



**Vision 2025**

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## Forward-looking statements

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally use words such as “expect,” “foresee,” “anticipate,” “believe,” “project,” “should,” “estimate,” “will,” “plans,” “forecast,” and similar expressions, and reflect our expectations concerning the future. It is possible that our future performance may differ materially from current expectations expressed in these forward-looking statements, due to a variety of factors such as: increasing price and product/service competition by foreign and domestic competitors, including new entrants; technological developments and changes; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; our mix of products/services; increases in raw material costs which cannot be recovered in product pricing; domestic and foreign governmental and public policy changes including environmental and industry regulations; threats associated with and efforts to combat terrorism; protection and validity of patent and other intellectual property rights; the successful integration and identification of our strategic acquisitions; the cyclical nature of our businesses; and the outcome of pending and future litigation and governmental proceedings. In addition, such statements could be affected by general industry and market conditions and growth rates, the condition of the financial and credit markets, and general domestic and international economic conditions including interest rate and currency exchange rate fluctuations. Further, any conflict in the international arena may adversely affect general market conditions and our future performance. We refer you to the documents we file from time to time with the Securities and Exchange Commission, such as our reports on Form 10-K, Form 10-Q and Form 8-K, for a discussion of these and other risks and uncertainties that could cause our actual results to differ materially from our current expectations and from the forward-looking statements contained in this press release. We undertake no obligation to update any forward-looking statement.*

## Non-GAAP financial measures

*The projected Return on Invested Capital (“ROIC”) metric referenced in this presentation is a non-GAAP measures of financial performance that is broadly defined as net operating profit after tax (“NOPAT”) divided by total invested capital, however, we define such measure as GAAP net earnings divided by the sum of (1) total debt and (2) total shareholder’s equity. Net Debt referenced in this presentation is a non-GAAP measure of financial position and is equal to (1) the total principal amounts of borrowings outstanding less (2) cash and cash equivalents. Free Cash Flow is a non-GAAP measure of liquidity equal to operating cash flow less capital expenditures. The reconciliations to the most directly comparable GAAP financial, including a description of the amounts derived from the GAAP financial statements, are available in the Appendix to this presentation.*

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Third Quarter 2019 Highlights

Vision 2025

Business Overview

Financial Objectives

# 2019 Q3 Highlights

## Record Q3 revenue, up 8.4%

- 3.4% organic revenue growth
  - 8.8% organic growth at CCM
- 5.4% acquisition growth
- FX was an unfavorable 0.4% impact

## Operating income increased 36.4% driven by:

- Strong operating leverage driven by CCM, CIT, CBF
- Price leadership, raw material savings, lower restructuring and savings from COS
- Partially offset by wage inflation and lower volume at CFT and CBF

## Financial Summary

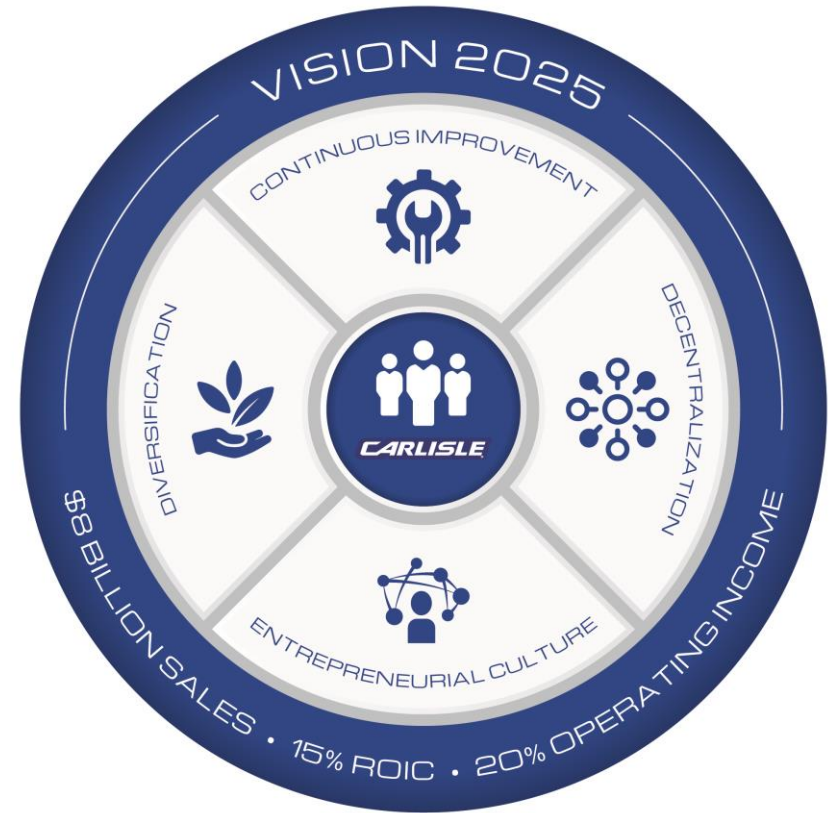
<i>(in millions, except per share amounts)</i>	Q3 '19	Q3 '18	Δ
Revenues	\$1,280.6	\$1,181.4	+8.4%
Operating income	\$191.0	\$140.0	+36.4%
Income from continuing operations, net of tax	\$139.3	\$96.9	+43.8%
Diluted EPS from continuing operations	\$2.42	\$1.59	+52.2%

**Operating income growth more than 4x  
revenue growth**

**26th consecutive quarter of year-over-  
year sales growth**

# 2019: Continued Execution of Vision 2025 - YTD

- Organic revenue growth of 4%
- Demonstrated sustained price leadership in support of a 30% increase in operating income
- Realized COS savings and benefits of 1.3%, in line with our targeted 1-2% of annual sales
- Returned approximately \$307M to shareholders through share repurchases and dividends
  - \$232.1M cash repurchases of shares
  - \$74.5M of dividends
- Completed 6 strategic acquisitions; reached agreements on 2 additional



# Carlisle 2025 Vision



Drive above-market organic growth



Utilize COS consistently to drive efficiencies and operating leverage



Build scale with synergistic acquisitions in CCM, CIT and CFT



Continue to invest in and develop exceptional talent



Deploy over \$3 billion into capital expenditures, share repurchases, and dividends



**2X  
Revenues**

**7+  
Percentage  
Points  
of Margin**

**\$15+  
Earnings  
per Share**



# Overview of Carlisle Today

Carlisle is a diversified global portfolio of niche brands and businesses with highly engineered and high margin products
















## Our Mission

*“Carlisle is committed to generating superior shareholder returns by combining a unique management style of decentralization, entrepreneurial spirit, active M&A, and a balanced approach to capital deployment, all with a culture of continuous improvement as embodied in the Carlisle Operating System”*

<sup>1</sup> Free cash flow defined as cash provided by operating activities less capital expenditures, and comprising both continuing and discontinued operations.



# Carlisle at a Glance

	Carlisle Construction Materials (CCM)	Carlisle Interconnect Technologies (CIT)	Carlisle Fluid Technologies (CFT)	Carlisle Brake and Friction (CBF)
% of 2018 Total Revenue	64 %	21 %	7 %	8 %
2018 Revenue	\$2.9B	\$934M	\$292M	\$374M
2018 Operating Margins	15.1 %	12.6 %	12.7 %	-0.2 %
Primary Products	 <p>Single-Ply Roofing Systems</p>  <p>WIP Roofing Underlayments</p>  <p>Spray Foam Insulation</p>  <p>Metal Roofs</p>	 <p>LITEflight® HD</p>  <p>Compact D-Sub Backshells</p>  <p>Octax®-Solo Ethernet Interconnect System</p>	 <p>Electrostatic Spray Guns</p>  <p>Air Regulators</p>  <p>Curing Systems</p>	 <p>Dry Caliper Brakes</p>  <p>Hydraulic Actuation</p>  <p>Clutches &amp; Friction Products</p>
Key End Markets Served	<ul style="list-style-type: none"> <li>■ Non-residential Construction</li> <li>■ Re-Roofing and Maintenance</li> <li>■ Building Envelope</li> </ul>	<ul style="list-style-type: none"> <li>■ Aerospace &amp; Defense</li> <li>■ Medical</li> <li>■ Test &amp; Measurement</li> </ul>	<ul style="list-style-type: none"> <li>■ Transportation</li> <li>■ General Industrial</li> <li>■ Automotive</li> </ul>	<ul style="list-style-type: none"> <li>■ Construction</li> <li>■ Mining</li> <li>■ Agriculture</li> </ul>

# Carlisle Well Positioned for Long-Term Growth

Right team and right business lines geared towards end markets with long term growth prospects

