
NEWS RELEASE



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(CSL) Carlisle Companies Reports Third Quarter Results

CHARLOTTE, NORTH CAROLINA, October 15, 2001...Carlisle Companies Incorporated (NYSE:CSL) reported record third quarter sales of \$462 million, a 4% increase over third quarter 2000. Third quarter sales were driven by increased volume in the Construction Materials segment and acquisitions in the General Industry and Industrial Components segments. Net earnings were \$10.9 million, or \$.36 per share (diluted), a decrease from third quarter 2000 earnings of \$28.2 million, or \$.92 per share.

For the nine-month period ended September 30, 2001, sales increased 4% to \$1,416 million from \$1,358 million in 2000. Net earnings of \$17.3 million include a \$24.0 million after-tax restructuring charge reported in the first quarter of 2001. After factoring out the effect of the restructuring charge, net earnings from operations were \$41.3 million or \$1.36 per share. This result compares to net earnings of \$85.6 million or \$2.80 per share in 2000.

Rick McKinnish, Carlisle's President and CEO said, "Although our third quarter results are disappointing, we are encouraged by the number of improvement projects underway, the increase in new product development activity, and evidence of market share gains in certain of our businesses. We cannot predict when some of our markets most affected by the current economic downturn will start to improve, but we are confident in our ability to capitalize on future opportunities."

Segment Highlights

Construction Materials sales of \$133 million in the third quarter increased 11% over 2000 third quarter sales of \$120 million. The increase was primarily the result of achieving higher market share in our traditional rubber membrane business, growth in thermoplastic polyolefin (TPO) roofing membrane, and new programs focused on re-roofing. Segment earnings were down 7% from last year, due to lower earnings from roofing operations in Europe (Icopal) and competitive pricing.

Industrial Component sales increased 2% from the third quarter 2000 and operating earnings were down 74%. The acquisition of Dayco Industrial Power Transmission, renamed Carlisle Power Transmission, was completed in August and was accretive. The new unit produces and sells transmission belts and accessories used by industrial customers to transfer power from motors and engines to motive and stationary drive systems. Carlisle Tire & Wheel Company continued to experience soft demand in most of its major markets and elected to reduce production at all of its operations throughout the third quarter to bring down inventory levels. Carlisle Industrial Brake & Friction and Motion Control Industries reported lower sales and earnings due to a decline in orders for both friction and off-highway brake products. Selective production cutbacks at these businesses also contributed to the decrease in earnings. Sales at Tensolite improved slightly from a year ago as a result of the acquisition of Connecting Devices,

Inc., in March of this year. Tensolite earnings continued to be negatively impacted by softness in the electronics and telecommunications markets.

Automotive Components sales in the third quarter were down 17%, and reflect lower automotive build levels. Segment earnings of \$1.8 million, decreased 53% from the same period last year as production levels were adjusted to coincide with the softer demand.

General Industry sales of \$116 million were up 12% over the third quarter 2000, primarily as a result of acquisitions completed this year at Carlisle Systems & Equipment, while operating earnings were down 61%. Reduced demand, due to weak conditions in a number of key markets resulted in lower production at most of the businesses in this segment and was the primary factor behind the deterioration in earnings.

Cash Flows

During the third quarter Carlisle implemented a \$100 million accounts receivable securitization program and used the initial proceeds to repay bank debt. Without giving effect to this program, cash flow from operations in the third quarter was \$17 million, up from \$11 million in 2000. For the nine month period ended September 2001 and without giving effect to this program, cash generated from operations was \$73 million compared to \$67 million a year ago. The improvement over last year is primarily driven by the successful implementation of strategies to reduce inventories. Excluding acquisitions, inventories have been reduced by approximately \$45 million in 2001.

Backlog

The September 30, 2001 backlog of \$273 million is slightly above September 30, 2000 of \$264 million. The improvement in our backlog position is attributable to acquisitions in the Industrial Components and General Industry segments.

