

16 August 1999

Carlisle Holdings Limited Announces First Quarter Results For The Three Months Ended June 30, 1999

Belize City, Belize, August 16, 1999 – Carlisle Holdings Limited (NASDAQ: CLHL, London: CLH), a leader in outsourced facilities services and staffing services, reported revenue of \$275.2m (1998 – \$221.9m) and net income before non-recurring charges of \$13.3m (1998 – \$9.1m) for the quarter ended June 30, 1999, the first quarter of fiscal 2000. Diluted earnings per share before non-recurring charges for the quarter ended June 30, 1999 was \$0.20 (1998 – \$0.22).

These results reflect the combination of Carlisle, formerly named BHI Corporation, and the former UK-listed Carlisle Holdings Limited (“Carlisle UK”). The financial information has been prepared in accordance with generally accepted accounting principles in the US. The acquisition of Carlisle UK has been accounted for using the “as-if” pooling of interests method of accounting (see notes to financial information). The dilution in earnings per share for the first quarter reflects the anticipated effect of the combination of BHI Corporation and Carlisle UK, which is now primarily a facilities services and staffing services business.

The results for the first quarter reflect a solid performance in the Facilities Services and Staffing Services businesses. Financial Services also made a good contribution, although it now represents a smaller proportion of total Company earnings.

The increase in sales reflects the impact of new business in both the US and the UK together with the positive contribution of the acquisitions completed during fiscal 1999 in both countries. Operating income and margin (excluding Financial Services) also improved, increasing to \$8.5m and 3.1%, respectively, in the current quarter (1998 – \$5.0m and 2.3%).

Commenting on the results, Michael A. Ashcroft said:

“The highlight of the quarter was the completion of the merger of BHI Corporation and Carlisle UK to form a transatlantic leader in the services sector. The solid performance in our first quarter as a merged company demonstrates the management and marketing skills we have assembled to become a leader in offering high-quality facilities services and staffing services to a broad array of commercial and industrial clients.”

Mr. Ashcroft added:

“In the US, our facilities services business, OneSource, continues to improve in profitability and has achieved a good balance between new business won and growth through acquisitions. OneSource now has the management and systems in place to ensure a competitive advantage and to continue to make a strong contribution to the group. Cross marketing of services across the OneSource customer base, of approximately 11,000 customers, is expected to further contribute to profits as the year progresses. In the UK, all sectors performed up to expectations.”

First Quarter Operational Review
Facilities Services

The Facilities Services division, which now includes the US and UK operations, reported revenue of \$239.1m for the three months ended June 30, 1999 (1998 – \$202.0m), an increase of 18.4%. Operating income for the three months ended June 30, 1999 was \$7.2m, a

significant increase of 60% over operating income of \$4.5m for the comparable period last year. Revenue and operating income improvement is principally due to the impact of acquisitions made in fiscal 1999 in both the UK and the US, new business and the continued benefits from rationalizing administrative costs.

In the US, last year's acquisitions are now fully integrated and management's efforts have concentrated on cross marketing OneSource's landscape, painting and metal and marble services to the large janitorial customer base. Attracting more customers to these higher margin services is expected to continue to contribute to margin improvement. Now that administrative functions have been centralized at OneSource's support center in Atlanta, planned growth can be handled with only a modest increase in general and administrative expenses. We are continuing to invest profitably in modernizing and expanding the capabilities of our central back office function.

OneSource continues to add new accounts at a steady pace. Important new janitorial contracts in the first quarter include TCI in Denver; Loews Hotel in Miami Beach; the Merchandise Mart in Chicago; and Polaroid Corporation in Boston. In addition, we have signed contracts with Lincoln Properties in Houston and TrizecHahn Mid-Atlantic (a Real Estate Investment Trust) in Washington, DC to service multiple properties. OneSource also won the landscaping contract for Legends Field in Tampa, FL, the spring training home of the New York Yankees.

The name and branding change from ISS to OneSource has now been completed company wide. The OneSource brand is an important statement of our strategy to provide a single solution for a wide variety of facilities services to commercial and industrial property owners and managers.

In the UK, the LI Group, which provides contract cleaning and support services, mainly to retailers, began a new five-year contract with a major retailer and acquired a small contractor that will expand business opportunities with the leading supermarkets. Capitol Security Services (acquired in October 1998), which provides specialist security services (principally uniformed guarding), expanded its business with existing customers and turned in a solid performance. A strong pipeline of quoting for new contracts is expected to result in additional business in coming quarters.