## Carlisle Construction Materials (CCM)



Focused on Increasing Presence in Complete Building Envelope

*Spray Polyurethane Foam (SPF)  
CAGR through 2020:*

~10%

## Carlisle Interconnect Technologies (CIT)



Increasing Demand for Airplane Connectivity and Exposure to Medical Technology

*Number of connected planes by 2025:*

~4x

## Carlisle Fluid Technologies (CFT)



Highly Differentiated Products with Move Towards Sealants and Adhesives

*Sealants and Adhesives market growth:*

~8%

## Carlisle Brake and Friction (CBF)

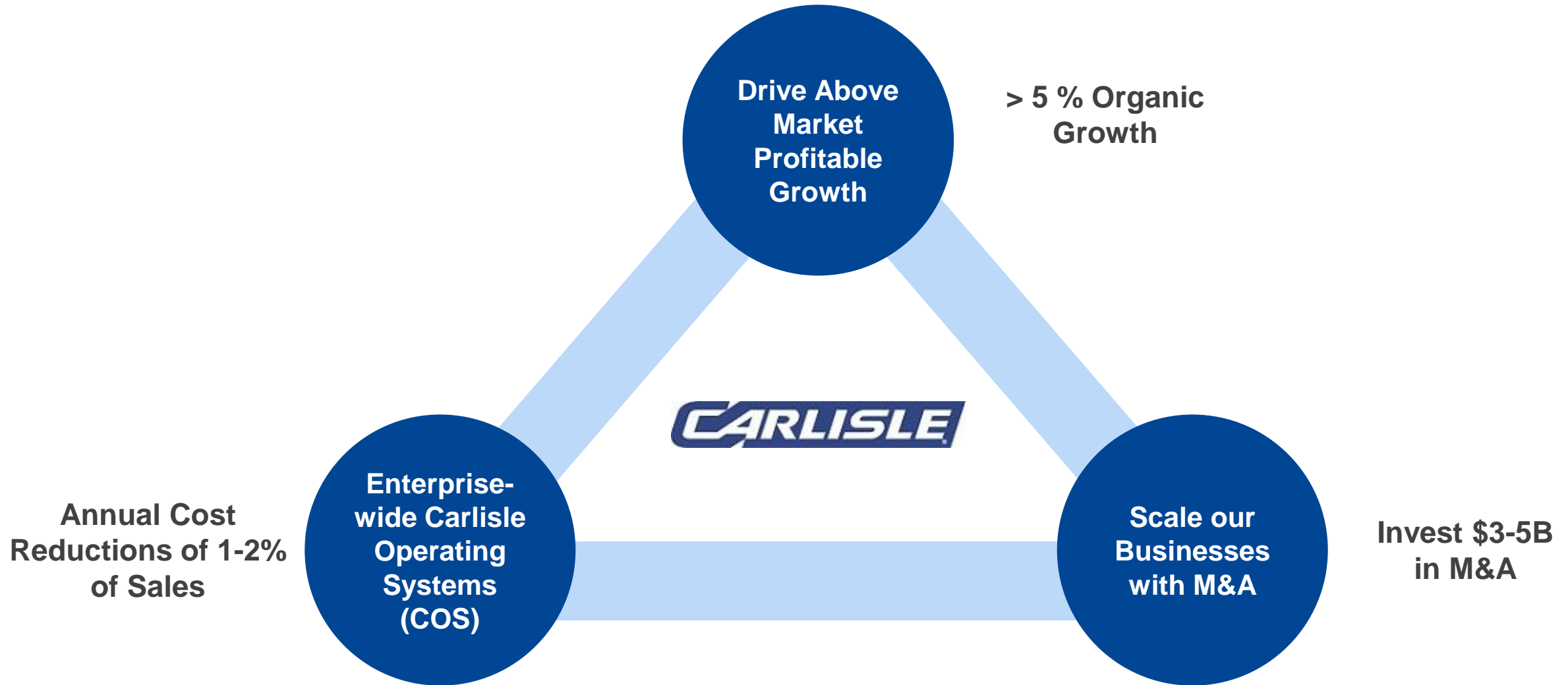


Post Recovery, Stable Off-highway Markets Remain Supportive

*Historical Average YoY Upturn Growth*

~9%

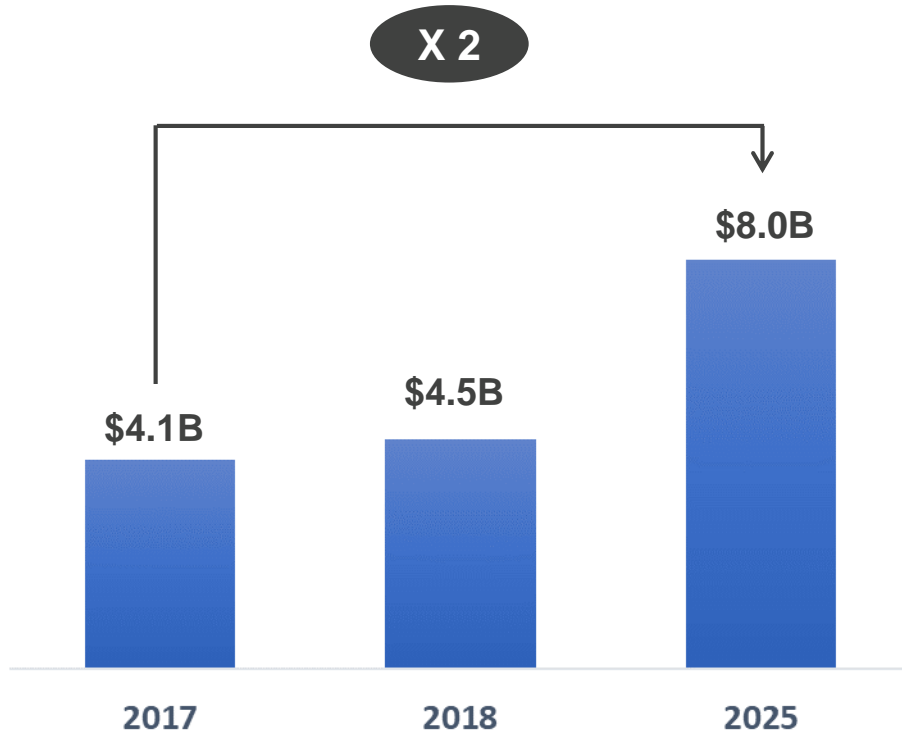
# Three Pillars of our Vision 2025 Strategy



# Roadmap to \$8bn of Revenue by 2025

Build scale in our businesses through organic growth and M&A in adjacencies with attractive end-markets

## Revenue



### ■ Characteristics of our core businesses:

- Highly specialized and highly engineered manufactured products
- Strong brands with leading market positions
- Serve customers demanding high quality engineered solutions
- Scalable to multi-billion dollar platforms
- Significant recurring revenue streams

### ■ M&A thesis includes:

- Invest in bolt-on acquisitions to strengthen our core businesses
- Invest in adjacencies that are complementary to our core to establish new growth platforms
- All acquisitions: opportunities for measurable synergies

# Synergistic Acquisitions Focused on CCM, CIT, CFT

	2008 Revenue	2018 Revenue	Total CAGR (%)	Organic CAGR (%)
CCM	\$ 1.5B	\$ 2.9B	6.9 %	3.9 %
CIT	\$ 198M	\$ 933M	16.8 %	13.2 %
CFT	\$264M <sup>1</sup> (2015)	\$ 292M	3.3 %	2.5 %

## Carlisle Construction Materials (CCM)



Expand our presence in the Building Envelope

Single Ply Roofing Market Growth through 2020:

~3-5%

## Carlisle Interconnect Technologies (CIT)



Expand in MedTech, Commercial Aerospace, Test & Measurement

Medical Technology Industry CAGR through 2021:

~5-6%

## Carlisle Fluid Technologies (CFT)



Expand into mixing, metering, and dispensing of viscous liquids or powders

Industrial Dispensing Market Growth through 2021:

~7-8%

# Synergistic Adjacent Acquisitions

- Seek synergistic acquisitions in adjacencies to our core business
  - Pursue businesses that overlap with our current product offering, technologies or market coverage
- Characteristics of our investments:
  - Highly specialized and highly engineered manufactured products
  - High performance, mission critical products designed to operate in harsh environments
  - Strong brands with leading market positions and serving customers demanding high quality engineered solutions
- Incubate new acquisitions in a current platform while building scale

## M&A Target Criteria

Revenue of \$100 – \$500 million

Grow at >2x GDP

Achieve run-rate synergies within 24 – 36 months of closing

ROIC to approach cost of capital by Year 3 and 15% by Year 5

# Carlisle's Long History of M&A

- Completed over 30 acquisitions since 2008
- Deployed over \$4bn since 2008 and ~\$1bn on four strategic acquisitions in 2017

		<u>Total Revenue</u>	<u>Total Spend</u>
2019*		\$56M	\$89M
2018		\$182M	\$220M
2017		\$583M	\$950M
2014-2016		\$460M	\$970M
2008-2012		\$822M	\$1.74B

\*2019 does not include recently announced agreements with Provident and Draka Fileca



# Evolve to an Enterprise-wide Carlisle Operating System



- Accumulated savings and benefits of over \$340 million during 2008-2018
- Successfully achieved COS bronze certification in all our factories by 2015
- Under Vision 2025, we will:
  - Ensure consistent application of COS across every function in the enterprise
  - Continue to drive operational efficiencies through clear and ambitious metrics
  - Seek scalable and accelerated value creation
- Expected future savings and benefits of 1-2% of sales annually

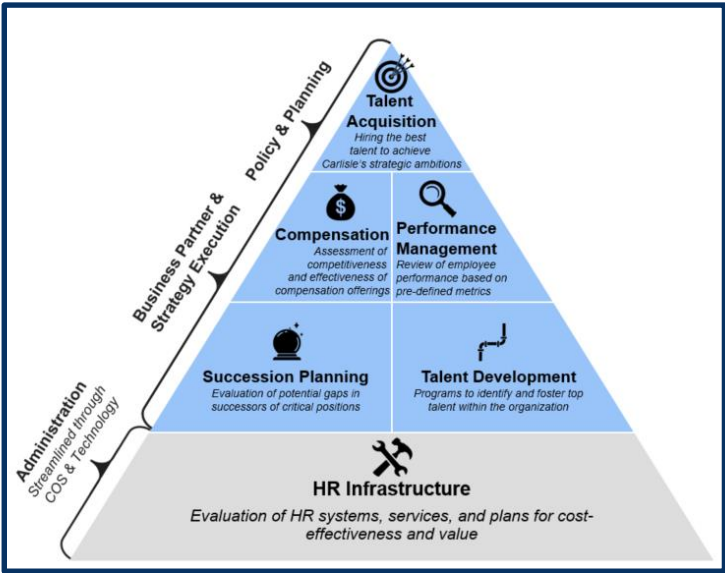
# Vision 2025: Corporate Center's Evolving Role

Vision 2025 aligns our business segment strategies and operating plans under a stronger, more active central core