Overall

Carlisle continues to take appropriate steps to reduce costs and maintain inventories in line with sales projections. We are confident these measures will strengthen our competitive position.

Carlisle is a diversified global manufacturing company serving the transportation, construction, commercial roofing, automotive, pharmaceutical, food service and data transmission industries.

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CARLISLE COMPANIES INCORPORATED

September 30, 2001

FINANCIAL RESULTS

(In millions, except per share data)

Third Quarter		<u>2001</u>	<u>2000</u>	<u>% Change</u>
	Sales		\$462.4	\$444.4
Net Earnings	\$	10.9	28.2	-61%
Basic E.P.S.		\$0.36	\$0.93	-61%
Diluted E.P.S.		\$0.36	\$0.92	-61%

Nine Months		<u>2001</u>	<u>2000</u>	<u>% Change</u>
	Sales		\$1,416.0	\$1,357.8
Net Earnings	\$	17.3	85.6	-80%
Basic E.P.S.		\$0.57	\$2.83	-80%
Diluted E.P.S.		\$0.57	\$2.80	-80%

2001 SEGMENT FINANCIAL DATA

(In millions)

SEPTEMBER - QTR

	<u>2001</u>			<u>2000</u>		
		EBIT			EBIT	
	<u>Sales</u>	<u>EBIT</u>	<u>% Sales</u>	<u>Sales</u>	<u>EBIT</u>	<u>% Sales</u>
Construction Materials	\$ 132.8	\$ 19.7	14.8%	\$ 119.5	\$ 21.1	17.7%
Industrial Components	156.4	4.6	2.9%	152.8	18.0	11.8%
Automotive Components	57.5	1.8	3.1%	69.0	3.8	5.5%
General Industry	<u>115.7</u>	<u>4.5</u>	3.9%	<u>103.1</u>	<u>11.6</u>	11.3%
Subtotal	462.4	30.6	6.6%	444.4	54.5	12.3%
Corporate	--	<u>(5.8)</u>	--	--	<u>(3.9)</u>	--
Total	\$ 462.4	\$ 24.8	5.4%	\$ 444.4	\$ 50.6	11.4%

SEPTEMBER - YTD

	<u>2001</u>			<u>2000</u>		
	<u>Sales</u>	<u>EBIT</u>	<u>Assets</u>	<u>Sales</u>	<u>EBIT</u>	<u>Assets</u>
Construction Materials	\$ 354.3	\$ 46.2	\$ 262.9	\$ 307.9	\$ 46.1	\$ 296.3
Industrial Components	516.9	34.5	695.3	499.7	68.8	490.8
Automotive Components	197.7	9.1	136.6	233.5	18.0	166.7
General Industry	<u>347.1</u>	<u>12.8</u>	<u>358.9</u>	<u>316.7</u>	<u>31.3</u>	<u>338.2</u>
Subtotal	1,416.0	102.6	1,453.7	1,357.8	164.2	1,292.0
Corporate	--	<u>(51.7)</u>	<u>48.7</u>	--	<u>(10.3)</u>	<u>79.5</u>
Total	\$1,416.0	\$ 50.9	\$1,502.4	\$1,357.8	\$ 153.9	\$1,371.5

CARLISLE COMPANIES INCORPORATED

Comparative Balance Sheet

As of September 30,

(In thousands)

	2001	2000
Assets		
Current Assets		
Cash and cash equivalents	\$ 5,734	\$ 29,513
Receivables	255,929	268,500
Inventories	260,478	262,862
Prepaid expenses and other	82,522	76,097
Total current assets	604,663	636,972
Property, plant and equipment, net	453,184	405,866
Other assets	444,540	328,670
	\$1,502,386	\$1,371,508
Liabilities and Shareholders' Equity		
Current Liabilities		
Short-term debt, including current maturities	\$ 279,394	\$ 227,472
Accounts payable	160,559	115,410
Accrued expenses	170,400	130,770
Total current liabilities	610,353	473,652
Long-term debt	283,010	282,216
Other liabilities	72,246	75,427
Shareholders' equity	536,777	540,213
	\$1,502,386	\$1,371,508

