

**31 October 2001**

**CARLISLE HOLDINGS LIMITED ANNOUNCES RESULTS FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2001**

Belize City, Belize, October 31, 2001 -- Carlisle Holdings Limited (NASDAQ: CLHL, London: CLH) reported revenue of \$317.2m (2000 -- \$312.0m) and net income of \$5.8m (2000 -- \$14.3m) for the quarter ended September 30, 2001, the second quarter of fiscal 2002. Earnings per share for the quarter ended September 30, 2001 was \$0.10 (2000 -- \$0.24).

For the six months ended September 30, 2001, revenue was \$635.8m (2000 - \$613.6m) and net income was \$14.9m (2000 - \$27.6m). Earnings per share for the six months ended September 30, 2001 was \$0.25 (2000 -- \$0.46).

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

“The results for the quarter reflect to a large extent the disappointing performance at OneSource, which made an operating loss of \$3.5m and which overshadowed more acceptable results from the rest of our operations which performed satisfactorily.”

“We estimate that the tragic events of September 11 have had only a small immediate revenue impact at OneSource, with less than 1% of annual sales lost. The full impact of the terrorist event and subsequent related developments, together with the faltering economic environment, have not yet filtered through to our services businesses and therefore the medium term consequences are not yet measurable.”

“Overall, the UK businesses produced a satisfactory result for the quarter in the context of a slowing economy - we are taking appropriate steps to control costs in order to mitigate, as far as possible, the effects of prevailing market conditions.”

“Both the Financial Services and Telecommunications businesses performed well - the recent hurricane in Belize caused some infrastructure damage but we do not expect a significant negative effect on the businesses going forward.”

**Second Quarter Operational Review**

**Facilities Services**

The Facilities Services division reported revenue of \$243.8m for the quarter ended September 30, 2001 (2000 -- \$258.4m). The operating loss before goodwill amortization for the quarter ended September 30, 2001 amounted to \$1.5m (2000 – income of \$10.8m).

At OneSource, although some progress has been made in rectifying loss making districts, the overall performance has been affected by depressed gross margins and administration costs which continue to run at a higher than normal level due, in part, to the initiatives put in place to correct the billing and collection issues which arose in fiscal 2001. The reorganized payroll, billing and collections departments are operating efficiently. There was, however, a marked slowdown in cash collections immediately after September 11. This has subsequently recovered, although not quite to levels prior to the event. In an effort to improve performance, SG&A has been cut in October through selective staff reductions, which included 50 personnel from corporate headquarters and 150 in the field. In certain districts, loss making

contracts are either being renegotiated or the contracts are being terminated. In our principal janitorial area of commercial real estate cleaning, price competition and labor cost pressures are continuing to depress gross margins.

Several new contracts for janitorial services were signed during the quarter with, among others, the Federal Reserve Bank in Atlanta, Pfizer Global in Holland, Michigan and Pinnacle West Capital Corp. in Phoenix. In addition, OneSource won a contract for lawn maintenance with Accor, the hotel group that owns Motel 6 and Red Roof Inns across the US.

In the UK, second quarter revenues in cleaning and support services declined year on year, reflecting the loss of three larger contracts. However, new contracts were won in the leisure, transport and public sectors, some with start up dates not until the fourth quarter. Operating profits met target.

In manned guarding, revenues and income in the second quarter declined due to a number of contract losses. Higher minimum wage regulations have resulted in several contracts being renegotiated to cover the cost increase. Some business was lost as a result. New contracts were won in the Maritime and Aviation sectors, including several contracts with regional airlines at Manchester International Airport. A lock-on acquisition in the quarter has added a specialist in handling distribution sites for major logistics operators and retailers throughout the UK.

### **Staffing Services**

The Staffing Services division reported 9% year-on-year growth in revenues to \$58.5m (2000 -- \$53.6m) for the quarter ended September 30, 2001. However, operating income before goodwill amortization for the quarter ended September 30, 2001 declined to \$2.8m (2000 -- \$3.3m). Revenue from temporary workers showed modest organic growth over last year but permanent placement revenues fell by 20% and caused the decline. Additionally, the second quarter is seasonally quieter in the teacher supply business due to school vacations.

The acquisition of Stirling Recruitment in July has strengthened the company's presence in Southern England in the office and industrial markets.

The current economic outlook together with the negative impact of anticipated EU vacation pay rules are expected to put growth and margins under further pressure for the foreseeable future. However, our balanced income streams, including a significant presence in public services, offer some protection. We are complementing this with strict cost controls designed to maximize efficiency without damaging our infrastructure so that we are well positioned for any economic upturn as it arises.

### **Financial Services**

Financial Services reported a strong performance for the quarter ended September 30, 2001 - operating income increased 13% to \$5.4m (2000 -- \$4.8m). The results reflect a 20% increase in net interest income, driven by a 16% increase in the average loan portfolio of the Belize Bank, combined with a 12% 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 \$2.3m. Increasing demand for cellular, internet and data services is expected to continue to drive revenue growth. Hurricane Iris caused some damage to the infrastructure and temporary loss of business in southern Belize.

### **Associates**

The income from associates in the quarter ended September 30, 2001, arises from the investment in NUMAR. The decline in the quarter ended September 30, 2001 to \$1.2m (2000 -- \$2.6m) 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 September 30, 2001	3 months ended September 30, 2000	6 months ended September 30, 2001	6 months ended September 30, 2000
<b>Net sales</b>				
Facilities Services	243.8	258.4	493.8	508.5
Staffing Services	58.5	53.6	113.0	105.1
Telecommunication Services	14.9	-	29.0	-
Total net sales	317.2	312.0	635.8	613.6
<b>Operating income (loss) before goodwill amortization</b>				
Facilities Services	(1.5)	10.8	0.1	20.3
Staffing Services	2.8	3.3	6.3	6.4
Financial Services	5.4	4.8	10.7	9.4
Telecommunication Services	2.3	-	4.8	-
Corporate Overheads	(1.8)	(1.6)	(3.4)	(3.0)
Total operating income before goodwill amortization	7.2	17.3	18.5	33.1
Goodwill amortization	-	(2.2)	-	(4.4)
Operating income	7.2	15.1	18.5	28.7
Associates	1.2	2.6	1.9	4.9
Net interest expense	(1.5)	(1.8)	(3.1)	(2.9)
Income before income taxes	6.9	15.9	17.3	30.7
Income taxes	(0.9)	(1.4)	(2.1)	(2.7)
Income after income taxes	6.0	14.5	15.2	28.0
Minority interests	(0.2)	(0.2)	(0.3)	(0.4)
Net income	5.8	14.3	14.9	27.6
Earnings per ordinary share:				
Basic and diluted	\$0.10	\$0.24	\$0.25	\$0.46
Number of shares - diluted	58.9m	60.4m	58.8m	60.2m

The results for the three months and the six months ended September 30, 2001 exclude goodwill amortization with effect from April 1, 2001 and are stated before non-recurring net charges of \$0.5m. The results for the three months and the six months ended September 30, 2000 are stated before non-recurring net gains of \$0.9m.