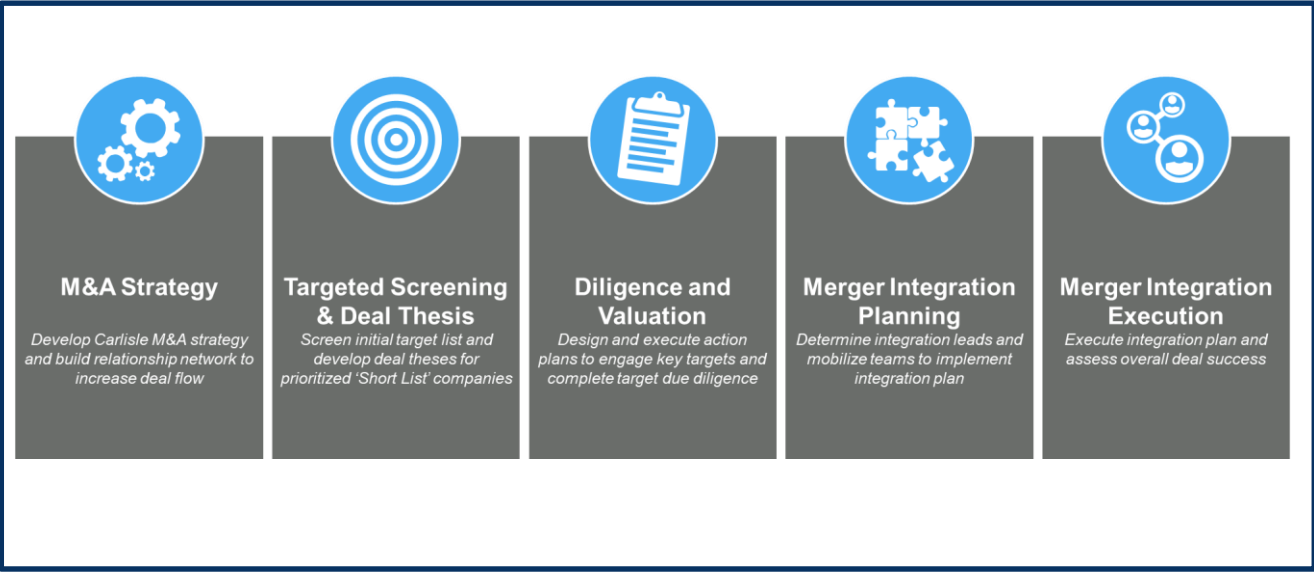
## COS



## Talent Development



## M&A



# Segment Overview

## Carlisle Brake and Friction

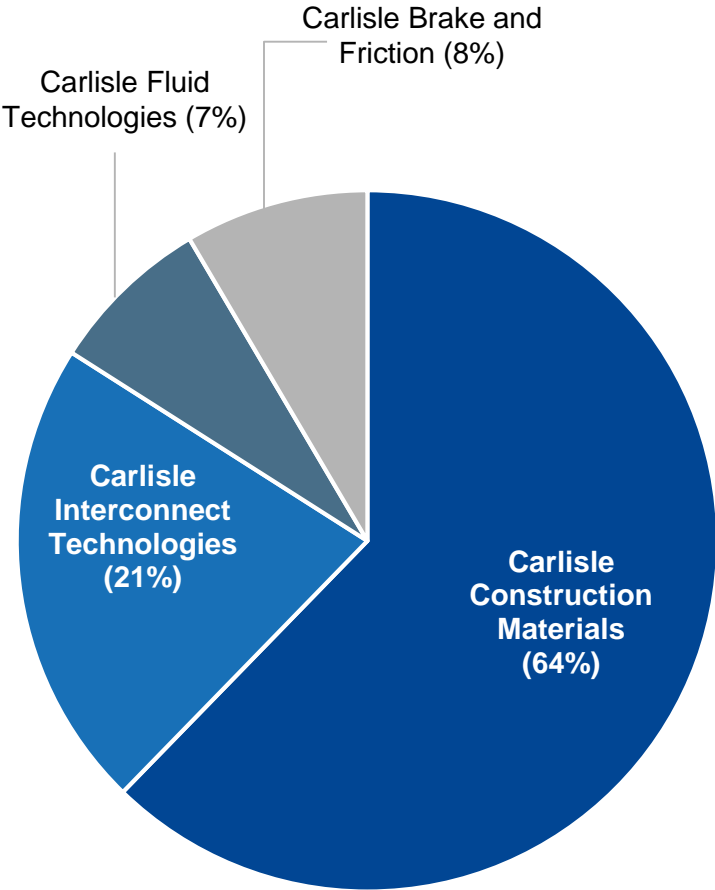
- Manufactures brake and friction systems for heavy machinery. Products sold directly to OEMs or through industrial distributors

## Carlisle Fluid Technologies

- Manufactures industrial finishing equipment for spraying, pumping, mixing, and curing of protective coatings for industrial applications

## Carlisle Interconnect Technologies

- Designs and manufactures high-performance wire, cable, connectors, contacts, and cable assemblies for transfer of power and data

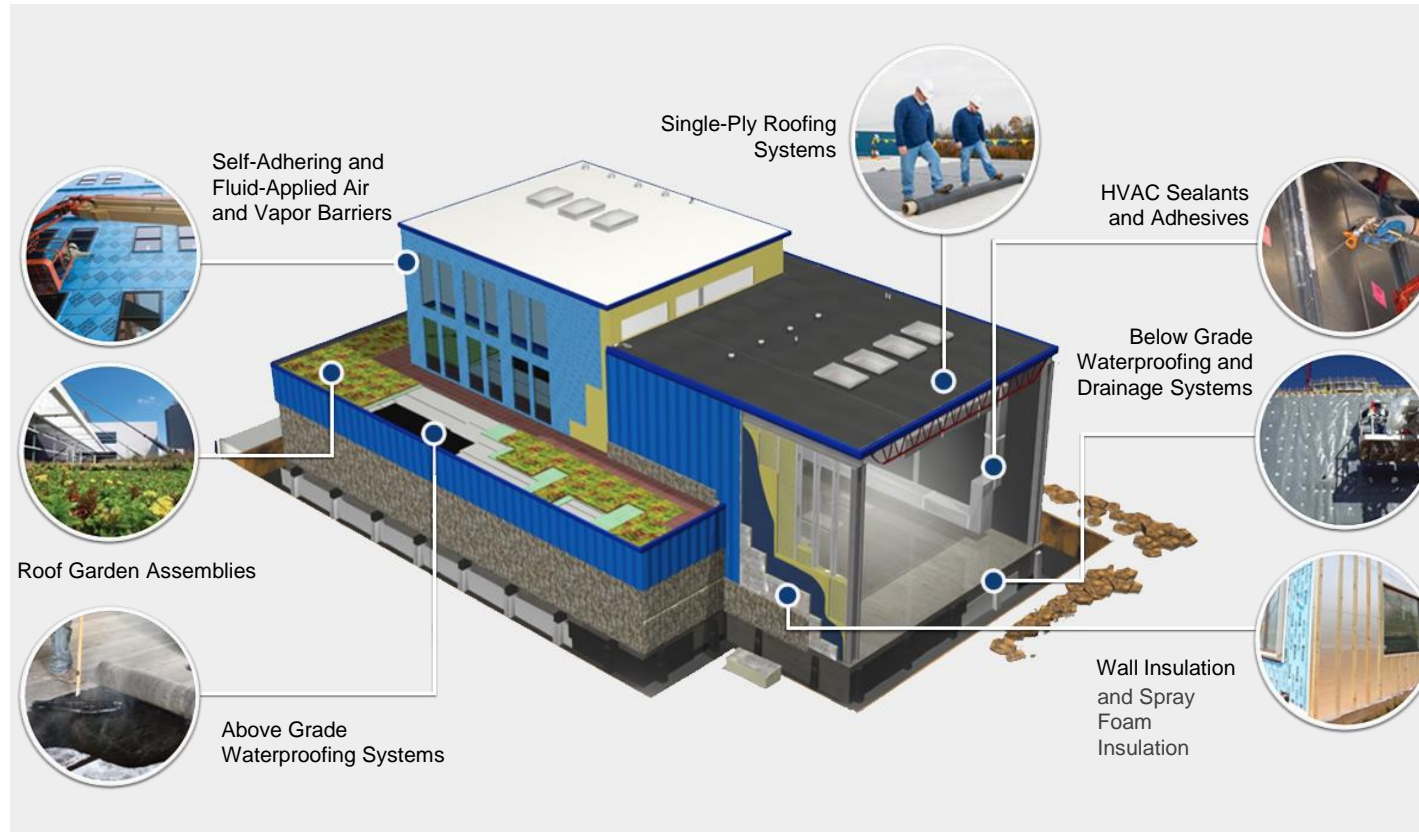


## Carlisle Construction Materials

- Manufactures EPDM, TPO, and PVC roofing systems, as well as energy-efficient rigid foam insulations panels, spray polyurethane foam, and metal roofing products

