



3rd Quarter
2020 Earnings Conference Call

October 20, 2020

Forward-looking statements

During this presentation, we make certain forward-looking statements concerning plans and expectations for Carlisle Companies Incorporated. We caution you that actual events or results may differ materially from our plans and expectations based on various factors and uncertainties, including risks from the global coronavirus (COVID-19) pandemic. The risk factors are contained in Carlisle's Securities and Exchange Commission filings. Carlisle undertakes no duty to update forward-looking statements.

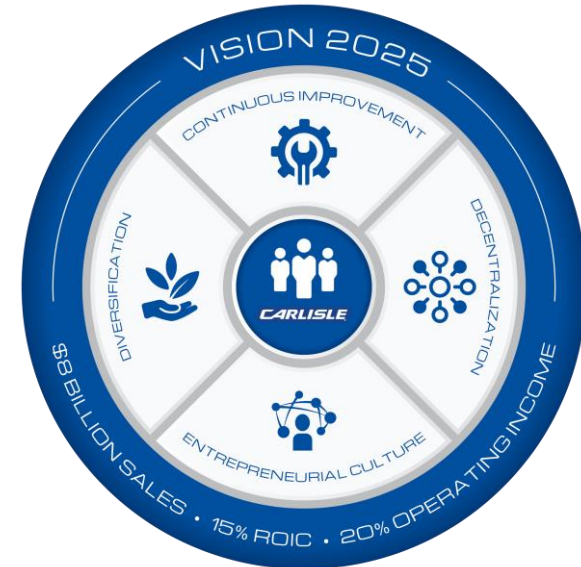
Non-GAAP financial measures

Certain ratios related to Earnings before Interest, Income Taxes, Depreciation and Amortization (“EBITDA”), Free Cash Flow, Net Debt, Debt to EBITDA ratio, and Net Debt to Capital Ratio are not measures of liquidity or financial condition under US GAAP. See slide 15 in this presentation for a reconciliation of these measures to the most directly comparable GAAP measures. Throughout this presentation each non-GAAP measure is denoted with an *.

Vision 2025 Remains Our Focus

- Drive organic growth in excess of 5%.
- Utilize the Carlisle Operating System (COS) consistently to reduce costs 1-2% of sales, driving operating leverage.
- Build scale with synergistic acquisitions.
- Continue to invest in and develop exceptional talent.
- Deploy over \$3 billion into capital expenditures, share repurchases and dividends.

Drive to \$15 Earnings per Share



2020 Q3 Results

Q3 revenue declined 12% y/y

- Organic revenue down 14.3%
- 1.9% acquisition growth
- FX was a favorable 0.4% impact

Operating income declined 18.5% driven by:

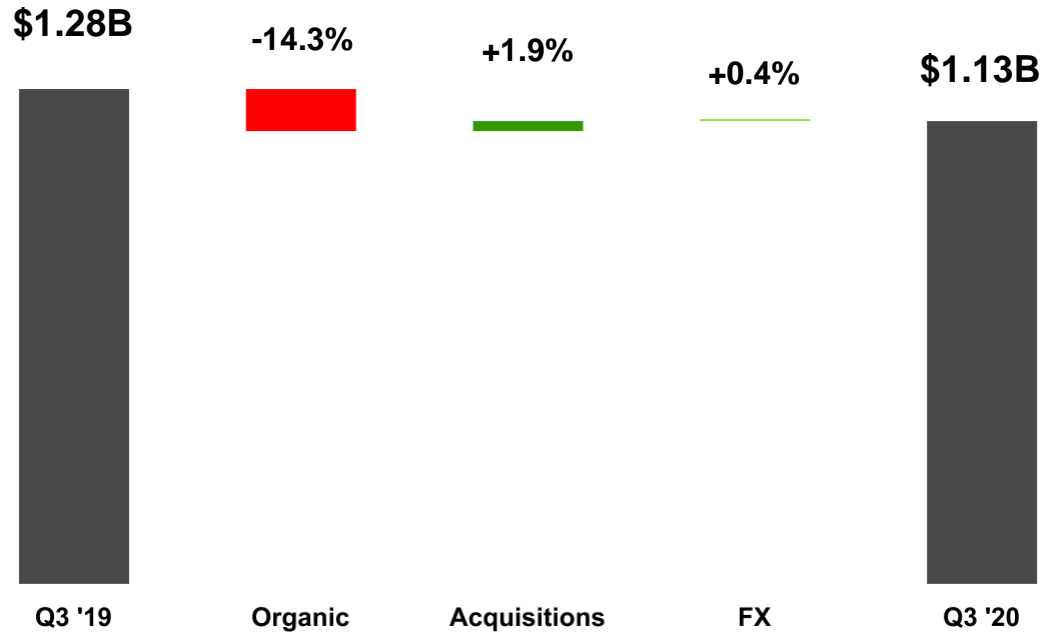
- COVID-19 related volume declines and subsequent unfavorable absorption
- Wage inflation
- Accelerated restructuring
- Partially offset by raw material savings, reduced SG&A and COS

