginning of period | 10,417 | 3,883 |
| End of period | \$3,624 | \$23,305 |