# Carlisle Construction Materials (1/3)

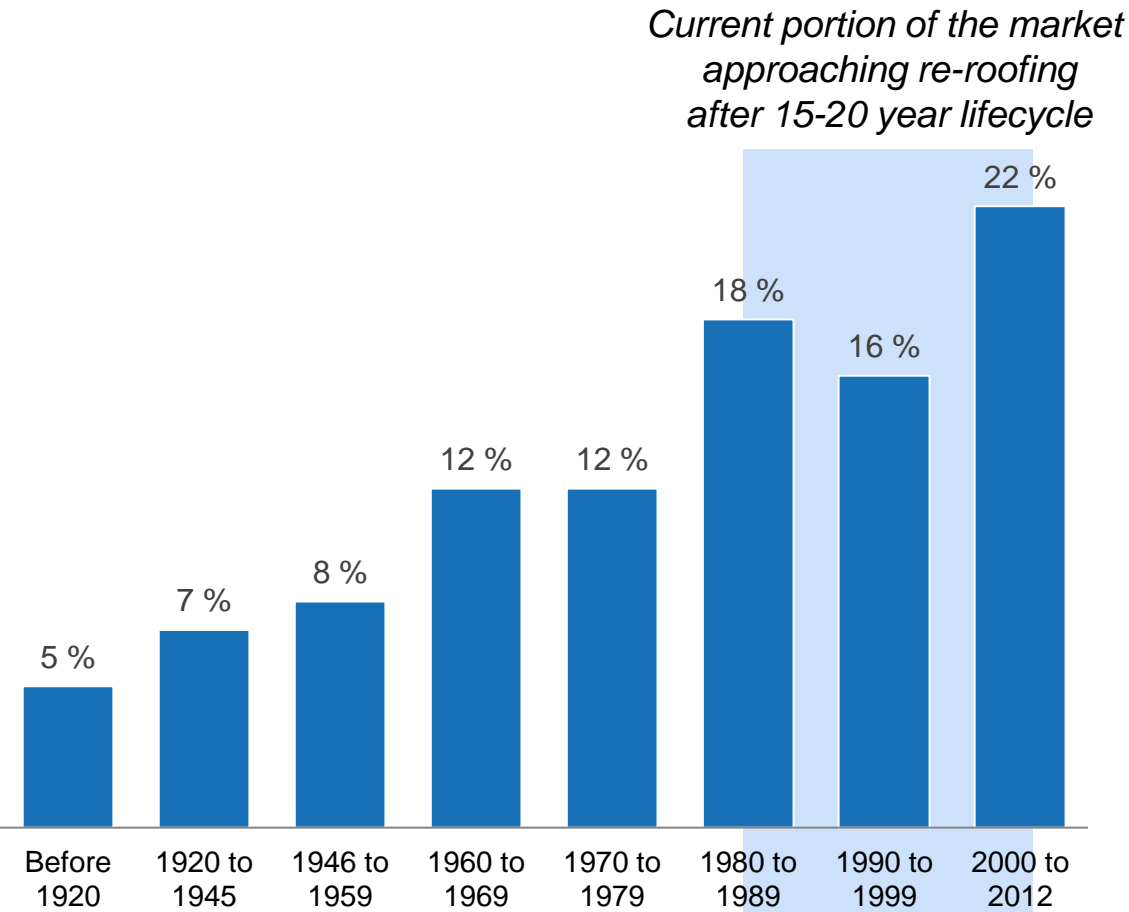
## Key End Market: Building Envelope



- Above average margin profile
- Significant aftermarket opportunity as buildings in the U.S. approach “re-roofing vintage”
  - US commercial roofing demand expected to grow mid-single digits
  - Single-Ply roofing expected to grow mid-single digits
- Further expand presence in niche high-growth and high margin opportunities in the Building Envelope
  - Liquid Applied Roofing: Market growing at ~7-9%
  - Spray Foam Polyurethanes: Market growing at ~10% until 2020
  - Metal roofing growing at 2x GDP

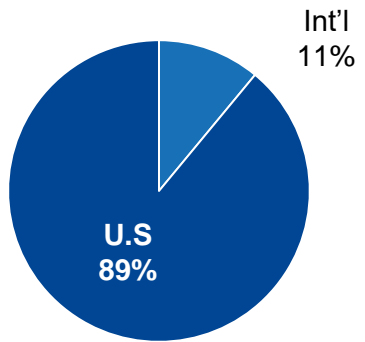
# Carlisle Construction Materials (2/3)

## US Commercial Buildings by Construction Date<sup>1</sup> (%)



## Significant International Expansion Opportunity

2018 CCM Revenue Split



- Significant opportunity to expand internationally, especially into Europe
- Large market to displace traditional asphalt roofing
- European penetration level for EPDM roofing remains fairly low at ~5% of the market

## Niche Product Segments Outgrow Broader Market



Liquid Applied Roofing

~7-9 %



Spray Polyurethane Foam

~10 %



Metal Roofing

~2X GDP

Market Growth:

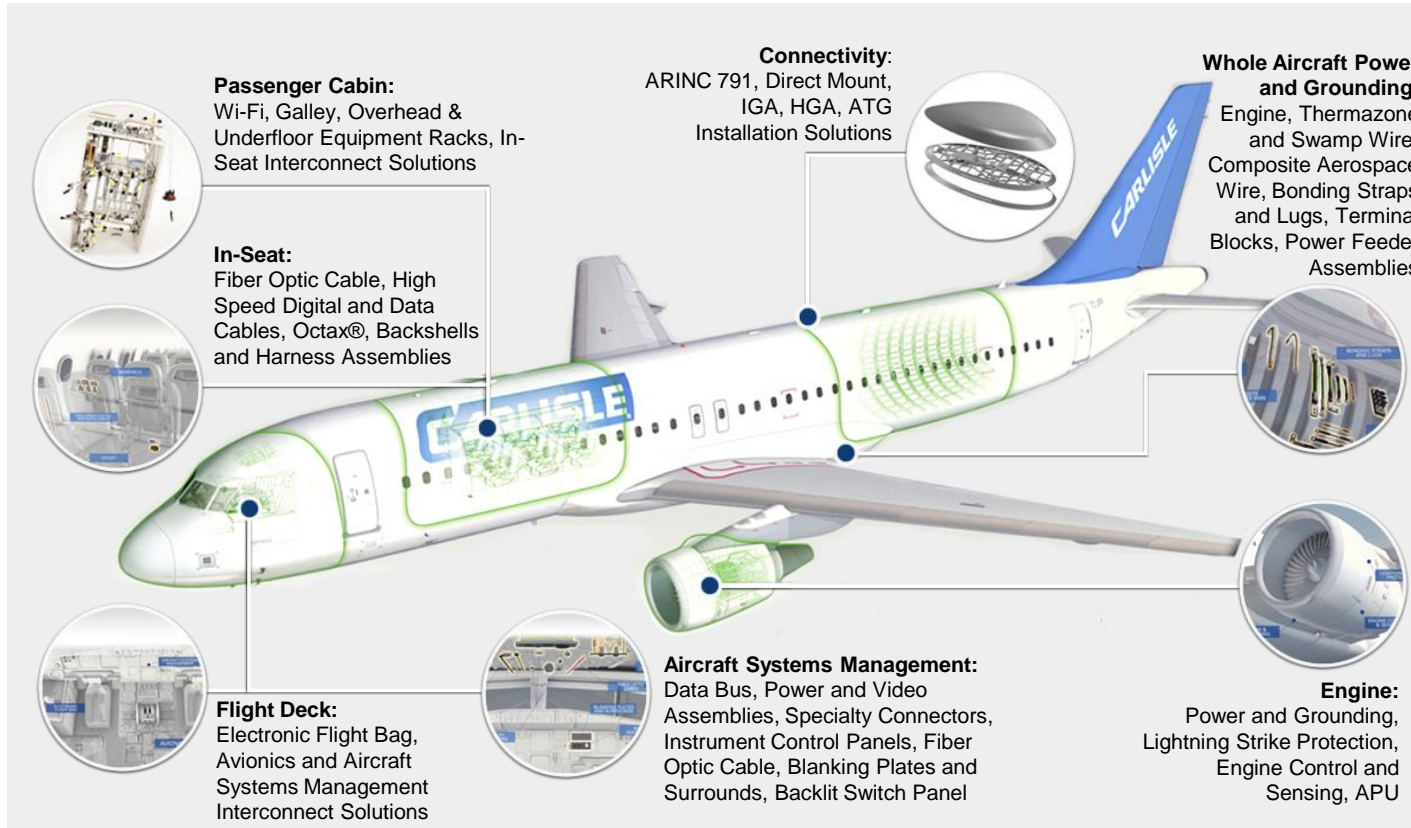
# Carlisle Construction Materials (3/3)

	Key Growth Initiatives	Description
Organic	Operating Income Expansion	Increase usage of accessories, grow share of building envelope
	The Carlisle Experience	Creating the preferred choice through operational excellence
	Product Innovation	Continued development of proprietary, differentiated products
	Training	Drive culture of continuous learning that creates loyalty
M&A	Focus	Synergistic Building Envelope opportunities



