SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

Commission file number 1-9278

CARLISLE COMPANIES INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**31-1168055** (I.R.S. Employer Identification No.)
11605 North Community House Road, Suite 600, Charlotte, North Carolina 28277 (Address of principal executive office, including zip code)	**(704) 501-1100** (Telephone Number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Shares of common stock outstanding at October 16, 2015: 65,005,401

Item 1. Financial Statements

Carlisle Companies Incorporated
Unaudited Condensed Consolidated Statements of Earnings and Comprehensive Income

(in millions except share and per share amounts)	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Net sales	**$ 973.1**	$ 904.1	**$ 2,667.0**	$ 2,414.0
Cost of goods sold	**677.6**	667.0	**1,913.1**	1,790.2
Selling and administrative expenses	**121.7**	94.4	**345.4**	282.0
Research and development expenses	**11.3**	8.6	**31.0**	25.0
Other expense (income), net	**0.7**	0.1	**1.3**	(2.5)
Earnings before interest and income taxes	**161.8**	134.0	**376.2**	319.3
Interest expense, net	**8.7**	7.7	**25.6**	23.8
Earnings before income taxes from continuing operations	**153.1**	126.3	**350.6**	295.5
Income tax expense (Note 6)	**49.5**	40.0	**112.7**	97.1
Income from continuing operations	**103.6**	86.3	**237.9**	198.4
Discontinued operations				
Loss before income taxes	**—**	(0.6)	**—**	(1.7)
Income tax benefit	**—**	(1.6)	**—**	(1.7)
Income from discontinued operations	**—**	1.0	**—**	—
Net income	**$ 103.6**	$ 87.3	**$ 237.9**	$ 198.4
Basic earnings per share attributable to common shares				
Income from continuing operations	**$ 1.59**	$ 1.34	**$ 3.64**	$ 3.07
Income from discontinued operations	**—**	0.01	**—**	—
Basic earnings per share	**$ 1.59**	$ 1.35	**$ 3.64**	$ 3.07
Diluted earnings per share attributable to common shares				
Income from continuing operations	**$ 1.56**	$ 1.31	**$ 3.58**	$ 3.01
Income from discontinued operations	**—**	0.01	**—**	—
Diluted earnings per share	**$ 1.56**	$ 1.32	**$ 3.58**	$ 3.01
Average shares outstanding - in thousands				
Basic	**64,970**	64,149	**64,952**	64,043
Diluted	**65,987**	65,447	**66,052**	65,315
Dividends declared and paid	**$ 19.6**	$ 16.2	**$ 52.7**	$ 45.0
Dividends declared and paid per share	**$ 0.30**	$ 0.25	**$ 0.80**	$ 0.69
Comprehensive Income				
Net income	**$ 103.6**	$ 87.3	**$ 237.9**	$ 198.4
Other comprehensive income (loss)				
Change in foreign currency translation	**(9.2)**	(18.1)	**(17.7)**	(16.4)
Change in accrued post-retirement benefit liability, net of tax	**0.8**	0.7	**2.4**	1.3
Loss on hedging activities, net of tax	**(0.1)**	(0.1)	**(0.3)**	(0.3)
Other comprehensive loss	**(8.5)**	(17.5)	**(15.6)**	(15.4)
Comprehensive income	**$ 95.1**	$ 69.8	**$ 222.3**	$ 183.0

See accompanying notes to Unaudited Condensed Consolidated Financial Statements

Carlisle Companies Incorporated
Condensed Consolidated Balance Sheets

(in millions except share and per share amounts)	September 30, 2015 (Unaudited)	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	**$ 354.4**	$ 730.8
Receivables, net of allowance of $5.0 in 2015 and $4.8 in 2014	**600.8**	439.2
Inventories (Note 8)	**383.8**	339.1
Deferred income taxes	**35.2**	35.4
Prepaid expenses and other current assets	**52.2**	67.0
Total current assets	**1,426.4**	1,611.5
Property, plant, and equipment, net of accumulated depreciation of $554.0 in 2015 and $513.7 in 2014 (Note 9)	**580.0**	547.3
Other assets:		
Goodwill, net (Note 10)	**1,137.2**	964.5
Other intangible assets, net (Note 10)	**906.1**	611.7
Other long-term assets	**25.9**	23.7
Total other assets	**2,069.2**	1,599.9
TOTAL ASSETS	**$ 4,075.6**	$ 3,758.7
Liabilities and Shareholders' Equity		
Current liabilities:		
Short-term debt, including current maturities (Note 12)	**$ 149.9**	$ —
Accounts payable	**267.5**	198.0
Accrued expenses	**216.9**	176.3
Deferred revenue (Note 14)	**27.3**	17.9
Total current liabilities	**661.6**	392.2
Long-term liabilities:		
Long-term debt (Note 12)	**598.7**	749.8
Deferred revenue (Note 14)	**155.9**	151.1
Other long-term liabilities (Note 16)	**295.3**	260.6
Total long-term liabilities	**1,049.9**	1,161.5
Shareholders' equity:		
Preferred stock, $1 par value per share. Authorized and unissued 5,000,000 shares	**—**	—
Common stock, $1 par value per share. Authorized 200,000,000 shares; 78,661,248 shares issued; 64,855,456 outstanding in 2015 and 64,691,059 outstanding in 2014	**78.7**	78.7
Additional paid-in capital	**284.9**	247.8
Deferred compensation equity (Note 5)	**8.4**	6.0
Cost of shares in treasury - 13,578,670 shares in 2015 and 13,723,201 shares in 2014	**(250.1)**	(200.1)
Accumulated other comprehensive loss (Note 17)	**(77.4)**	(61.8)
Retained earnings	**2,319.6**	2,134.4
Total shareholders' equity	**2,364.1**	2,205.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 4,075.6**	$ 3,758.7

