

**31 July 2001**

**CARLISLE HOLDINGS LIMITED ANNOUNCES RESULTS FOR THE FIRST QUARTER ENDED JUNE 30, 2001**

Belize City, Belize, July 31, 2001 -- Carlisle Holdings Limited (NASDAQ: CLHL, London: CLH) reported revenue of \$315.9m (2000 -- \$301.6m) and net income of \$6.9m (2000 -- \$13.3m) for the quarter ended June 30, 2001, the first quarter of fiscal 2002.

Earnings per share for the quarter ended June 30, 2001 was \$0.12 (2000 -- \$0.22).

Commenting on corporate performance, Chairman, Lord Ashcroft, KCMG, said:

"With the exception of OneSource we are very pleased with the way all of our businesses have started the new fiscal year – all have produced solid earnings in line with our expectations."

"At OneSource, the distraction and disruption of the system changes and continuing competitive pressure in the sector have unfortunately resulted in a sharp decline in operating margins in some of our locations giving rise to a disappointing quarter."

"We are firmly focused on returning OneSource to the performance levels we are more used to and, to that end, we have added a new divisional CFO, a new SVP of Sales and Marketing and made a number of other key management and support department changes both at head office level and in the field."

"We have three main priorities for the second quarter: ongoing improvements in the administration of billing, payroll and cash collections; improving overall labor productivity; and sales growth. We believe we have taken the right steps with the people and systems now in place in order to lead to improved performance in the coming quarters."

**First Quarter Operational Review**

**Facilities Services**

The Facilities Services division reported revenue of \$250.0m for the quarter ended June 30, 2001 (2000 -- \$250.1m). The operating income before goodwill amortization for the quarter ended June 30, 2001 amounted to \$1.6m (2000 -- \$9.5m).

At OneSource, increased labor costs and pricing pressure have affected the performance of certain locations - this has resulted in an approximately break-even operating performance. Management focus has been concentrated on structural improvements to enhance this performance, particularly in the area of labor cost controls. Some corporate changes have also been made, mainly in certain key management personnel and corporate support departments. Specialty services, such as metal and marble restoration, have been consolidated into the operating groups in order to increase efficiency and improve cross-marketing opportunities. The billing, credit and collection departments have been reorganized to improve performance, albeit at increased cost.

At OneSource, intensive efforts have continued to clean up and collect the older receivables balances since the preliminary announcement of the Company's fiscal 2001 results, released

on May 19, 2001. However, due to the limited success of this effort and the increased difficulty in collecting the older balances, management has increased the provision against receivables by \$10 million in the audited consolidated financial statements of the Company for the year ended March 31, 2001, which will be released shortly.

In the new business area at OneSource the emphasis on sales growth, and particularly on National Accounts, continues to be successful. Several new contracts for janitorial services were signed during the quarter, including the Pittsburgh International Airport, the Harvard School of Public Health and Kaiser Permanente in the US, and Wal-Mart in Puerto Rico. In addition, OneSource won a significant landscaping contract with the city of Orlando.

In the UK, first quarter sales in Facilities Services were flat, reflecting the loss of two retail contracts that were taken in-house as well as the closing of the Millennium Dome. However, several significant contract wins during the quarter in the retail, public and transport sectors replaced the lost revenue. The outlook is for further revenue improvement in the second quarter.

Manned guarding revenues declined slightly in the first quarter due to the impact of customer budget cutbacks. Nonetheless, there were also steady gains in new contracts signed with commercial and retail clients. In addition, the re-launch of the Maritime and Aviation business has attracted positive interest. Tuck-in acquisitions continue to help build the client base and service offering; the latest acquisition of a security business in the Midlands adds a small cash-in-transit operation to the business.

### **Staffing Services**

The Staffing Services division reported another quarter of year-on-year growth with revenue of \$54.5m (2000 -- \$51.5m) for the quarter ended June 30, 2001. Operating income before goodwill amortization for the quarter ended June 30, 2001 increased 13% to \$3.5m (2000 -- \$3.1m) and most of this increase represents organic growth as all divisions continue to show overall momentum despite a weakening economy. The Public Services business, which supplies teachers, nurses and careworkers, had an especially strong quarter. Another highlight was early implementation of the human resources services outsourced contract with Ernst & Young. School vacations will have a negative impact on our high-growing education business in the current quarter; however, our balanced business mix and emphasis on temporary and contract revenues should be an advantage over the longer term in a weakening economy.

### **Financial Services**

Financial Services reported a strong performance for the quarter ended June 30, 2001 - operating income increased 15% to \$5.3m (2000 -- \$4.6m). The results reflect a 14% increase in net interest income, driven by a 15% increase in the average loan portfolio of the Belize Bank, combined with a 19% increase in non-interest income.

### **Belize Telecommunications**

Belize Telecommunications Limited ("BTL"), which is now consolidated as a subsidiary, provided another solid quarter in operating income, the Company's 51% share amounting to \$2.5m. Increasing demand for cellular, internet and data services is expected to continue to drive revenue growth.

## **Associates**

The income from associates in the quarter ended June 30, 2001, arises from the investment in NUMAR. The decline in the quarter ended June 30, 2001 to \$0.7m (2000 -- \$2.3m) is due to the continued effect of the depressed world market for edible oils in NUMAR and the exclusion of BTL, now a subsidiary.

## **Background Information**

Through its OneSource brand, Carlisle Group is a leader in the outsourced facilities services sector in the US and provides janitorial, landscaping, commercial interior painting services, general repair and maintenance and other specialized services for more than 12,000 commercial, institutional and industrial accounts. In the UK Carlisle Group is also a leading provider of outsourced facilities services through the LI Group and Capitol Security Services. Carlisle Staffing Services continues to develop a significant position in the staffing services sector with a presence in the markets for Professional Services, Office and Industrial, Public Services and the developing human resources services market. This business has over 70 locations with a weekly temporary/contractor base of circa 10,000 workers employed across more than 5,000 clients. The Company also has interests in financial services and telecommunication services businesses.

## **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 with the United States Securities and Exchange Commission.

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**Note: This and other press releases are available on the company's web site:**

<http://www.bbholdingsdemo.com>

## **Carlisle Holdings Limited**

Financial Information

Summarized Consolidated Statements of Income (unaudited)  
U.S. dollars in millions except per share data

3 months ended June 30	2001	2000
<b>Net sales</b>		
Facilities Services	250.0	250.1
Staffing Services	54.5	51.5
Telecommunication Services	11.4	-
Total net sales	315.9	301.6
<b>Operating income before amortization of goodwill</b>		
Facilities Services	1.6	9.5
Staffing Services	3.5	3.1
Financial Services	5.3	4.6
Telecommunication Services	2.5	-
Corporate Overheads	(1.6)	(1.4)
Total operating income before goodwill amortization	11.3	15.8
Goodwill amortization	(2.2)	(2.2)
Operating income	9.1	13.6
Associates	0.7	2.3
Net interest expense	(1.6)	(1.1)
Income before income taxes	8.2	14.8
Income taxes	(1.2)	(1.3)
Income after income taxes	7.0	13.5
Minority interests	(0.1)	(0.2)
Net income	6.9	13.3
Earnings per ordinary share:		
Basic and diluted	\$0.12	\$0.22
Number of shares - diluted	58.8m	60.1m