Staffing Services

The Staffing Services division in the UK reported revenue of \$36.1m for the three months ended June 30, 1999 (1998 - \$19.9m). Operating income for the three months ended June 30, 1999 was \$1.3m (1998 - \$0.5m). The improvement in revenue and operating income is principally due to organic growth and the effect of the acquisition of Abacus, which was completed in December 1998.

The specialist education business has been very buoyant and the company has also attained preferred supplier status with several large City-based customers. The events management business benefited from extensive involvement in the Cricket World Cup and will be providing staff and services for the upcoming soccer/rugby season. The outlook for further development of the existing business is positive.

Staffing Services provides temporary staff, primarily to clients in the IT, banking, accounting,

insurance, legal, education, commercial, industrial, retail, driving, technical and catering sectors in the UK.

Financial Services

Income from Financial Services increased 27% to \$3.3m for the 3 months ended June 30, 1999 (1998 – \$2.6m). The results for the quarter reflect a 26% increase in net interest income, driven by a 26% increase in the average loan portfolio of The Belize Bank, offset by slightly reduced interest rates. Non-interest income continued to grow strongly and was up 21%, mainly reflecting growth in the bank.

Board Appointments

The Board of Directors of Carlisle also announces the following senior executive positions with immediate effect:

- Mr. David B. Hammond, currently non-executive Deputy Chairman, becomes Executive Deputy Chairman of the Board and Chairman of the Executive Committee of the Board; and
- Mr. Ian R. Pluthero has been appointed a director and Chief Executive Officer.

Mr. Hammond will chair the Executive Committee of the Board, which will also include Ian Pluthero and Peter Gaze, the Chief Financial Officer of Carlisle.

David Hammond is 54 and a chartered accountant. He has been a non-executive director and Deputy Chairman of Carlisle since 1998 and has worked in service industries for more than 30 years. He is the chairman of Integrated Transport Systems Limited, the leading European vehicle auction group. Mr. Hammond is also a non-executive director of Provant Inc., a NASDAQ listed company, and Bridge Street Accommodation Inc., listed on the American Stock Exchange (two consolidating service businesses). Since 1995, Mr. Hammond has been a member of the Competition Commission (formerly the Monopolies and Mergers Commission) in the United Kingdom. He was a director of ADT Limited from 1984 to 1996 and Deputy Chairman from 1989 to 1996 and currently holds a number of other directorships.

Ian Pluthero, who is 45, has been working for Mr. Ashcroft over recent months as a strategic adviser and on implementing the BHI Corporation / Carlisle UK merger. He has held a number of senior positions in industry, both in Europe and the US. Before assuming a senior management position with Carlisle, Mr. Pluthero's previous management experience includes senior positions with Gateway 2000, where he managed operations in Europe, the Middle East and Africa, with Pepsico, in international operations, with Grand Metropolitan Group, where he was managing director of its Retail Enterprises Group, and as Chairman of Victory Corporation PLC.

Peter Gaze is 48 and has been Executive Vice President and Chief Financial Officer of the old BHI Corporation since 1998. He is a Fellow of the Institute of Chartered Accountants in England and Wales, having trained with the international accounting firm PricewaterhouseCoopers in London. Prior to joining the Company, Mr. Gaze was the Group Financial Controller of ADT Limited from 1990 to 1997.

Commenting on the management changes, Mr. Ashcroft said:

“Today’s appointments reflect my full confidence that David, Ian, Peter and the rest of the skilled operating management team at Carlisle can take the Company to the next level of profitable growth, while, for the time being, relieving me from a number of day-to-day functions. As Chairman of the Board, I will be on hand to advise and assist the management team in planning the Company’s strategic direction and fulfilling its stated policy of building shareholder value.

Carlisle is well positioned to capitalize on growth opportunities in the outsourced services sector. Ian Pluthero has made significant contributions over the last several months as we planned and executed the BHI Corporation / Carlisle UK merger. David Hammond has extensive experience in the services sector on both sides of the Atlantic.”

Share Buy-Back Program

The Company also announces that the Board of Directors has authorized a continuation for a further twelve months of the program to repurchase Carlisle’s ordinary shares. Under the authorization, up to five million shares may be purchased in the open market or in negotiated transactions at any time in the period up to August 31, 2000. We will continue to purchase shares when it is in the shareholders’ interest to do so. The timing of purchases and the actual number of shares purchased will depend on market conditions.