See accompanying notes to Unaudited Condensed Consolidated Financial Statements

Carlisle Companies Incorporated
Unaudited Condensed Consolidated Statements of Cash Flows

(in millions)	Nine Months Ended September 30, 2015	2014
Operating activities		
Net income	**$ 237.9**	$ 198.4
Reconciliation of net income to cash flows provided by operating activities:		
Depreciation	**54.6**	47.4
Amortization	**40.8**	28.4
Non-cash compensation, net of tax benefit	**1.0**	10.3
(Gain) loss on sale of property and equipment, net	**0.4**	(1.9)
Deferred taxes	**2.3**	(0.7)
Foreign exchange (gain) loss	**0.2**	(0.3)
Changes in assets and liabilities, excluding effects of acquisitions and divestitures:		
Receivables	**(108.3)**	(152.5)
Inventories	**(6.5)**	(38.1)
Prepaid expenses and other assets	**0.6**	(2.4)
Accounts payable	**49.4**	57.8
Accrued expenses and deferred revenues	**77.4**	16.0
Long-term liabilities	**1.9**	3.1
Other operating activities	**1.2**	(0.8)
Net cash provided by operating activities	**352.9**	164.7
Investing activities		
Capital expenditures	**(48.7)**	(93.1)
Acquisitions, net of cash	**(598.9)**	—
Proceeds from sale of property and equipment	**0.1**	2.7
Proceeds from sale of business	**—**	9.7
Net cash used in investing activities	**(647.5)**	(80.7)
Financing activities		
Net change in short-term borrowings and revolving credit lines	**(1.4)**	—
Repayments of long-term debt	**(1.5)**	—
Dividends	**(52.7)**	(45.0)
Proceeds from issuance of treasury shares and stock options	**35.2**	12.7
Repurchases of common stock	**(57.9)**	—
Net cash used in financing activities	**(78.3)**	(32.3)
Effect of foreign currency exchange rate changes on cash and cash equivalents	**(3.5)**	(1.1)
Change in cash and cash equivalents	**(376.4)**	50.6
Cash and cash equivalents		
Beginning of period	**730.8**	754.5
End of period	**$ 354.4**	$ 805.1

See accompanying notes to Unaudited Condensed Consolidated Financial Statements

Carlisle Companies Incorporated
Unaudited Consolidated Statement of Shareholders' Equity
(In millions, except share and per share amounts)

	Common Stock		Additional Paid-In Capital	Deferred Compensation Equity	Accumulated Other Comprehensive Income (loss)	Retained Earnings	Shares in Treasury		Total Shareholders' Equity
	Shares	Amount					Shares	Cost	
Balance at December 31, 2013	63,658,777	$ 78.7	$ 201.1	$ 3.0	$ (31.5)	$ 1,944.3	14,761,481	$ (209.5)	$ 1,986.1
Net income		—	—	—	—	251.3		—	251.3
Other comprehensive income (loss), net of tax		—	—	—	(30.3)	—		—	(30.3)
Cash dividends - $0.94 per share		—	—	—	—	(61.2)		—	(61.2)
Stock based compensation (1)	1,032,282	—	46.7	3.0	—	—	(1,038,280)	9.4	59.1
Balance at December 31, 2014	64,691,059	78.7	247.8	6.0	(61.8)	2,134.4	13,723,201	(200.1)	2,205.0
Net income		—	—	—	—	237.9		—	237.9
Other comprehensive income (loss), net of tax		—	—	—	(15.6)	—		—	(15.6)
Cash dividends - $0.80 per share		—	—	—	—	(52.7)		—	(52.7)
Common stock repurchase		—	—	—	—	—	591,062	(57.9)	(57.9)
Stock based compensation (1)	164,397	—	37.1	2.4	—	—	(735,593)	7.9	47.4
Balance at September 30, 2015	**64,855,456**	**$ 78.7**	**$ 284.9**	**$ 8.4**	**$ (77.4)**	**$ 2,319.6**	**13,578,670**	**$ (250.1)**	**$ 2,364.1**

(1) Stock based compensation includes stock option activity, net of tax, and restricted share activity

See accompanying notes to Unaudited Condensed Consolidated Financial Statements

Notes to the Unaudited Condensed Consolidated Financial Statements

Note 1—Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by Carlisle Companies Incorporated (the "Company" or "Carlisle") in accordance and consistent with the accounting policies stated in the Company's Annual Report on Form 10-K and should be read in conjunction with the consolidated financial statements therein. The unaudited condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States and, of necessity, include some amounts that are based upon management estimates and judgments. The unaudited condensed consolidated financial statements include assets, liabilities, net sales, and expenses of all majority-owned subsidiaries. Carlisle accounts for investments in minority-owned companies where it exercises significant influence, but does not have control, on the equity basis. Intercompany transactions and balances are eliminated in consolidation.

Note 2—New Accounting Pronouncements

New Accounting Standards Issued But Not Yet Adopted

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). ASU 2014-09 outlines a single, comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance issued by the FASB, including industry specific guidance. ASU 2014-09 provides accounting guidance for all revenue arising from contracts with customers and affects all entities that enter into contracts with customers to provide goods and services. The guidance also provides a model for the measurement and recognition of gains and losses on the sale of certain nonfinancial assets, such as property and equipment, including real estate.

ASU 2014-09 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2017. The new standard must be adopted using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach.

ASU 2014-09 also requires entities to disclose both quantitative and qualitative information to enable users of the financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

We have not yet determined the impact of adopting the standard on our financial statements nor have we determined whether we will utilize the full retrospective or the modified retrospective approach.

In April 2015, the FASB issued ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015, and early adoption is permitted. The provisions of ASU 2015-03 are not expected to have a material effect on the Company's financial condition.