# Carlisle Interconnect Technologies (1/3)

## Key End Market: Commercial Aerospace

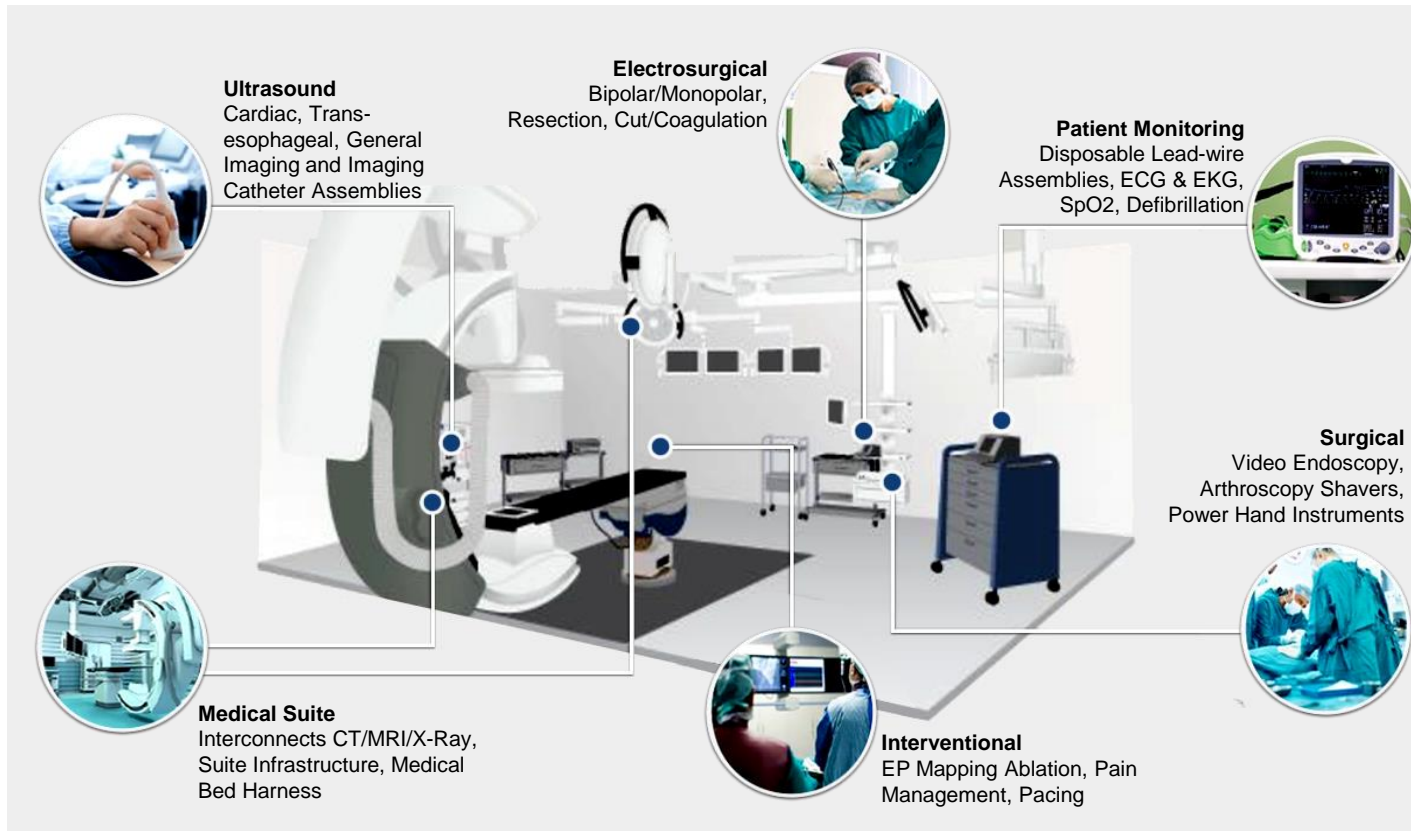


- CIT products used in highly regulated industries
  - High performance, mission critical products designed to operate in harsh environments
  - Significant barriers to entry with attractive margins
- CIT focused on increasing content per aircraft
  - CIT present with increasing content on all key platforms (e.g. 737, 737 Max, 777, 787, A320, A350)
  - Connected planes expected to quadruple by 2025
  - Further expand content per plane into passenger cabins, flight deck, and aircraft control systems
- Record OEM backlogs and strong retrofit market due to aging fleet



# Carlisle Interconnect Technologies (2/3)

## Key End Market: Medical



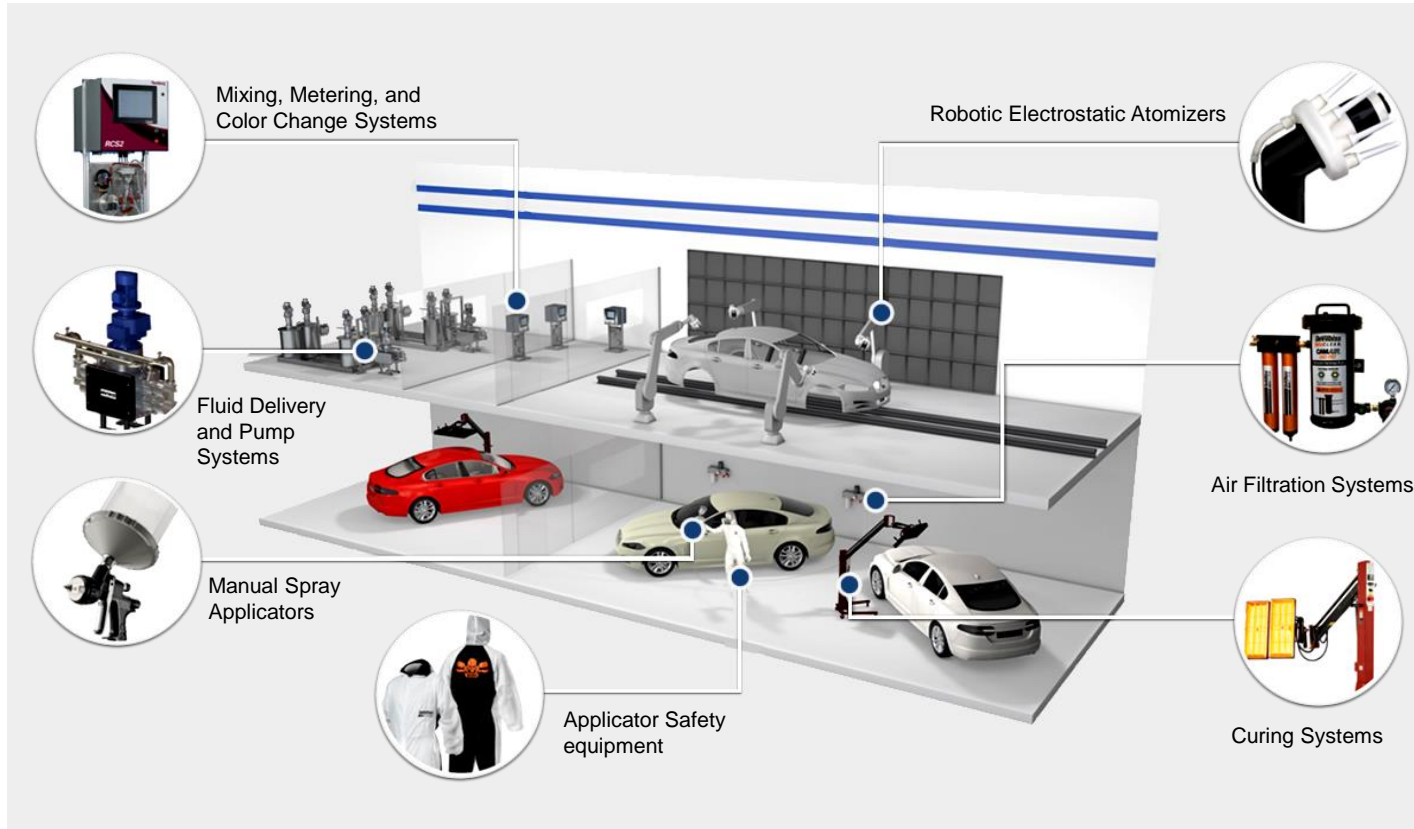
- Capitalizes on the growing spending (~6% CAGR) on medical equipment and technology driven by:
  - Aging population (Americans aged 65+ expected to double by 2060)
  - Increasing preference for minimally invasive procedures by patients, hospitals and insurance providers
- CIT has the capability to grow into attractive market adjacencies:
  - Leveraging current technology and customer relationships
  - Making targeted acquisitions to grow in the \$2bn cardiovascular monitoring devices market
  - Leveraging design and development to gain early entry to key programs

# Carlisle Interconnect Technologies (3/3)

	Key Growth Initiatives	Description
Organic	Commercial Aerospace	Increase content per plane; NPD and connectivity
	Medical	Build and convert OE project pipeline
	Test & Measurement	Establish new OE relationships and drive NPD execution
	Organizational Alignment	Market focused to drive accelerated organic growth
M&A	Focus	Commercial Aerospace, MedTech, Test & Measurement

# Carlisle Fluid Technologies (1/3)

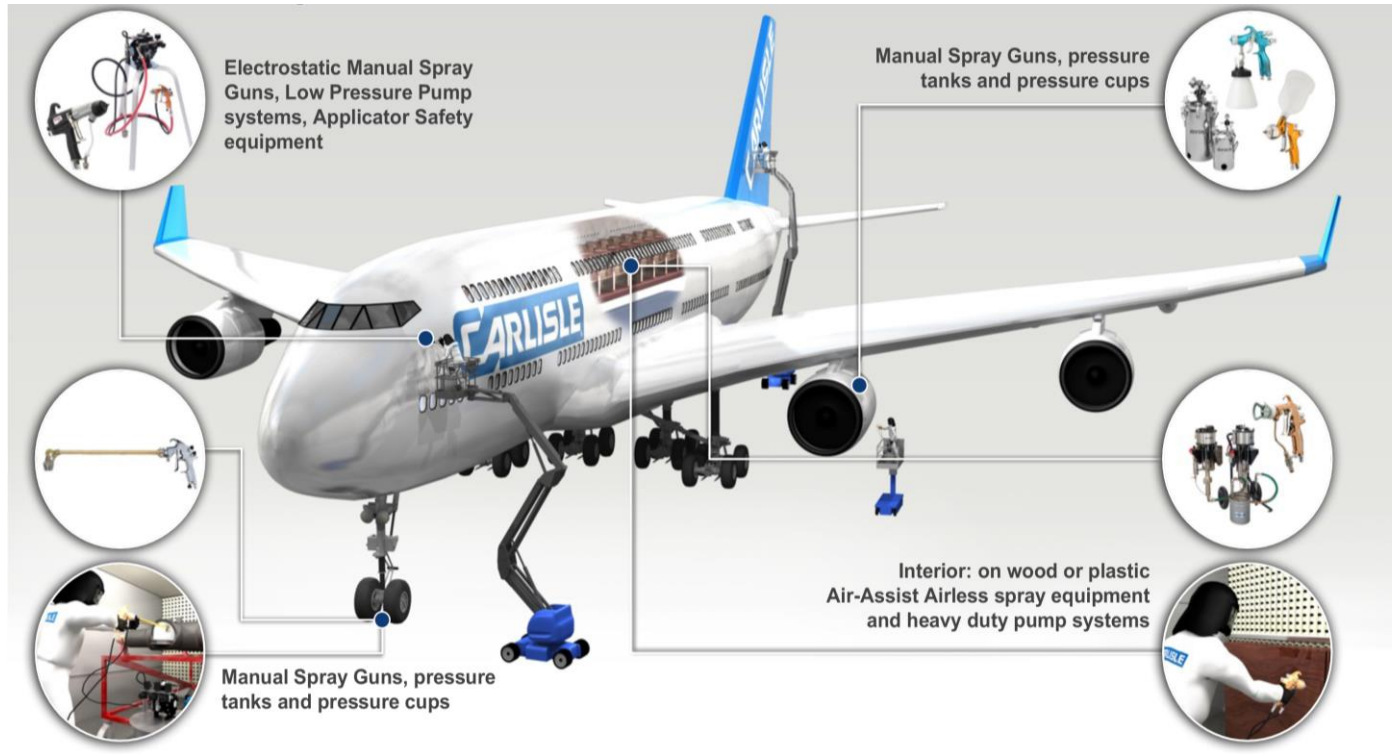
## Key End Markets: Automotive, Automotive Refinish



