
NEWS RELEASE



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(CSL) Carlisle Companies Reports First Quarter Results

SYRACUSE, NEW YORK, April 16, 2001...Carlisle Companies Incorporated (NYSE:CSL) Reports First Quarter Results

Carlisle Companies Incorporated reported first quarter sales of \$463 million and a net loss for the quarter of \$10.2 million or \$0.33 per share (diluted). After factoring out the effect of a \$24.0 million after-tax restructuring charge recorded in the quarter, net earnings from operations were \$13.9 million, or \$0.45 per share.

Sales for the quarter were up 7% over last year's first quarter sales of \$434 million. Carlisle Tire & Wheel, Carlisle Process Systems, Tensolite and Carlisle SynTec led the Company in sales growth.

Net earnings before the restructuring charge were \$13.9 million, or \$0.45 per share versus \$25.5 million, or \$0.83 per share for the first quarter of 2000. The reduction in operating net earnings was caused by declining demand, particularly in the automotive and transportation industries. Aggressive pricing, as competitors seek to maintain volume and control inventories, and increased production costs unfavorably affected results.

Richmond McKinnish, Carlisle's President and CEO said, "Carlisle has been impacted by the manufacturing slowdown evidenced throughout the industry, especially in automotive and transportation markets. We have taken appropriate actions to reduce costs and eliminate marginal assets. Although this produces a loss in the short term, our competitive position is strong and we are confident that these actions will contribute to a leaner and improved Carlisle."

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

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CARLISLE COMPANIES INCORPORATED

March 31, 2001

FINANCIAL RESULTS

(In millions, except per share data)

	<u>2001</u>	<u>2000</u>	<u>% Change</u>
First Quarter			
Sales	\$ 463.2	\$ 434.0	7%
Net Earnings	\$ (10.2)	\$ 25.5	-140%
Basic E.P.S.	(\$0.34)	\$0.84	-140%
Diluted E.P.S.	(\$0.33)	\$0.83	-140%

2001 SEGMENT FINANCIAL DATA

(In millions)

MARCH - QTR	<u>2001</u>			<u>2000</u>		
	<u>Sales</u>	<u>EBIT</u>	<u>% Sales</u>	<u>Sales</u>	<u>EBIT</u>	<u>% Sales</u>
Construction Materials	\$ 91.8	\$ 8.9	9.7%	\$ 87.6	\$ 8.9	10.2%
Industrial Components	191.8	18.7	9.8%	163.0	24.5	15.0%
Automotive Components	68.9	3.1	4.5%	83.4	7.2	8.6%
General Industry /All Other	<u>110.7</u>	<u>3.3</u>	2.9%	<u>100.0</u>	<u>8.6</u>	8.6%
Subtotal	463.2	34.0	7.3%	434.0	49.2	11.3%
Corporate/Elims	<u>--</u>	<u>(41.8)</u>	--	<u>--</u>	<u>(3.5)</u>	--
Total	\$ 463.2	\$ (7.8)	-1.7%	\$ 434.0	\$ 45.7	10.5%

Discussion of Results

Summary

Carlisle Companies Incorporated reported first quarter sales of \$463 million and a net loss for the quarter of \$10.2 million or \$0.33 per share (diluted). After factoring out the effect of a \$24.0 million after-tax restructuring charge recorded in the quarter, net earnings from operations were \$13.9 million, or \$0.45 per share.

Sales for the quarter were up 7% over last year's first quarter sales of \$434 million. Carlisle Tire & Wheel, Carlisle Process Systems, Tensolite and Carlisle SynTec led the Company in sales growth.

Net earnings before the restructuring charge were \$13.9 million, or \$0.45 per share versus \$25.5 million, or \$0.83 per share for the first quarter of 2000. The reduction in net earnings was caused by continued decline in demand in many of our markets. Carlisle is experiencing the recessionary conditions that exist throughout the manufacturing community. Demand among the automotive and other industrial transportation industries has been especially soft. The weakness in demand has resulted in aggressive pricing as competitors seek to maintain volume and control inventories. Raw material and utility price pressures have increased our cost base. These conditions, coupled with the diminishing absorption of fixed costs due to lower production volumes, have affected our results unfavorably.