In August 2015, the FASB issued ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements* ("ASU 2015-15"). ASU 2015-15 expands guidance provided in ASU 2015-03 and states that presentation of costs associated with securing a revolving line of credit as an asset is permitted, regardless of whether a balance is outstanding. ASU 2015-15 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015, and early adoption is permitted. The provisions of ASU 2015-15 are not expected to have a material effect on the Company's financial condition.

In April 2015, the FASB issued ASU 2015-05, *Customer's Accounting For Fees Paid In A Cloud Computing Arrangement* ("ASU 2015-05"), which provides guidance for a customer's accounting for cloud computing costs. ASU 2015-05 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015. The provisions of ASU 2015-05 are not expected to have a material effect on the Company's financial condition, results of operations, or cash flows.

In July 2015, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory* ("ASU 2015-11"), which applies to inventory valued at first-in, first-out (FIFO) or average cost. ASU 2015-11 requires inventory to be measured at the lower of cost and net realizable value, rather than at the lower of cost or market. ASU 2015-11 is effective on a prospective basis for annual periods, including interim reporting periods within those periods, beginning after December 15, 2016. The Company reports inventory on an average-cost basis and thus will be required to adopt the standard; however, the provisions of ASU 2015-11 are not expected to have a material effect on the Company's financial condition.

In September 2015, the FASB issued ASU 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments* ("ASU 2015-16"). ASU 2015-16 eliminates the requirement to restate prior period financial statements for measurement period adjustments. The new guidance requires that the cumulative impact of a measurement period adjustment (including the impact on prior periods) be recognized in the reporting period in which the adjustment is identified. In addition, separate presentation on the face of the income statement or disclosure in the notes is required regarding the portion of the adjustment recorded in the current period earnings, by line item, that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. ASU 2015-16 is to be applied prospectively for measurement period adjustments that occur after the effective date. ASU 2015-16 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015, and early adoption is permitted. Since it is prospective, the impact of ASU 2015-16 on the Company's financial condition and earnings will depend upon the nature of any measurement period adjustments identified in future periods.

Note 3—Segment Information

The Company's operations are reported in the following segments:

Carlisle Construction Materials ("CCM" or the "Construction Materials segment") —the principal products of this segment are insulation materials, rubber (EPDM), thermoplastic polyolefin (TPO), and polyvinyl chloride (PVC) roofing membranes used predominantly on non-residential low-sloped roofs, related roofing accessories, including flashings, fasteners, sealing tapes, and coatings and waterproofing products. The markets served include new construction, re-roofing and maintenance of low-sloped roofs, water containment, HVAC sealants, and coatings and waterproofing.

Carlisle Interconnect Technologies ("CIT" or the "Interconnect Technologies segment") —the principal products of this segment are high-performance wire, cable, connectors, contacts, and cable assemblies for the transfer of power and data primarily for the aerospace, medical, defense electronics, test and measurement equipment, and select industrial markets.

Carlisle Fluid Technologies ("CFT" or the "Fluid Technologies segment") —the principal products of this segment are industrial finishing equipment and integrated system solutions for spraying, pumping, mixing, metering, and curing of a variety of coatings used in the transportation, general industrial, protective coating, wood, specialty, and auto refinishing markets.

Carlisle Brake & Friction ("CBF" or the "Brake & Friction segment") —the principal products of this segment include high-performance brakes and friction material, and clutch and transmission friction material for the construction, agriculture, mining, aerospace, and motor sports markets.

Carlisle FoodService Products ("CFSP" or the "FoodService Products segment") —the principal products of this segment include commercial and institutional foodservice permanentware, table coverings, cookware, catering equipment, fiberglass and composite material trays and dishes, industrial brooms, brushes, mops, and rotary brushes for commercial and non-commercial foodservice operators and sanitary maintenance professionals.

Corporate earnings before interest and income taxes ("EBIT") includes other unallocated costs, primarily general corporate expenses. Corporate assets consist primarily of cash and cash equivalents, deferred taxes, corporate aircraft, and other invested assets.

Financial information for continuing operations by reportable segment is included in the following summary:

Three Months Ended September 30,	**2015**		**2014**	
(in millions)	**Net Sales**	**EBIT**	**Net Sales**	**EBIT**
Carlisle Construction Materials	**$ 570.1**	**$ 115.5**	$ 589.1	$ 97.0
Carlisle Interconnect Technologies	**202.3**	**41.2**	164.4	33.9
Carlisle Fluid Technologies	**67.9**	**10.1**	—	—
Carlisle Brake & Friction	**70.7**	**0.5**	89.3	6.1
Carlisle FoodService Products	**62.1**	**7.7**	61.3	7.4
Corporate	**—**	**(13.2)**	—	(10.4)
Total	**$ 973.1**	**$ 161.8**	$ 904.1	$ 134.0

Nine Months Ended September 30, (in millions)	2015 Net Sales	2015 EBIT	2015 Assets	2014 Net Sales	2014 EBIT	2014 Assets
Carlisle Construction Materials	**$ 1,519.0**	**$ 264.3**	**$ 1,007.8**	$ 1,472.2	$ 210.0	$ 1,033.6
Carlisle Interconnect Technologies	**595.0**	**111.8**	**1,294.2**	477.5	98.7	1,042.1
Carlisle Fluid Technologies	**129.6**	**9.1**	**677.1**	—	—	—
Carlisle Brake & Friction	**242.1**	**16.8**	**579.4**	279.1	26.1	602.7
Carlisle FoodService Products	**181.3**	**20.3**	**202.7**	185.2	22.9	204.2
Corporate	**—**	**(46.1)**	**314.4**	—	(38.4)	835.8
Total	**$ 2,667.0**	**$ 376.2**	**$ 4,075.6**	$ 2,414.0	$ 319.3	$ 3,718.4

Note 4 — Acquisitions

2015 Acquisition

Finishing Brands

On April 1, 2015, the Company acquired 100% of the Finishing Brands business from Graco Inc. ("Graco") for total cash consideration of $598.9 million, net of $12.2 million cash acquired. The Company funded the acquisition with cash on hand. As of the acquisition date, the Company recorded a payable to Graco for $20.6 million representing the estimated working capital settlement. In the third quarter of 2015, the Company finalized the working capital settlement with Graco for $21.1 million in cash. The additional cash consideration paid has been allocated to goodwill. The Company has reported the results of the acquired business as a new reporting segment named Carlisle Fluid Technologies ("CFT"). CFT is a global manufacturer and supplier of finishing equipment and systems serving diverse end markets for paints and coatings, including original equipment ("OE") automotive, automotive refinishing, aerospace, agriculture, construction, marine, rail, and other industrial applications.