CARLISLE COMPANIES INCORPORATED

Consolidated Statement of Earnings

For the periods ended September 30,

(In thousands except per share data)

	Third Quarter			Nine Months		
	2001	2000	% Change	2001	2000	% Change
Net sales	\$462,388	\$444,367	4.1%	\$1,415,979	\$1,357,816	4.3%
Cost and expenses:						
Cost of goods sold	378,546	348,566	8.6%	1,156,882	1,056,988	9.5%
Selling and administrative expenses	54,420	42,857	27.0%	158,454	138,306	14.6%
Research and development expenses	4,291	3,878	10.6%	12,762	12,045	6.0%
Restructuring charges and other	-	-	--	37,694	-	-
Other (income) & expense, net	341	(1,540)	-122.1%	(748)	(3,446)	-78.3%
Earnings before interest & income taxes	24,790	50,606	-51.0%	50,935	153,923	-66.9%
Interest expense, net	7,752	6,419	20.8%	23,864	18,585	28.4%
Earnings before income taxes	17,038	44,188	-61.4%	27,071	135,338	-80.0%
Income taxes	6,170	15,978	-61.4%	9,800	49,729	-80.3%
Net earnings	\$ 10,868	\$ 28,210	-61.5%	\$ 17,271	\$ 85,609	-79.8%
% of Net Sales	2.4%	6.3%		1.2%	6.3%	
Basic earnings per share	\$0.36	\$0.93	-61.3%	\$0.57	\$2.83	-79.8%
Average shares outstanding (000's) - basic	30,260	30,255		30,260	30,234	
Diluted earnings per share	\$0.36	\$0.92	-60.9%	\$0.57	\$2.80	-79.8%
Average shares outstanding (000's) - diluted	30,386	30,611		30,488	30,599	
Dividends	\$6,355	\$6,051		\$18,461	\$16,939	
Per share	\$0.21	\$0.20	5.0%	\$0.61	\$0.56	8.9%

CARLISLE COMPANIES INCORPORATED
Comparative Consolidated Statement of Cash Flows

For the periods ended September 30,
(In thousands)

	Third Quarter		Nine Months	
	2001	2000	2001	2000
Operating activities				
Net earnings	\$ 10,868	\$ 28,210	\$ 17,271	\$ 85,609
Reconciliation of net earnings to cash flows:				
(Gain) Loss on property, equipment & business	-	-	29,525	-
Depreciation and amortization	17,981	16,093	54,079	46,010
Working capital	60,316	(31,842)	(47,777)	(59,620)
Other	(2,880)	(1,291)	(6,246)	(5,006)
Net cash provided by operating activities	86,285	11,170	142,406	66,993
Investing activities				
Capital expenditures	(12,167)	(23,240)	(49,122)	(49,692)
Acquisitions, net of cash	(137,472)	(76,183)	(175,407)	(205,993)
Proceeds from sale of property, equipment and business	49	2	6,685	53
Other	102	(962)	(4,597)	3,692
Net cash used in investing activities	(149,488)	(100,364)	(222,441)	(251,940)
Financing activities				
Net change in short-term debt	71,435	116,055	104,153	225,483
Proceeds from long-term debt	-	-	-	-
Reductions of long-term debt	(834)	(379)	(956)	(2,265)
Dividends	(6,355)	(6,051)	(18,461)	(16,939)
Purchases of treasury shares	(4,534)	1,254	(7,934)	(2,236)
Net cash provided by financing activities	59,712	110,879	76,802	204,043
Change in cash and cash equivalents	(3,491)	21,685	(3,233)	19,096
Cash and cash equivalents				
Beginning of period	9,225	7,828	8,967	10,417
End of period	\$ 5,734	\$ 29,513	\$ 5,734	\$ 29,513