In the first quarter of 2001, the Company recorded a \$24.0 million after tax, or \$0.79 per share, restructuring charge to earnings. Our policy is to continually evaluate all of the businesses and markets in which we participate. Accordingly, we are consolidating and realigning facilities in order to improve future operating performance. The \$24.0 million after tax restructuring charge is primarily (84%) composed of costs related to exiting and realigning facilities that have under performed in the automotive components and transportation businesses and are not forecasted to perform at our standard. Approximately \$18.8 million after tax (78%) of the total charge is related to machinery, equipment, inventory and goodwill write-offs. The remainder of \$5.2 million after tax represents anticipated cash expenses from involuntary employee terminations and other restructuring costs. It is intended that the actions required to exit and realign these operations will be completed within the next twelve months. The Company expects the future savings of reduced depreciation and employee expense to approximate \$1.8 million, or \$0.06 per share, on an annual basis. The subsequent discussion of operations by segment excludes the effect of the restructuring charge.

Construction Materials sales of \$92 million for the first quarter were up 5% over 2000 first quarter sales of \$88 million. Sales in the domestic roofing market rose over last year as a result of increased thermoplastic polyolefin (TPO) roofing membrane and insulation shipments. A portion of the first quarter increase can be attributed to the unusually slow December, which was the result of the harsh weather conditions experienced throughout the Northeast and Central Midwestern regions.

Operating earnings of \$8.9 million for the Construction Materials segment were flat over the first quarter of 2000. Although sales were up, margins were down due to the effects of higher raw material costs. In addition, this segment's product mix included fast growing but lower margin TPO roofing membrane and insulation products.

Sales in the Automotive Components segment declined over the first quarter of 2000. Throughout the first quarter of 2001, assembly locations at each of the major domestic automotive OEM's experienced multiple weeks of production shutdowns. Automotive build requirements have fluctuated as the industry has moved aggressively to reduce vehicle inventories in face of uncertain demand.

Earnings in this segment were down 57% as compared to the first quarter of 2000, due to the reductions in production volumes this quarter.

Industrial Component sales of \$192 million were up 18% over last year. This sales increase came principally from the acquisition of the Consumer Tire & Wheel Division of Titan International, which was acquired by Carlisle Tire & Wheel in April of 2000, offsetting some slowness in the core lawn and garden markets. Tensolite's sales were up for the quarter, as a result of its acquisition of UniTrek in July of 2000. In addition, in March of 2001, Tensolite acquired Connecting Devices, Inc., a designer and manufacturer of RF/microwave connectors and cable assemblies serving the wireless, Internet infrastructure and opto-electronic switch markets. Carlisle Motion Control and Carlisle Industrial Brake & Friction have seen softness in the heavy duty truck, and heavy construction and mining equipment markets, offsetting some slight improvement in aftermarket businesses.

Earnings in the Industrial Components segment were down 23% over last year, reflecting the impact of reduced volumes in Carlisle's core businesses and the impact of lower margins in acquired businesses.

General Industry sales of \$111 million were up 11% over the first quarter of 2000. Carlisle Systems & Equipment led the segment in sales growth as a result of completed acquisitions. These sales gains were partially offset by the ongoing weakness in the transportation markets, particularly in the trailer markets of Carlisle Transportation Products and Johnson Truck Bodies. Carlisle FoodService's sales were up over last year as a result of the acquisition of Dura-Ware in February of 2000. Unfortunately, some of FoodService's other businesses have experienced softness, as consumer discretionary spending has decreased.

Acquisitions

Carlisle has completed five acquisitions in the first quarter of 2001: Stork Friesland B.V. and Siersema Sheffers B.V., both Dutch based designers and sellers of evaporators and spray dryers for milk powder processing; EcoStar, Inc, a provider of synthetic roofing tiles for the steep-slope roofing market; Wincanton Engineering Ltd., a UK based designer and manufacturer of processing equipment for the food, dairy, and beverage industries; and Connecting Devices, Inc., a designer and manufacturer of RF/microwave connectors and cable assemblies serving the wireless, Internet infrastructure and opto-electronic switch markets. Although acquisitions completed since the first quarter of 2000 contributed \$51 million of sales revenue and no earnings in the first quarter of 2001, we are optimistic that the synergies that will come as well as the strategic development provided will result in attractive investments for the Carlisle shareholder.