CFT contributed net sales of $129.6 million and earnings before interest and taxes of $9.1 million for the period from April 1, 2015 to September 30, 2015. Earnings before interest and taxes for the period from April 1, 2015 to September 30, 2015 includes $0.7 million of non-recurring acquisition-related costs related primarily to professional fees and $8.6 million of non-recurring incremental cost of goods sold related to measuring inventory at fair value. Earnings before interest and taxes for the period from April 1, 2015 to September 30, 2015 also includes $6.2 million and $2.6 million of amortization expense of customer relationships and acquired technology, respectively.

The Finishing Brands amounts included in the pro forma financial information below are based on the Finishing Brands' historical results and, therefore, may not be indicative of the actual results if operated by Carlisle. The pro forma adjustments represent management's best estimates based on information available at the time the pro forma information was prepared and may differ from the adjustments that may actually have been required. Accordingly, pro forma information should not be relied upon as being indicative of the historical results that would have been realized had the acquisition occurred as of the date indicated or that may be achieved in the future.

The unaudited combined pro forma financial information presented below includes Net sales and Income from continuing operations, net of tax, of the Company as if the business combination had occurred on January 1, 2014 based on the preliminary purchase price allocation presented below:

(in millions)	Pro Forma Three Months Ended September 30, 2015	Pro Forma Three Months Ended September 30, 2014	Pro Forma Nine Months Ended September 30, 2015	Pro Forma Nine Months Ended September 30, 2014
Net sales	**$ 973.1**	$ 970.3	**$ 2,728.2**	$ 2,614.9
Income from continuing operations	**103.6**	91.9	**250.5**	208.9

The pro forma financial information reflects adjustments to Finishing Brands' historical financial information to apply the Company's accounting policies and to reflect the additional depreciation and amortization related to the preliminary fair value adjustments of the acquired net assets, together with the associated tax effects. Also, the pro forma financial information reflects the non-recurring costs of goods sold related to the fair valuation of inventory and acquisition-related costs described above as if they occurred in the first quarter of 2014.

The following table summarizes the consideration transferred to acquire Finishing Brands and the preliminary allocation among the assets acquired and liabilities assumed. The acquisition has been accounted for using the acquisition method of accounting in accordance with ASC 805, *Business Combinations* , which requires that consideration be allocated to the acquired assets and liabilities based upon their acquisition date fair values with the remainder allocated to goodwill.

(in millions)	Preliminary Allocation As of 4/1/2015	Measurement Period Adjustments Six Months Ended 9/30/2015	Preliminary Allocation As of 9/30/2015
Total cash consideration transferred and payable	$ 610.6	$ 0.5	$ 611.1
Recognized amounts of identifiable assets acquired and liabilities assumed:			
Cash and cash equivalents	$ 12.2	$ —	$ 12.2
Receivables	57.3	—	57.3
Inventories	40.9	—	40.9
Prepaid expenses and other current assets	6.4	(0.1)	6.3
Property, plant, and equipment	41.0	(0.2)	40.8
Definite-lived intangible assets	216.0	—	216.0
Indefinite-lived intangible assets	125.0	—	125.0
Deferred income tax assets	1.9	—	1.9
Other non-current assets	3.8	—	3.8
Line of credit	(1.4)	—	(1.4)
Accounts payable	(16.3)	—	(16.3)
Income tax payable	(1.9)	—	(1.9)
Accrued expenses	(15.6)	0.3	(15.3)
Deferred income tax liabilities	(28.8)	—	(28.8)
Other non-current liabilities	(5.6)	—	(5.6)
Total identifiable net assets	434.9	—	434.9
Goodwill	$ 175.7	$ 0.5	$ 176.2

The goodwill recognized in the acquisition of Finishing Brands is attributable to its experienced workforce, the expected operational improvements through implementation of the Carlisle Operating System, opportunities for geographic and product line expansions in addition to supply chain efficiencies and other administrative opportunities, and the significant strategic value of the business to Carlisle. The Company acquired $58.8 million of gross contractual accounts receivable, of which $1.5 million is not expected to be collected. Goodwill of $134.9 million is tax deductible, primarily in the United States. All of the goodwill was assigned to the CFT reporting unit which aligns with the reportable segment. Indefinite-lived intangible assets of $125.0 million represent acquired trade names. The $216.0 million value allocated to definite-lived intangible assets consists of $186.0 million of customer relationships with a useful life of 15 years and various acquired technologies of $30.0 million with useful lives ranging from five to eight years. The Company recorded an indemnification asset of $3.0 million in Other long-term assets relating to the indemnification of Carlisle for a pre-acquisition tax liability in accordance with the purchase agreement. The Company has also recorded deferred tax liabilities related to intangible assets of approximately $28.8 million.

As additional information is obtained, adjustments may be made to the preliminary purchase price allocation. The Company is still finalizing the fair value of certain property assets, tax liabilities, and accrued expenses.