Financial Summary

<i>(in millions, except per share amounts)</i>	Q3 '20	Q3 '19	Δ
Revenues	\$1,126.7	\$1,280.6	-12.0%
Operating income	\$155.7	\$191.0	-18.5%
Income from continuing operations, net of tax	\$102.3	\$139.3	-26.6%
Diluted EPS from continuing operations	\$1.87	\$2.42	-22.7%

Positioned to accelerate through the recovery

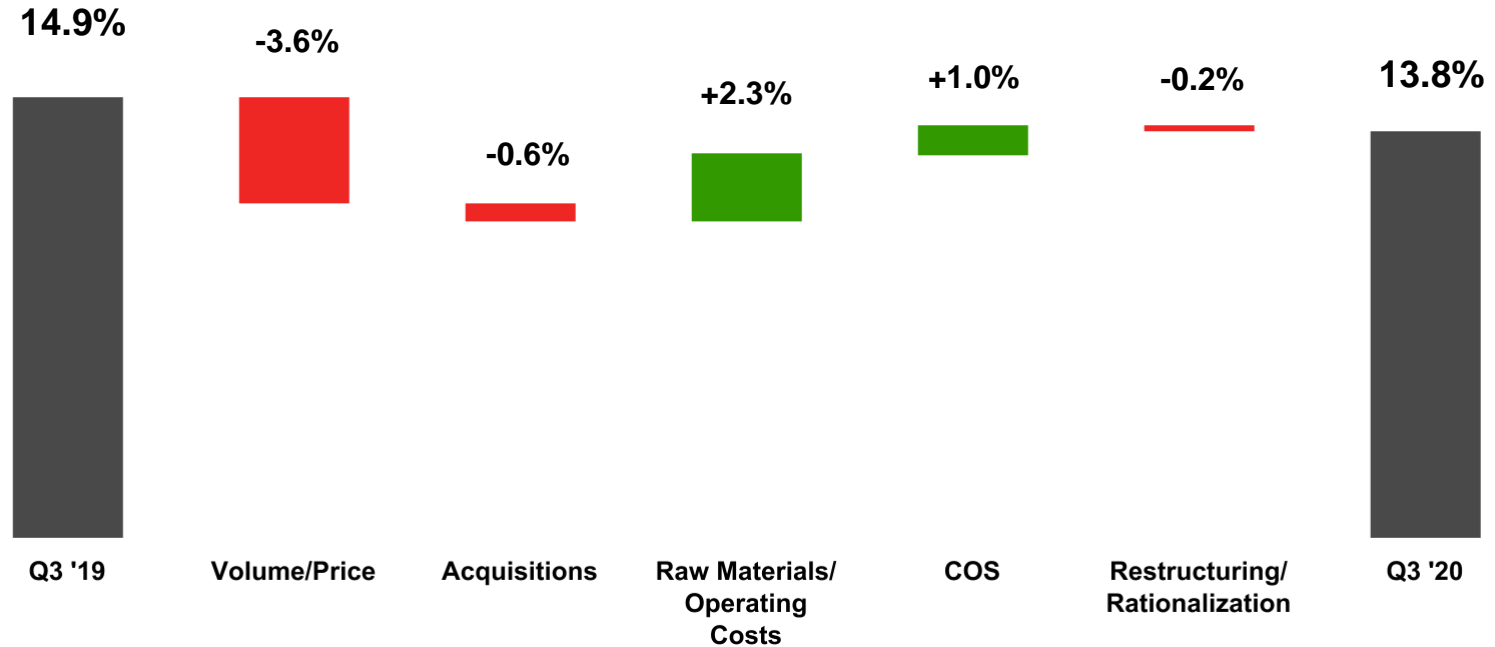
2020 Q3 Revenue Bridge



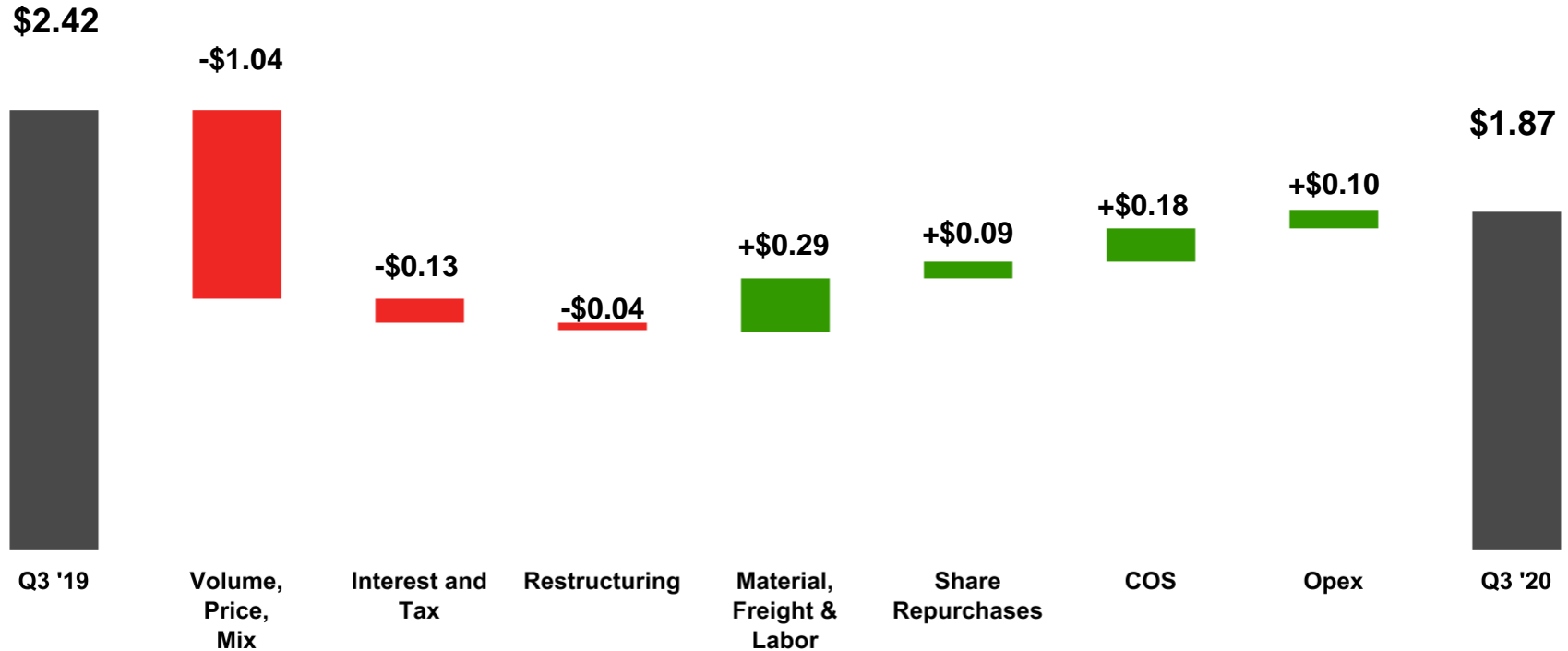
Organic Revenue by Segment

Construction Materials	-8.1%
Interconnect Technologies	-39.1%
Fluid Technologies	-10.8%
Brake & Friction	-10.8%