- Continue to grow sales of core spray guns in Automotive OEM and Automotive Refinishing segments
  - Capitalize on strong brand recognition and solid customer advocacy among key automotive OEMs
  - Core market growing at 3.0-3.5%
- Further expand in mixing, metering, and dispensing viscous liquids or Powder coating equipment
  - Our energy efficient pumps provide superior fluid handling
  - Leverage pumping business to support core spray gun sales and expand in adjacent markets
  - Powder coatings market growing at ~7%; opportunity to scale up MS Powder outside Europe

# Carlisle Fluid Technologies (2/3)

## Key End Markets: Transportation & General Industrial



- General Industrial and Transportation markets expected to grow at 3-5% through 2025
  - Leverage CFT brand and distribution in Asia
  - Extend current product offering to adjacent industrial applications
- Scale Powder business outside of Europe with particular focus on Asia
  - Market expected to grow at 7.5% through 2025
- Expand pumps sales in the attractive \$6bn reciprocating pumps market growing at 5.5%
- Enter Fast-set/Foam market growing at 8% through 2025
- Penetrate attractive Sealants & Adhesives equipment market, growing at 7.5% through 2025

# Carlisle Fluid Technologies (3/3)

	Key Growth Initiatives	Description
Organic	Expand Global Distribution Network	Develop partners in growth regions and markets
	Expand Product Portfolio	Quickly launch new products in adjacent markets
	Product Portfolio Management	Fill gaps in existing product lines
	Increase Share	Drive deep customer relationships and operational excellence
M&A	Focus	Targets that precisely deliver fluid management solutions



# Carlisle Brake and Friction (1/2)

## Key End Markets: Mining & Construction



- CBF is #1 brand in off-highway commercial transportation
  - Only supplier able to offer a complete “pedal to the wheel” solution
- Demand for mining and machinery equipment expected to remain supportive
  - Capital spend on mining machinery is still ~85% below normalized levels
  - NA Agricultural equipment cycle not really started for high-horsepower machines, still down ~50% since 2013
- Top of the cycle average operating margin of 15-20%

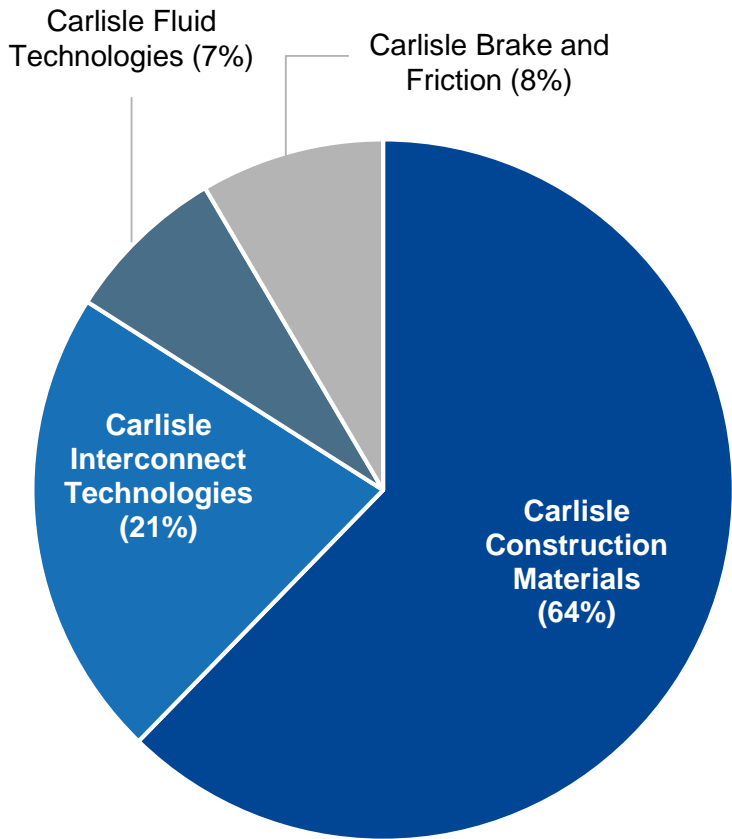
# Carlisle Brake and Friction (2/2)

	Key Growth Initiatives	Description
Organic	Market Share	Capitalize on global acceleration of growth in served markets
	Product Innovation	Leverage substantial R&D capabilities
	Differentiated Technology	Expand recent carbon investments
	Innovative Solutions	Highly engineered vehicle solutions
	Operational Excellence	Facility rationalization, COS, automation



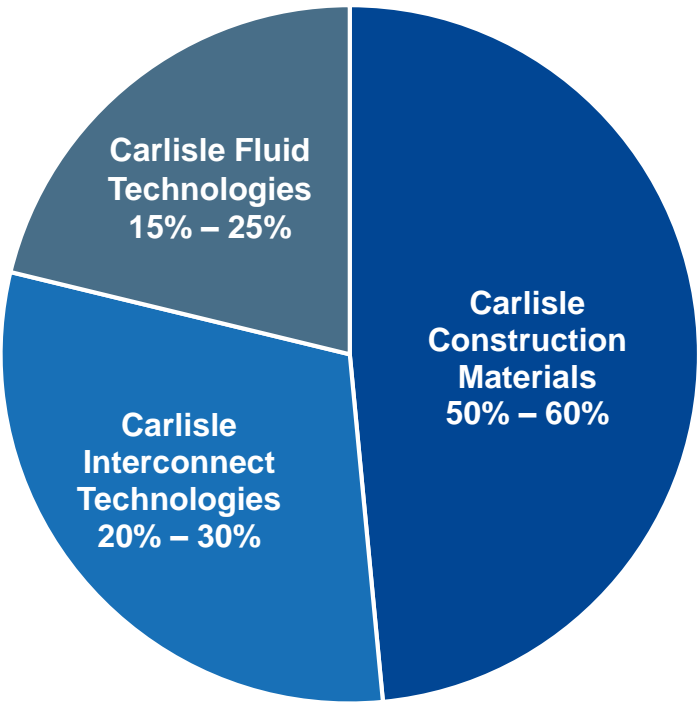
# Our Portfolio

Carlisle Today



2018A Revenue: ~\$4.5b

Carlisle in 2025

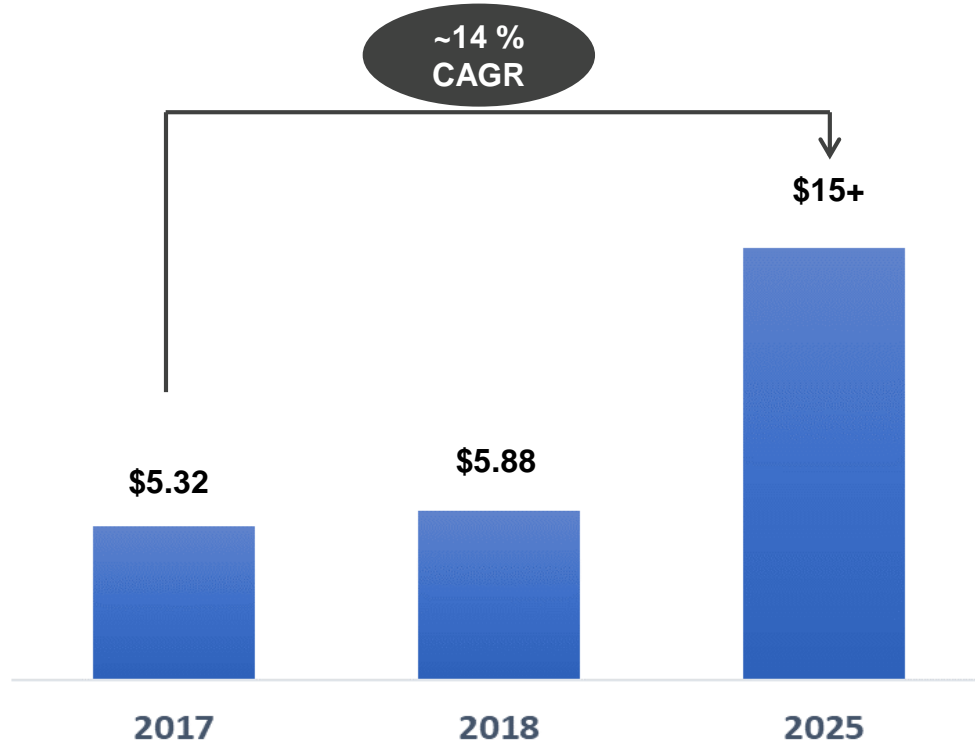


2025E Revenue: ~\$8.0b

# Vision 2025: Achieve EPS of \$15+

(All in \$ per share)