2014 Acquisition

LHi Technology

On October 1, 2014, the Company acquired 100% of the equity of LHi Technology (“LHi”) for total cash consideration of $194.0 million, net of $6.7 million cash acquired, inclusive of the working capital settlement. The Company funded the acquisition

with cash on hand. LHi is a leading designer, manufacturer and provider of cable assemblies and related interconnect components to the medical equipment and device industry. The acquisition will strengthen Carlisle's launch of its medical cable and cable assembly product line by adding new products, new customers, and complementary technologies to better serve the global healthcare market. LHi operates within the Interconnect Technologies segment.

The following table summarizes the consideration transferred to acquire LHi and the final allocation among the assets acquired and liabilities assumed. The acquisition has been accounted for using the acquisition method of accounting which requires that consideration be allocated to the acquired assets and liabilities based upon their acquisition date fair values with the remainder allocated to goodwill.

(in millions)	Preliminary Allocation As of 10/1/2014	Measurement Period Adjustments	Final Allocation As of 9/30/2015
Total cash consideration transferred	$ 200.7	$ —	$ 200.7
Recognized amounts of identifiable assets acquired and liabilities assumed:			
Cash and cash equivalents	$ 6.7	$ —	$ 6.7
Receivables	26.9	—	26.9
Inventories	17.1	—	17.1
Prepaid expenses and other current assets	2.9	—	2.9
Property, plant, and equipment	4.5	—	4.5
Definite-lived intangible assets	74.5	—	74.5
Indefinite-lived intangible assets	6.0	—	6.0
Other non-current assets	8.8	—	8.8
Accounts payable	(16.9)	—	(16.9)
Income tax payable	(0.3)	—	(0.3)
Accrued expenses	(4.9)	(1.1)	(6.0)
Net deferred tax liabilities	(16.2)	—	(16.2)
Other non-current liabilities	(20.1)	—	(20.1)
Total identifiable net assets	89.0	(1.1)	87.9
Goodwill	$ 111.7	$ 1.1	$ 112.8

The goodwill recognized in the acquisition of LHi is attributable to the workforce of LHi, the solid financial performance in the medical cable market, and the significant strategic value of the business to Carlisle. Goodwill arising from the acquisition of LHi is not deductible for income tax purposes. All of the goodwill was assigned to the Interconnect Technologies reporting unit. Indefinite-lived intangible assets of $6.0 million represent acquired trade names. The $74.5 million value allocated to definite-lived intangible assets consists of $57.0 million of customer relationships with a useful life of 15 years, $16.0 million of acquired technology with a useful life of six years, and a $1.5 million non-compete agreement with a useful life of five years. The Company recorded an indemnification asset of $8.7 million in Other long-term assets relating to the indemnification of Carlisle for certain pre-acquisition liabilities, in accordance with the purchase agreement. The Company has also recorded deferred tax liabilities related to intangible assets as of the closing date.

The Company recorded an increase to accrued expenses of $1.1 million and a corresponding increase to goodwill of $1.1 million as a measurement period adjustment.

Note 5—Stock-Based Compensation

Stock-based compensation cost is recognized over the requisite service period, which generally equals the stated vesting period, unless the stated vesting period exceeds the date upon which an employee reaches retirement eligibility. Pre-tax stock-based compensation expense in continuing operations was $4.1 million and $2.9 million for the three month periods ended September 30,

2015 and 2014, respectively, and $14.6 million and $13.6 million for the nine months ended September 30, 2015 and 2014, respectively.

Incentive Compensation Program

The Company maintains an Incentive Compensation Program (the "Program") for executives, certain other employees of the Company and its operating segments and subsidiaries, and the Company's non-employee directors. The Program was approved by shareholders on May 6, 2015. The Program allows for awards to eligible employees of stock options, restricted stock, stock appreciation rights, performance shares and units or other awards based on Company common stock. At September 30, 2015, 4,204,698 shares were available for grant under this plan, of which 1,588,163 shares were available for the issuance of stock awards.

Nonemployee Director Equity Plan

The Company also maintains the Nonemployee Director Equity Plan (the "Plan") for members of its Board of Directors, with the same terms and conditions as the Program. At September 30, 2015, 244,764 shares were available for grant under this plan of which 14,764 restricted shares were available for the issuance of stock awards. Members of the Board of Directors that receive stock-based compensation are treated as employees for accounting purposes.

Grants

For the nine months ended September 30, 2015, the Company awarded 316,345 stock options, 58,040 restricted stock awards, 58,040 performance share awards and 11,801 restricted stock units with an aggregate grant-date fair value of approximately $19.6 million to be expensed over the requisite service period for each award.

Stock Option Awards

Options issued under these plans generally vest one-third on the first anniversary of grant, one-third on the second anniversary of grant, and the remaining one-third on the third anniversary of grant. All options have a maximum term life of 10 years. Shares issued to cover options under the Program and the Plan may be issued from shares held in treasury, from new issuances of shares, or a combination of the two.

Pre-tax share-based compensation expense related to stock options was $1.5 million and $0.9 million for the three month periods ended September 30, 2015 and 2014, respectively, and $3.9 million and $3.1 million for the nine months ended September 30, 2015 and 2014, respectively.

The Company utilizes the Black-Scholes-Merton ("BSM") option pricing model to determine the fair value of its stock option awards. The BSM relies on certain assumptions to estimate an option's fair value. The weighted-average assumptions used in the determination of fair value for stock option awards in 2015 and 2014 were as follows:

	2015	2014
Expected dividend yield	**1.1%**	1.2%
Expected life in years	**5.71**	5.74
Expected volatility	**27.3%**	29.3%
Risk-free interest rate	**1.4%**	1.7%
Weighted-average fair value	**$ 21.19**	$ 19.15

The expected life of options is based on the assumption that all outstanding options will be exercised at the midpoint of the valuation date (if vested) or the vesting dates (if unvested) and the options' expiration date. The expected volatility is based on historical volatility as well as implied volatility of the Company's options. The risk-free interest rate is based on rates of U.S. Treasury issues with a remaining life equal to the expected life of the option. The expected dividend yield is based on the projected annual dividend payment per share, divided by the stock price at the date of grant.