Cash Flows

Cash flow from operations of \$18.9 million was down \$1.8 million from a year ago. This decrease was primarily the result of lower earnings recorded in the first quarter of 2001. Two factors principally impacted working capital. First, receivable collections slowed as an unusual number of our customers delayed payments. Second, inventory levels were up versus last year as a result of acquisitions completed in 2000 and early 2001. Additionally, we experienced a slower first quarter in our lawn and garden markets as compared to a strong first quarter in 2000. Action programs are in place to reduce working capital and improvement is expected in the second quarter.

Backlog

Backlog of \$301 million as of March 31, 2001, was up 23% over March 2000 backlog of \$246 million and up 13% over December 2000. Significant increases occurred at Tensolite and Carlisle Systems & Equipment, helped by acquisitions.

Overall

Carlisle has been impacted by the manufacturing slowdown evidenced throughout the industry, especially in automotive and transportation markets. We have taken appropriate actions to reduce costs and eliminate marginal assets. Although this produces a loss in the short term, our competitive position is strong and we are confident that these actions will contribute to a leaner and improved Carlisle.

CARLISLE COMPANIES INCORPORATED

Consolidated Statement of Earnings

For the periods ended March 31,
(In thousands except per share data)

	First Quarter		
	2001	2000	% Change
Net sales	\$ 463,158	\$ 434,018	6.7%
Cost and expenses:			
Cost of goods sold	378,546	336,527	12.5%
Selling and administrative expenses	51,512	48,922	5.3%
Research and development expenses	4,004	4,092	-2.1%
Restructuring charges and other	37,694	-	100.0%
Other (income) & expense, net	(842)	(1,189)	-100.0%
Earnings before interest & income taxes	(7,756)	45,666	-117.0%
Interest expense, net	8,214	5,179	58.6%
Earnings before income taxes	(15,970)	40,487	-139.4%
Income taxes	(5,781)	15,028	-138.5%
Net earnings	\$ (10,189)	\$ 25,459	-140.0%
% of Net Sales	-2.2%	5.9%	
Basic earnings per share	(\$0.34)	\$0.84	-140.0%
Average shares outstanding (000's) - basic	30,258	30,191	
Diluted earnings per share	(\$0.33)	\$0.83	-139.5%
Average shares outstanding (000's) - diluted	30,512	30,526	
Dividends	\$6,047	\$5,443	
Per share	\$0.20	\$0.18	10.9%

CARLISLE COMPANIES INCORPORATED

Comparative Balance Sheet

As of March 31,

(In thousands)

	2001	2000
Assets		
Current Assets		
Cash and cash equivalents	\$ 9,327	\$ 3,624
Receivables	263,594	270,281
Inventories	275,267	231,040
Prepaid expenses and other	71,681	66,121
Total current assets	619,869	571,066
Property, plant and equipment, net	393,534	350,647
Other assets	355,472	193,631
	\$ 1,368,875	\$ 1,115,344
Liabilities and Shareholders' Equity		
Current Liabilities		
Short-term debt, including current maturities	\$218,724	\$2,472
Accounts payable	141,539	113,823
Accrued expenses	125,079	139,708
Total current liabilities	485,342	256,003
Long-term debt	282,297	281,379
Other liabilities	73,381	82,382
Shareholders' equity	527,855	495,580
	\$ 1,368,875	\$ 1,115,344

CARLISLE COMPANIES INCORPORATED
Comparative Consolidated Statement of Cash Flows

For the periods ended March 31,
(In thousands)

	First Quarter	
	2001	2000
Operating activities		
Net earnings	\$(10,189)	\$ 25,459
Reconciliation of net earnings to cash flows:		
Loss on property, equipment & business	29,533	-
Depreciation and amortization	18,096	14,004
Working capital	(14,766)	(19,223)
Other	(3,733)	547
Net cash provided by operating activities	18,941	20,787
Investing activities		
Capital expenditures	(21,015)	(12,874)
Acquisitions, net of cash	(37,935)	(4,929)
Proceeds from sale of property, equipment and business	6,374	-
Other	(3,219)	(3,265)
Net cash used in investing activities	(55,795)	(21,068)
Financing activities		
Net change in short-term debt	44,962	483
Reductions of long-term debt	(1,024)	(365)
Dividends	(6,047)	(5,443)
Treasury shares and stock options, net	(677)	(1,187)
Net cash provided by (used in) financing activities	37,214	(6,512)
Change in cash and cash equivalents	360	(6,793)
Cash and cash equivalents		
Beginning of year	8,967	10,417
End of year	\$ 9,327	\$ 3,624