2020 Q3 Operating Margin Bridge



2020 Q3 EPS Bridge



Carlisle Construction Materials



<i>(in millions)</i>	Three Months Ended September 30,				Acquisition Effect	Price / Volume Effect	Exchange Rate Effect
	2020	2019	Change \$	Change %			
Revenues	\$ 823.5	\$ 893.5	\$ (70.0)	(7.8) %	— %	(8.1) %	0.3 %
Operating income	\$ 181.3	\$ 173.0	\$ 8.3	4.8 %			
Operating margin percentage	22.0 %	19.4 %		+260 bps			
Items affecting comparability	\$ 1.3	\$ 0.8					

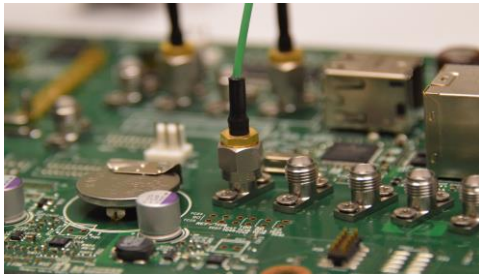
- **Q3 Notable Commercial Items:**

- September sales slightly positive year-over-year for the first time since the pandemic began
- Recently announced price increases and improving demand trends in the industry are positive signs
- CCM team continues to deliver the premium Carlisle Experience

- **Operating Income Increase:**

- 5% year-over-year increase
- Margin driven by favorable raw materials, COS savings and lower SG&A
- Partially offset volume declines and wage inflation

Carlisle Interconnect Technologies



<i>(in millions)</i>	Three Months Ended September 30,				Acquisition Effect	Price / Volume Effect	Exchange Rate Effect
	2020	2019	Change \$	Change %			
Revenues	\$ 168.5	\$ 241.9	\$ (73.4)	(30.3) %	8.8 %	(39.1) %	— %
Operating income	\$ (3.7)	\$ 36.0	\$ (39.7)	(110.3) %			
Operating margin percentage	(2.2) %	14.9 %		NM			
Items affecting comparability	\$ 4.5	\$ 2.5					

- **Q3 Notable Commercial Items:**

- Record decline in Commercial Aerospace market negatively impacting CIT
- Some positive signs:
 - The European regulatory body has approved the 737Max-8 aircraft for a return to flying
 - Airbus delivered 57 aircraft in September, up from an April low of 14
 - Boeing has had very few cancellations in recent weeks
- Medical sales a continued positive driver

- **Operating Income Decline:**

- Lower volumes, higher restructuring costs, and wage and raw material inflation
- Partially offset by savings from COS and lower SG&A

Carlisle Fluid Technologies



<i>(in millions)</i>	Three Months Ended September 30,				Acquisition Effect	Price / Volume Effect	Exchange Rate Effect
	2020	2019	Change \$	Change %			
Revenues	\$ 65.0	\$ 68.5	\$ (3.5)	(5.1) %	4.4 %	(10.8) %	1.3 %
Operating income	\$ 4.4	\$ 4.2	\$ 0.2	4.8 %			
Operating margin percentage	6.8 %	6.1 %		+70 bps			
Items affecting comparability	\$ 0.1	\$ 1.0					

- **Q3 Notable Commercial Items:**

- Delivered positive sequential results
- Positive price realization, improved operational execution and new product introductions
- Significant quality and delivery improvements to enhance our customers' experience

- **Operating Income Increase:**

- Driven by pricing, savings from COS and lower SG&A
- Partially offset by lower volumes and wage and raw material inflation