Restricted Stock Awards

Restricted stock awarded under the Program is generally released to the recipient after a period of approximately three years. The grant date fair value of the 2015 restricted stock awards, which are released to the recipient after a period of three years, is based on the closing market price of the stock on the date of grant.

Performance Share Awards

The performance shares awarded vest based on the employee rendering three years of service to the Company, and the attainment of a market condition over the performance period, which is based on the Company's relative total shareholder return versus the S&P Midcap 400 Index® over a pre-determined time period as determined by the Compensation Committee of the Board of Directors. The grant date fair value of the 2015 performance shares was estimated using a Monte-Carlo simulation approach based on a three-year measurement period. Such approach entails the use of assumptions regarding the future performance of the Company's stock and those of the S&P Midcap 400 Index®. Those assumptions include expected volatility, risk-free interest rates, correlation coefficients, and dividend reinvestment. Dividends accrue on the performance shares during the performance period and are to be paid in cash based upon the number of awards ultimately earned. The Company expenses the compensation cost associated with the performance awards on a straight-line basis over the vesting period of approximately three years.

Restricted Stock Units

The restricted stock units awarded to eligible directors are fully vested and will be paid in shares of Company common stock after the director ceases to serve as a member of the Board, or if earlier, upon a change in control of the Company. The $90.54 grant date fair value of the 2015 restricted stock units is based on the closing market price of the stock on February 4, 2015, the date of the grant.

Deferred Compensation - Equity

Certain employees are eligible to participate in the Company's Non-qualified Deferred Compensation Plan (the "Deferred Compensation Plan"). Participants may elect to defer all or part of their stock-based compensation. Participants have elected to defer 237,261 shares of Company common stock as of September 30, 2015, and 228,047 shares as of December 31, 2014.

Note 6 —Income Taxes

The effective income tax rate on continuing operations for the nine months ended September 30, 2015 was 32.2%. The year-to-date provision for income taxes includes taxes on earnings at an anticipated rate of approximately 33% and year-to-date discrete tax benefit of $3.3 million. The year-to-date discrete tax benefit is primarily related to a state valuation allowance release discussed in detail below, a decrease in the anticipated future state income tax rate of the Company, and recognition of state attributes generated with the prior year tax filings finalized in the current quarter.

As of December 31, 2014 management believed it was more likely than not certain of the Company's state tax attributes would expire unused and a valuation allowance existed to write the assets down to the amount expected to be realized. As of each reporting date, the Company's management considers new evidence, both positive and negative, that could impact management's view with regard to the future realization of deferred tax assets. With the acquisition of the Carlisle Fluid Technologies business on April 1, 2015 the Company expects to create sufficient taxable income in certain state taxing jurisdictions so that the assertion regarding the realizability of state tax attributes has changed. As such a discrete tax benefit of $2.0 million was recorded in the second quarter of 2015 to reverse a portion of the Company's valuation allowance.

The effective tax rate on continuing operations for the nine months ended September 30, 2014 was 32.9% and included a year-to-date discrete benefit of $0.6 million.

Note 7—Earnings Per Share

The Company's restricted shares and restricted stock units contain non-forfeitable rights to dividends and, therefore, are considered participating securities for purposes of computing earnings per share pursuant to the two-class method. The computation below of earnings per share excludes the income attributable to the unvested restricted shares and restricted stock units from the numerator and excludes the dilutive impact of those underlying shares from the denominator. Stock options are included in the calculation of diluted earnings per share utilizing the treasury stock method and performance share awards are included in the calculation of diluted earnings per share considering those that are contingently issuable. Neither is considered to be a participating security as they do not contain non-forfeitable dividend rights.

The following reflects the Income from continuing operations and share data used in the basic and diluted earnings per share computations using the two-class method:

(in millions except share and per share amounts)	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Numerator:				
Income from continuing operations	**$ 103.6**	$ 86.3	**$ 237.9**	$ 198.4
Less: dividends declared - common stock outstanding, restricted shares and restricted share units	**(19.6)**	(16.2)	**(52.7)**	(45.0)
Undistributed earnings	**84.0**	70.1	**185.2**	153.4
Percent allocated to common shareholders (1)	**99.5%**	99.5%	**99.5%**	99.5%
	83.6	69.7	**184.3**	152.6
Add: dividends declared - common stock	**19.5**	16.0	**52.0**	44.2
Numerator for basic and diluted EPS	**$ 103.1**	$ 85.7	**$ 236.3**	$ 196.8
Denominator (in thousands):				
Denominator for basic EPS: weighted-average common shares outstanding	**64,970**	64,149	**64,952**	64,043
Effect of dilutive securities:				
Performance awards	**348**	306	**348**	306
Stock options	**669**	992	**752**	966
Denominator for diluted EPS: adjusted weighted-average common shares outstanding and assumed conversion	**65,987**	65,447	**66,052**	65,315
Per share income from continuing operations:				
Basic	**$ 1.59**	$ 1.34	**$ 3.64**	$ 3.07
Diluted	**$ 1.56**	$ 1.31	**$ 3.58**	$ 3.01

(1) Basic weighted-average common shares outstanding	**64,970**	64,149	**64,952**	64,043
Basic weighted-average common shares outstanding, unvested restricted shares expected to vest and restricted share units	**65,304**	64,492	**65,286**	64,386
Percent allocated to common shareholders	**99.5%**	99.5%	**99.5%**	99.5%

To calculate earnings per share for Income from discontinued operations and for Net income, the denominator for both basic and diluted earnings per share is the same as used in the above table. Income (loss) from discontinued operations and Net income were as follows:

(in millions)	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Income (loss) from discontinued operations attributable to common shareholders for basic and diluted earnings per share	**$ —**	$ 1.0	**$ —**	$ —
Net income attributable to common shareholders for basic and diluted earnings per share	**$ 103.1**	$ 86.7	**$ 236.3**	$ 196.8

Note 8 — Inventories

The components of Inventories at September 30, 2015 and December 31, 2014 were as follows:

(in millions)	September 30, 2015	December 31, 2014
Finished goods	**$ 212.4**	$ 188.1
Work-in-process	**62.5**	45.3
Raw materials	**139.1**	132.2
Reserves	**(30.2)**	(26.5)
Inventories	**$ 383.8**	$ 339.1

Note 9 — Property, Plant and Equipment

The components of Property, plant and equipment at September 30, 2015 and December 31, 2014 were as follows:

(in millions)	September 30, 2015	December 31, 2014
Land	**$ 59.2**	$ 37.1
Buildings and leasehold improvements	**317.5**	284.6
Machinery and equipment	**725.8**	690.7
Projects in progress	**31.5**	48.6
	1,134.0	1,061.0
Accumulated depreciation	**(554.0)**	(513.7)
Property, plant, and equipment, net	**$ 580.0**	$ 547.3

Note 10 — Goodwill and Other Intangible Assets

The changes in the carrying amount of Goodwill, net for the nine months ended September 30, 2015 were as follows:

(in millions)	Construction Materials	Interconnect Technologies	Fluid Technologies	Brake and Friction	FoodService Products	Total
Gross balance at January 1, 2015	$ 123.3	$ 554.3	$ —	$ 226.6	$ 60.3	$ 964.5
Goodwill acquired during year (1)	—	—	175.7	—	—	175.7
Measurement period adjustments	—	1.1	0.5	—	—	1.6
Currency translation	(3.4)	—	(1.2)	—	—	(4.6)
Net balance at September 30, 2015	**$ 119.9**	**$ 555.4**	**$ 175.0**	**$ 226.6**	**$ 60.3**	**$ 1,137.2**

(1) See Note 4 for further information on goodwill resulting from recent acquisitions.

The Company's Other intangible assets, net at September 30, 2015, were as follows:

(in millions)	Acquired Cost	Accumulated Amortization	Net Book Value
Assets subject to amortization:			
Intellectual property	$ 174.5	$ (48.3)	$ 126.2
Customer relationships	676.6	(150.4)	526.2
Other	20.7	(13.1)	7.6
Assets not subject to amortization:			
Trade names	246.1	—	246.1
Other intangible assets, net	**$ 1,117.9**	**$ (211.8)**	**$ 906.1**

The Company's Other intangible assets, net at December 31, 2014, were as follows:

(in millions)	Acquired Cost	Accumulated Amortization	Net Book Value
Assets subject to amortization:			
Intellectual property	$ 146.6	$ (37.8)	$ 108.8
Customer relationships	494.6	(122.3)	372.3
Other	20.6	(12.1)	8.5
Assets not subject to amortization:			
Trade names	122.1	—	122.1
Other intangible assets, net	**$ 783.9**	**$ (172.2)**	**$ 611.7**

Estimated amortization expense for the remainder of 2015 and the next four years is as follows: $15.0 million remaining in 2015, $58.8 million in 2016, $58.0 million in 2017, $58.0 million in 2018, and $57.9 million in 2019.

The net carrying values of the Company's Other intangible assets by reportable segment were as follows:

(in millions)	September 30, 2015	December 31, 2014
Carlisle Construction Materials	**$ 63.6**	$ 72.3
Carlisle Interconnect Technologies	**364.7**	386.6
Carlisle Fluid Technologies	**331.4**	—
Carlisle Brake & Friction	**118.8**	123.5
Carlisle FoodService Products	**27.6**	29.3
Total	**$ 906.1**	$ 611.7

The most recent annual goodwill impairment test was performed for all reporting units as of October 1, 2014. The Company also performs Step 1 of the goodwill impairment test on an interim basis upon the occurrence of events or substantive changes in circumstances that indicate that a reporting unit's carrying value may be less than its fair value.

The CBF reporting unit's goodwill as of September 30, 2015 and December 31, 2014 was $226.6 million. The Company determined through ongoing monitoring that due to various factors it was appropriate to perform Step 1 of the goodwill impairment test as of September 30, 2015. Consistent with the policy described in the 2014 Form 10-K, the Company performed Step 1 of the goodwill impairment test using a discounted cash flow analysis to estimate the fair value of the CBF reporting unit and concluded that its fair value continues to exceed its carrying value.

The Company also evaluated the indefinite-lived intangible assets, primarily trademarks and trade names with a carrying value of $53.5 million, associated with the CBF reporting unit for impairment as of September 30, 2015. The analysis did not result in an impairment of CBF's trade names as their estimated fair value exceeded their carrying value.

As noted above, the Company believes that the facts and circumstances as of September 30, 2015, indicate that no impairment exists with respect to CBF's goodwill and other indefinite-lived intangible assets. If the estimates of recovery in CBF's end markets do not materialize as expected and/or the U.S. Dollar continues to strengthen and therefore results continue to be lower than anticipated, an impairment loss may be recorded.

Note 11—Commitments and Contingencies

Leases

The Company currently leases a portion of its manufacturing facilities, distribution centers, and equipment, some of which include scheduled rent increases stated in the lease agreement generally expressed as a stated percentage increase of the minimum lease payment over the lease term. The Company currently has no leases that require rent to be paid based on contingent events nor has it received any lease incentive payments. Rent expense was $19.3 million and $17.6 million for the nine months ended September 30, 2015 and 2014, respectively, inclusive of rent based on scheduled rent increases and rent holidays recognized on a straight-line basis. Future minimum payments under the Company's various non-cancelable operating leases are approximately $4.4 million for the remainder of 2015, $16.1 million in 2016, $12.8 million in 2017, $10.7 million in 2018, $8.3 million in 2019, and $12.3 million thereafter.