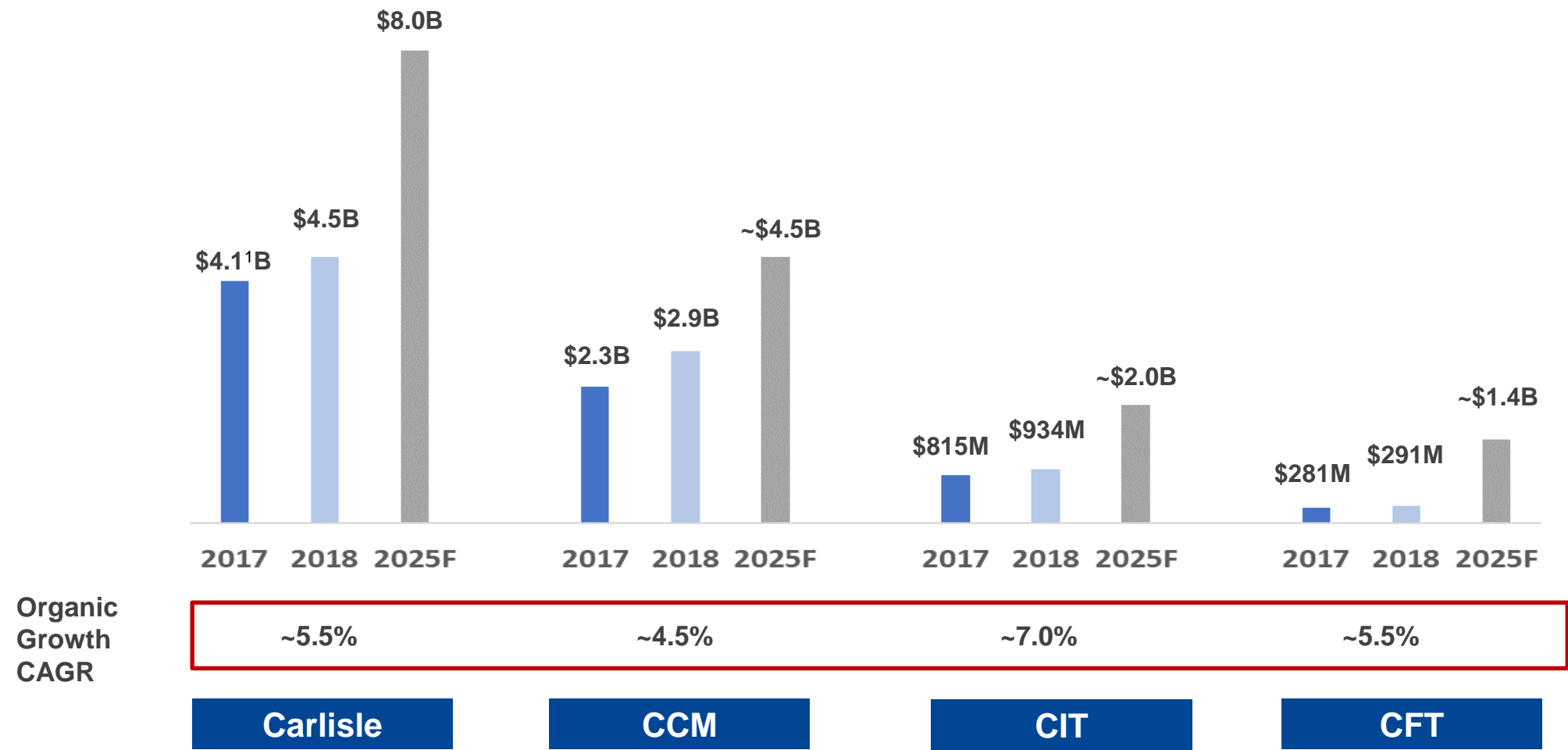
## Earnings Per Share



## Components of EPS Growth

- Continued focus on strengthening the company's bottom-line
- EPS growth driven, in approximately equal amounts, by organic revenue growth, margin expansion and M&A
- Implementing a systematic share repurchase program of ~\$1 billion
- Debt projected to remain under \$2.0 billion

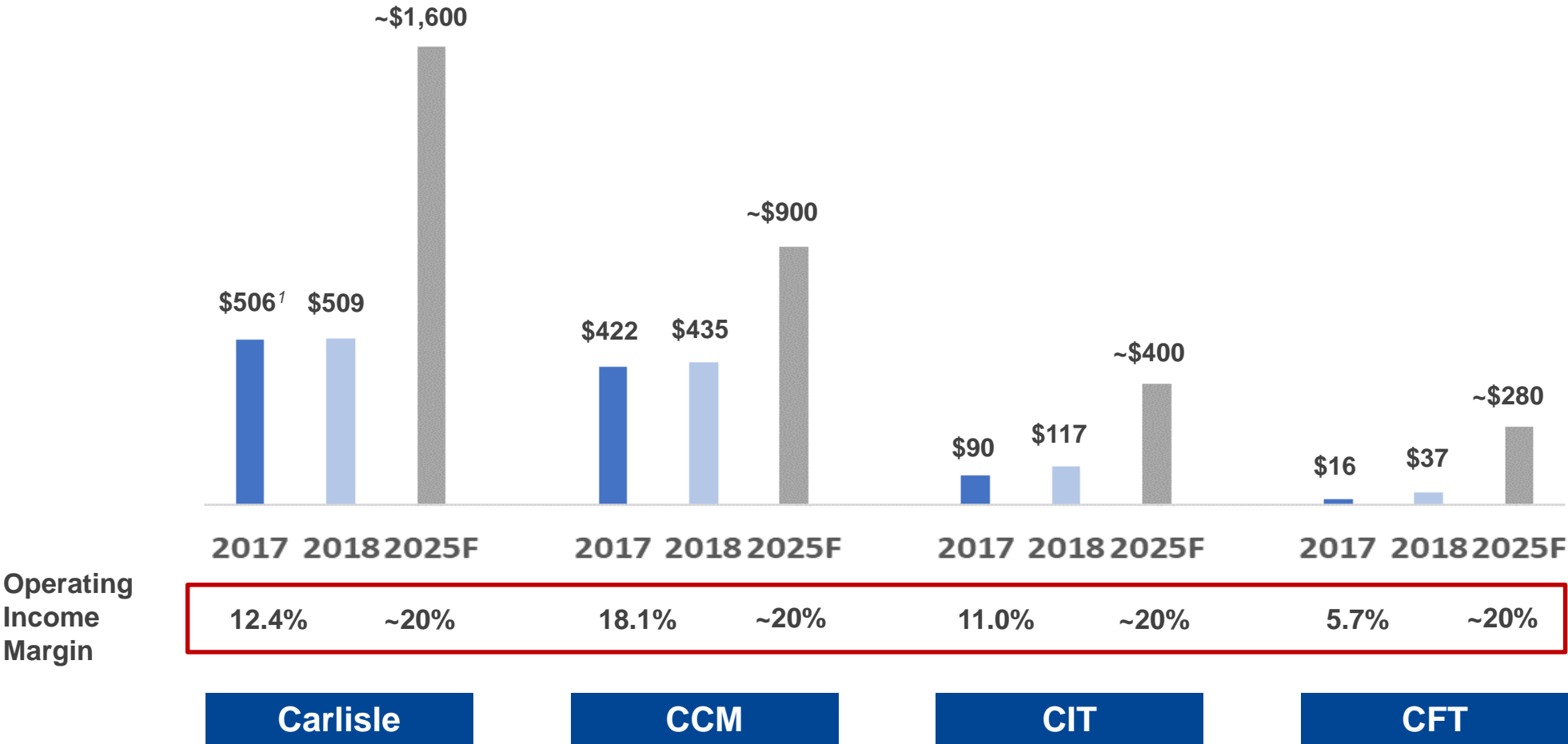
# Vision 2025: Double Revenues to \$8bn



<sup>1</sup> Includes revenue contribution from Carlisle FoodService business, which was announced to be divested on Feb 1, 2018.

# Vision 2025: Increase Operating Margin by 7%+

(All in \$ millions)



<sup>1</sup> Includes EBIT contribution from Carlisle FoodService business, which was announced to be divested on Feb 1, 2018.

# Balance Sheet Provides Significant Flexibility

(All in \$ millions)

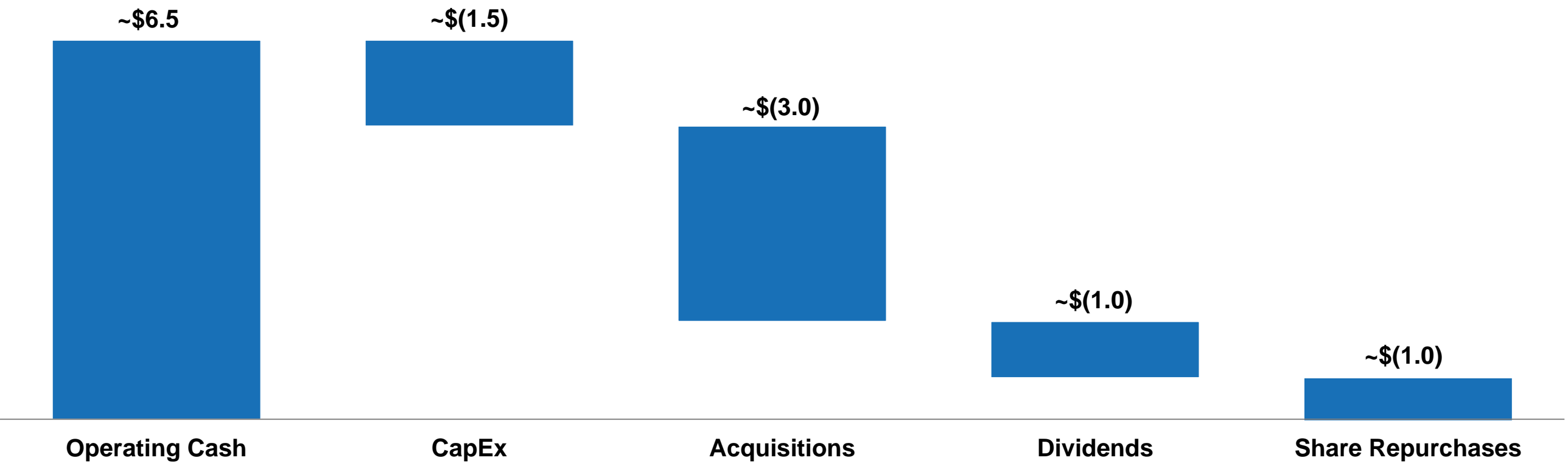
Strong balance sheet with significant capacity to support organic and inorganic growth

As of 9/30/19	Interest Rate	Maturity Date	Total Outstanding	Remaining Available
2020 Notes	5.125 %	2020	\$ 250	
2022 Notes	3.750	2022	350	
2024 Notes	3.500	2024	400	
2027 Notes	3.750	2027	600	
Revolving Credit Facility	Variable	2022	—	\$ 1,000
<b>Total Debt</b>			<b>\$ 1,600</b>	
Cash and Cash Equivalents			658	
<b>Total Net Debt (As of 9/30/19)</b>			<b>\$942</b>	

# Vision 2025 Capital Allocation Plan

(All in \$ billions)

Strong operating cash flow enables us to steadily return capital to shareholders while investing heavily in growth