Carlisle Group is a leader in the outsourced facilities services sector in the US and provides janitorial, landscaping, security services, commercial interior painting services, general repair and maintenance and other specialized services for more than 11,000 commercial, institutional and industrial accounts. Carlisle Group is also a leading provider of outsourced facilities services and staffing services in the UK.

Forward Looking Statements

Certain statements in this press release constitute “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, statements contained herein regarding the consummation and benefits of future acquisitions, as well as expectations with respect to future revenues, operating efficiencies, net income and business expansion, are subject to known and unknown risks, uncertainties and contingencies, many of which are beyond the control of Carlisle, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward looking statements include among others, overall economic and business conditions, the demand for Carlisle’s services, competitive factors, regulatory approvals and the uncertainty of consummation of future acquisitions. Additional factors which may affect Carlisle’s businesses and performance are set forth in filings by Carlisle Holdings Limited (formerly named BHI Corporation) with the United States Securities and Exchange Commission.

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Note: This and other press releases are available through Company News On Call by fax; call 800-758-5804, extension 114380, or at <http://www.prnewswire.com>.

Carlisle Holdings Limited

Financial Information
Summarized Consolidated Statements of Income
(unaudited)

US dollars in millions except per share data

3 months ended June 30	1999	1998
Net Sales	275.2	221.9
Operating income	11.8	7.6
Associates	3.1	2.9
Net interest expense	(0.2)	(0.4)
Income before income taxes	14.7	10.1
Income taxes	(1.2)	(0.8)
Income after income taxes	13.5	9.3
Minority interests	(0.2)	(0.2)
Income from continuing operations	13.3	9.1
Earnings per ordinary share from continuing operations before non-recurring charges:		
Basic	\$0.22	\$0.24
Diluted	\$0.20	\$0.22
Number of shares - diluted	66.4m	41.6m

The results to June 30, 1999 are stated before non-recurring charges of \$3.8m relating to the BHI Corporation / Carlisle UK merger and costs relating to the aborted offer for The Corporate Services Group, and before a charge of \$0.8 million relating to the minority interest arising on "as-if" pooling.

Financial Information
Summarized Consolidated Balance Sheets (unaudited)

US dollars in millions

	June 30, 1999	March 31, 1999
Assets		
Services Businesses		
Current Assets:		
Cash and cash equivalents	70.0	90.6

Other current assets	156.7	161.1
Total current assets	226.7	251.7
Property, plant and equipment	25.6	23.1 <>
Associates and other assets	83.8	76.3
Goodwill and other intangibles	288.7	233.8
Total Services Businesses assets	624.8	584.9
Financial Services net assets	21.1	21.0
Total assets	645.9	605.9
Liabilities and shareholders' equity		
Services Businesses		
Current liabilities:		
Short-term debt	31.5	29.0
Other current liabilities	134.4	145.0
Total current liabilities	165.9	174.0
Long-term liabilities	85.5	95.2
Minority interests	-	58.8
Total Services Businesses liabilities	251.4	328.0
Total shareholders' equity	394.5	277.9
Total liabilities and shareholders' equity	645.9	605.9

Financial Information
Segmental Analysis (unaudited)

US dollars in millions

3 months ended June 30	1999	1998
Sales		
Facilities services	239.1	202.0
Staffing Services	36.1	19.9
Total Sales	275.2	221.9
Operating Income		
Facilities Services	7.2	4.5
Staffing Services	1.3	0.5
Financial Services	3.3	2.6
Total operating income	11.8	7.6

Notes:

The financial information has been prepared in U.S. dollars (the Company's reporting and functional currency) in accordance with generally accepted accounting principles in the U.S.

In June 1999, the Company completed the acquisition of 100% of Carlisle U.K., one of the U.K.'s leading providers of outsourced facilities services and staffing services.

The acquisition of Carlisle U.K. has been accounted for using the “as-if” pooling of interests method of accounting due to the existence of a common controlling shareholder in both the Company and Carlisle U.K. This method of pooling of interests requires that the consolidated financial statements of Carlisle U.K. are pooled with those of the Company for all accounting periods reported, with a minority interest elimination for all periods where a non-controlling minority interest existed in the share capital of Carlisle U.K. Consequently, the consolidated statements of income of the Company for all accounting periods reported include 100 per cent of the results of Carlisle U.K. for the entire periods.

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