Carlisle Brake & Friction



<i>(in millions)</i>	Three Months Ended September 30,				Acquisition Effect	Price / Volume Effect	Exchange Rate Effect
	2020	2019	Change \$	Change %			
Revenues	\$ 69.7	\$ 76.7	\$ (7.0)	(9.1) %	— %	(10.8) %	1.7 %
Operating income	\$ 0.9	\$ 5.7	\$ (4.8)	(84.2) %			
Operating margin percentage	1.3 %	7.4 %		-610 bps			
Items affecting comparability	\$ 0.4	\$ 0.5					

- **Q3 Notable Commercial Items:**

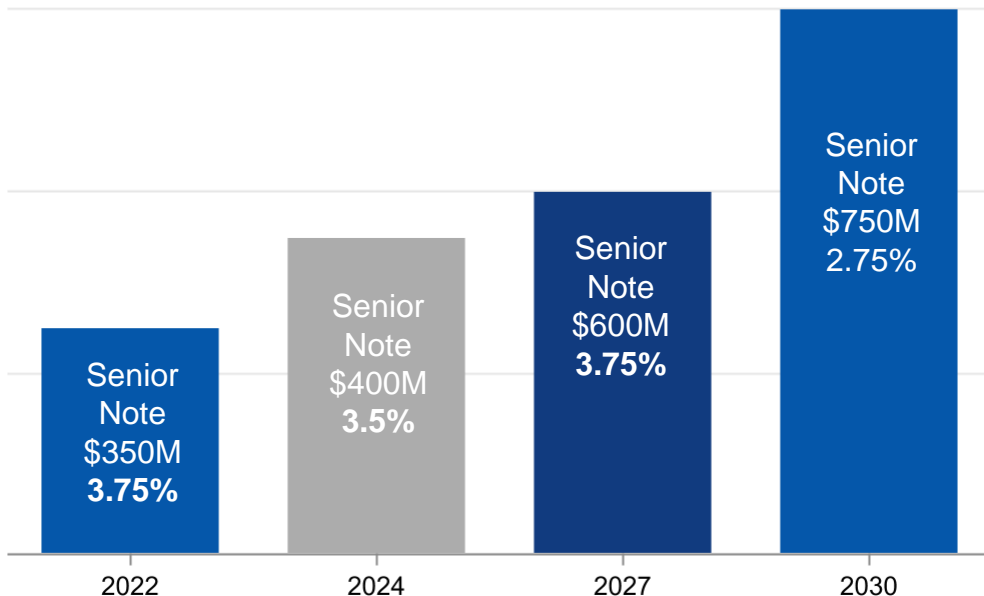
- Pandemic exacerbates multi-year Mining, Ag, and Construction declines
- Focused on new products

- **Operating Income Decline:**

- Driven by lower volumes and wage inflation
- Partially offset by savings from COS