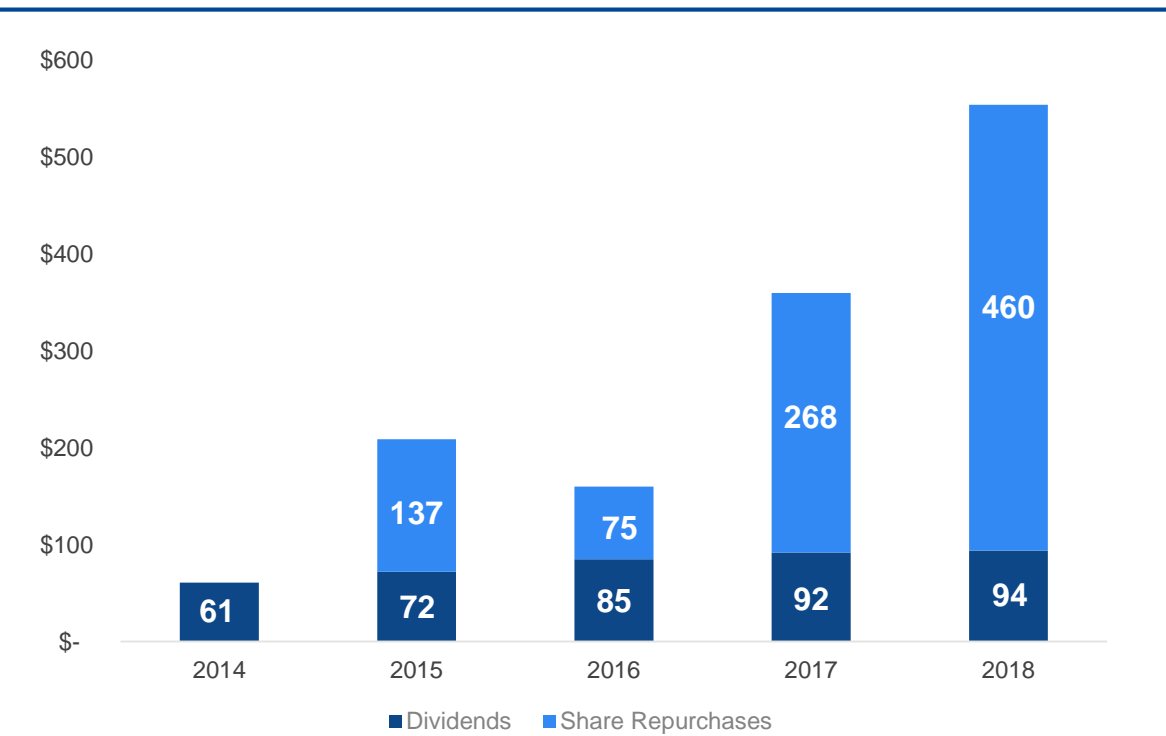


# Capital Return to Shareholders

(All in \$ millions)

Carlisle has increased its dividend rate annually for the past 43 years

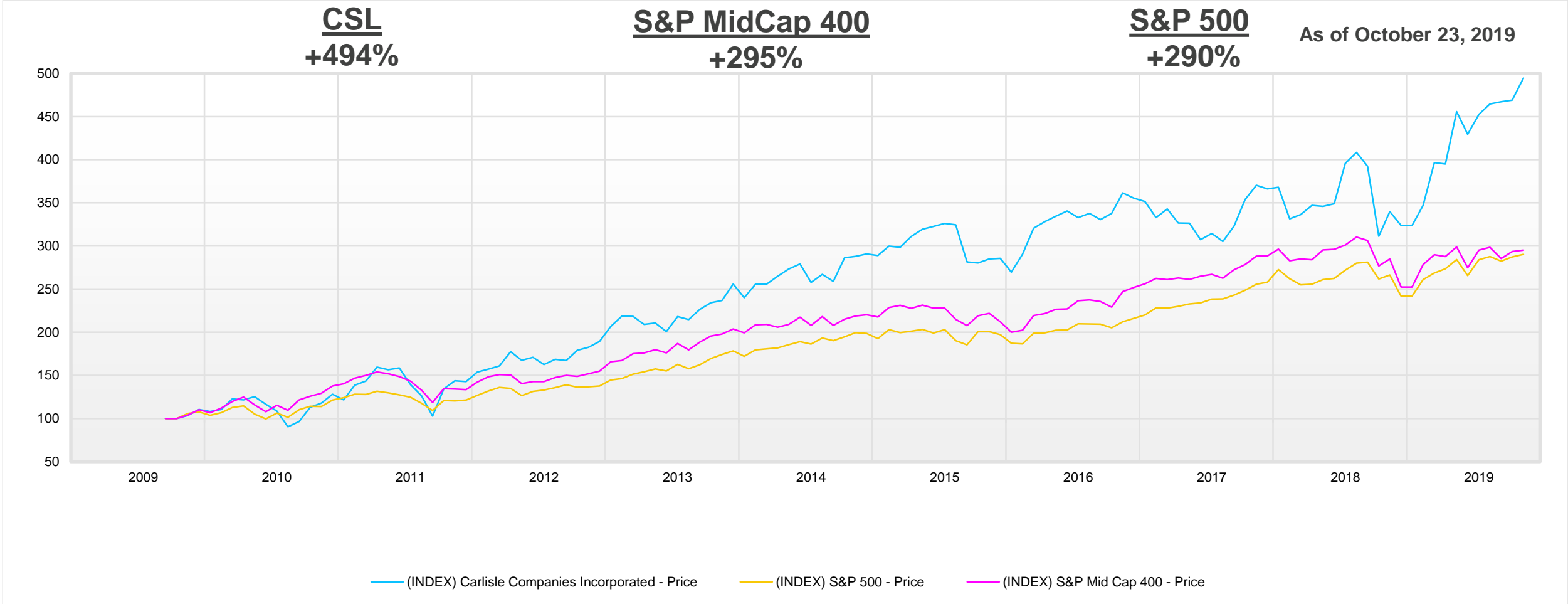
## Capital Return to Shareholders



- Committed to return capital to shareholders through increasing dividends and share repurchases
- Returned a record amount of capital to shareholders totaling over \$550 million in 2018 through:
  - \$460M in share repurchases
  - \$94M in dividends
- As of 9/30/19, 5.8 million shares remain outstanding under share repurchase authorization
- Increased dividends per share from \$1.00 annualized in 2014 to \$2.00 annualized in 2019



# Carlisle has Delivered Significant Total Shareholder Return



# Non-GAAP Measure Reconciliation

## Unaudited Leverage Ratios under Credit Agreement

(in millions except for ratios)

	LTM 9/30/2019
<b>Income from Continuing Operations</b>	<b>\$ 457</b>
Income tax expense	112
Interest expense	65
Depreciation and amortization	199
Non-cash stock based compensation expense	29
<b>EBITDA per revolving credit agreement</b>	<b>\$ 862</b>
Short-term debt including current maturities	\$ —
Long-term debt principal	1,601
<b>Total debt</b>	<b>\$ 1,601</b>
Less: Cash in excess of \$15 <sup>1</sup>	643
<b>Debt per revolving credit agreement</b>	<b>\$ 958</b>
<b>Net debt to EBITDA</b>	<b>1.1x</b>
<b>EBITDA to interest</b>	<b>13.3x</b>

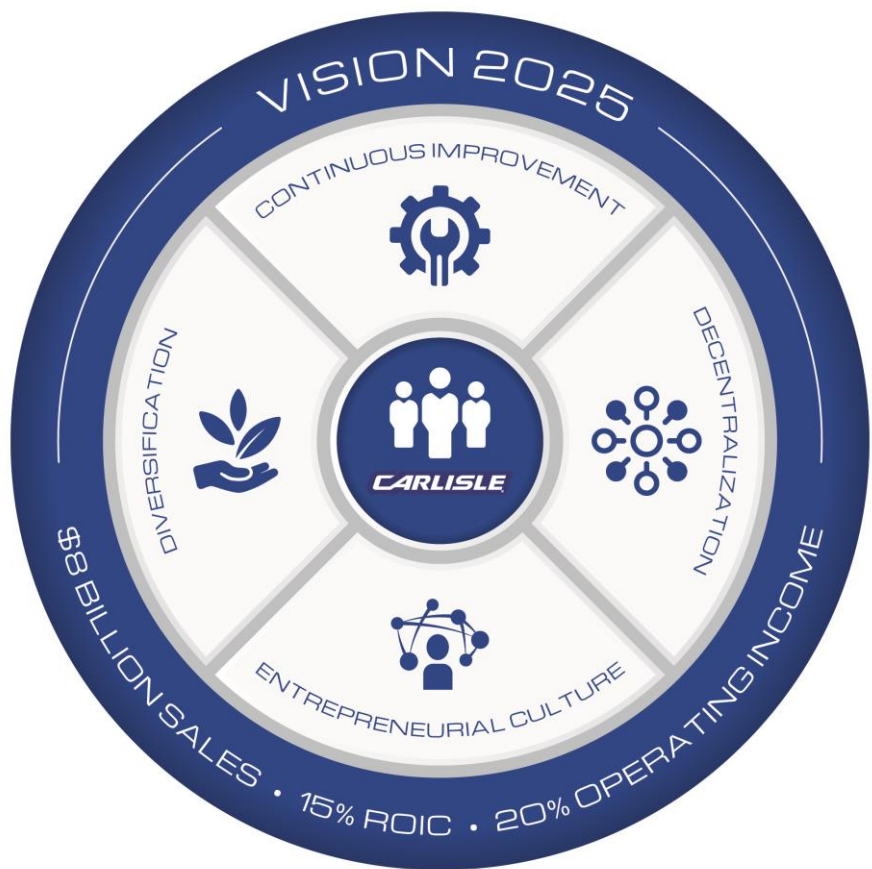
<sup>1</sup> If the outstanding balance on the revolving credit facility is \$0, cash in excess of \$15 million is deducted from debt.

\$0 outstanding on 9/30/2019

## Net Debt to Capital Ratio

(in millions except for ratios)

		Capital	
<b>Total debt</b>	<b>\$ 1,601</b>	Net debt	\$ 943
Less: cash	\$ 658	Total shareholders' equity	\$ 2,681
<b>Net debt</b>	<b>\$ 943</b>	<b>Total capital (net of cash)</b>	<b>\$ 3,624</b>
		<b>Net debt to capital</b>	<b>26%</b>



**2X**  
**Revenues**

**7+**  
**Percentage**  
**Points**  
**of Margin**

**\$15+**  
**Earnings**  
**per Share**