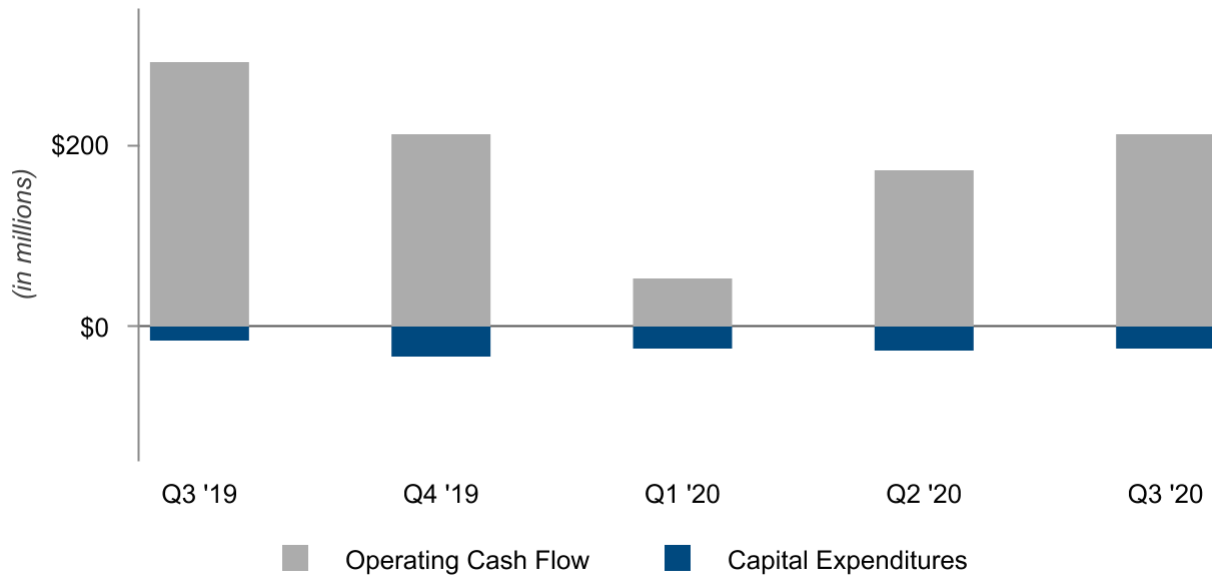
Focused on Capital Structure Optimization

Debt Maturity Schedule



- Cash on hand of \$719M as of 9/30/20
- \$1B available under revolver
- \$84.5M capital returned to shareholders in dividends YTD
- Utilized \$341.7M of cash YTD to repurchase shares
 - 2.3M shares remaining under authorization as of 9/30/20
- Net debt to cap ratio of 36%*
- Net Debt to EBITDA of 1.8x*
- EBITDA to interest of 10.2x*

Cash Flow



	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20
Operating Cash Flow	\$292.4	\$213.6	\$53.2	\$173.1	\$213.9
Capital Expenditures	\$(15.6)	\$(32.3)	\$(22.8)	\$(25.7)	\$(24.2)
Free Cash Flow *	\$276.8	\$181.3	\$30.4	\$147.4	\$189.7

2020 Outlook

	<u>4Q20F Revenue Outlook</u>	<u>Items Affecting Comparability* (\$M)</u>		
		<u>3Q20</u>	<u>4Q20F</u>	<u>FY20F</u>
CCM	+LSD	\$1.3	~\$0-1	~\$2-3
CIT	Down Mid-30%	\$4.5	~\$3-5	~\$21-23
CFT	Down Mid-Teens	\$0.1	~\$2-3	~\$4-5
CBF	-LSD	\$0.4	~\$2-4	~\$8-10
Corporate			~\$0-1	~\$6-7
Total CSL	-HSD	\$6.3	~\$8-10	~\$40-45

	<u>FY 2020</u>
Corporate Expense	~\$95M
D&A	~\$230M
CapEx	\$100-110M
FCF Conversion	~150%
Interest Expense, Net	~\$75M
Tax Rate	~23%

* Includes restructuring, facility rationalization costs, acquisition and divestiture related items, and COVID-19 related plant closures and absences

Reconciliation of GAAP to Non-GAAP Measures

Unaudited Leverage Ratios

(in millions except for ratios)

	LTM 9/30/2020
Income from Continuing Operations	\$ 344
Income tax expense	90
Interest expense	74
Depreciation and amortization	223
Non-cash stock based compensation expense	28
EBITDA	\$ 758
Short-term debt including current maturities	\$ 1
Long-term debt	2,100
Total debt	\$ 2,100
Less: Cash	704
Net Debt	\$ 1,396
Net Debt to EBITDA¹	1.8x
EBITDA to interest	10.2x

Net Debt to Capital Ratio

(in millions except for ratios)

		Capital	
Total debt	\$ 2,100	Net debt	\$ 1,381
Less: cash	\$ 719	Total shareholders' equity	\$ 2,475
Net debt	\$ 1,381	Total capital (net of cash)	\$ 3,856
		Net debt to capital	36 %