Workers' Compensation Claims and Related Losses

The Company has accrued approximately $21.4 million and $23.5 million related to workers' compensation claims at September 30, 2015 and December 31, 2014, respectively. At September 30, 2015, $6.7 million and $14.7 million are included in Accrued expenses and Other long-term liabilities, respectively, and at December 31, 2014, $7.8 million and $15.7 million were included in Accrued expenses and Other long-term liabilities, respectively, in the Condensed Consolidated Balance Sheet. Workers' compensation obligations related to former employees associated with the Transportation Products business and arising prior to the sale of the Transportation Products business have been retained by the Company, and the Company is obligated to pay the related claims until they are extinguished or otherwise settled. The Company will not be held liable for any workers' compensation claims related to the former Transportation Products business incurred after December 31, 2013. The liability related to workers' compensation claims, both those reported to the Company and those incurred but not yet reported, is estimated based on actuarial estimates and loss development factors and the Company's historical loss experience.

The Company maintains occurrence-based insurance coverage with certain insurance carriers in accordance with its risk management practices that provides for reimbursement of workers' compensation claims in excess of $0.5 million. The Company records a recovery receivable from the insurance carriers when such recovery is deemed probable based on the nature of the claim and history of recoveries. At September 30, 2015, the Company did not have any recovery receivables recorded for workers' compensation claims.

Litigation

Over the years, the Company has been named as a defendant, along with numerous other defendants, in lawsuits in various state courts in which plaintiffs have alleged injury due to exposure to asbestos-containing brakes, which Carlisle manufactured in limited amounts between the late-1940s and the mid-1980s. In addition to compensatory awards, these lawsuits may also seek punitive damages.

Generally, the Company has obtained dismissals or settlements of its asbestos-related lawsuits with no material effect on its financial condition, results of operations or cash flows. The Company maintains insurance coverage that applies to the Company's defense costs and payments of settlements or judgments in connection with asbestos-related lawsuits.

At this time, the amount of reasonably possible additional asbestos claims, if any, is not material to the Company's financial position, results of operations or operating cash flows although these matters could result in the Company being subject to monetary damages, costs or expenses, and charges against earnings in particular periods.

The Company may occasionally be involved in various other legal actions arising in the normal course of business. In the opinion of management, the ultimate outcome of such actions, either individually or in the aggregate, will not have a material adverse effect on the consolidated financial position, results of operations for a particular period or annual operating cash flows of the Company.

Environmental Matters

The Company is subject to increasingly stringent environmental laws and regulations, including those relating to air emissions, wastewater discharges, chemical and hazardous waste management and disposal. Some of these environmental laws hold owners or operators of land or businesses liable for their own and for previous owners' or operators' releases of hazardous or toxic substances or wastes. Other environmental laws and regulations require the obtainment of and compliance with environmental permits. To date, costs of complying with environmental, health, and safety requirements have not been material and we do not currently have any significant accruals related to potential future costs of environmental remediation as of September 30, 2015, nor do we have an asset retirement obligation recorded as of that date. However, the nature of the Company's operations and its long history of industrial activities at certain of its current or former facilities, as well as those acquired, could potentially result in material environmental liabilities or asset retirement modifications.

While the Company must comply with existing and pending climate change legislation, regulation, international treaties or accords, current laws and regulations do not have a material impact on its business, capital expenditures or financial position. Future events, including those relating to climate change or greenhouse gas regulation, could require the Company to incur expenses related to the modification or curtailment of operations, installation of pollution control equipment, or investigation and cleanup of contaminated sites.

Note 12 — Borrowings

As of September 30, 2015 and December 31, 2014 the Company's borrowings were as follows:

(in millions)	September 30, 2015	December 31, 2014
3.75% notes due 2022, net of unamortized discount of ($0.8) and ($0.9), respectively	**$ 349.2**	$ 349.1
5.125% notes due 2020, net of unamortized discount of ($0.6) and ($0.7), respectively	**249.4**	249.3
6.125% notes due 2016, net of unamortized discount of ($0.1) and ($0.2), respectively	**149.9**	149.8
Revolving credit facility	**—**	—
Industrial development and revenue bonds	**—**	1.5
Other, including capital lease obligations	**0.1**	0.1
Total long-term debt	**748.6**	749.8
Less 6.125% notes due 2016 classified as current	**(149.9)**	—
Total long-term debt, net of current portion	**$ 598.7**	$ 749.8

Revolving Credit Facilities

As of September 30, 2015, the Company had $600.0 million available under its Third Amended and Restated Credit Agreement (the "Amended Credit Agreement") administered by JPMorgan Chase Bank, N.A. During the nine months ended September 30, 2015 and 2014, there were no borrowings under the revolving credit facility.

Uncommitted Line of Credit

The Company also maintains an uncommitted line of credit of which $45.0 million was available for borrowing as of September 30, 2015 and December 31, 2014. During the nine months ended September 30, 2015 and 2014, there were no borrowings under the uncommitted line of credit.

Industrial Development and Revenue Bonds

The industrial development and revenue bonds were collateralized by letters of credit, Company guarantees, and/or by the facilities and equipment acquired through the proceeds of the related bond issuances. The Company repaid the remaining $1.5 million of the outstanding principal on the industrial development and revenue bonds during the second quarter of 2015.

Covenants and Limitations

Under the Company's debt and credit facilities, the Company is required to meet various restrictive covenants and limitations, including limitations on certain leverage ratios, interest coverage and limits on outstanding debt balances held by certain subsidiaries. The Company was in compliance with all covenants and limitations as of September 30, 2015 and December 31, 2014.

Other Matters

At September 30, 2015, the fair value of the Company's par value $350 million, 3.75% senior notes due 2022, $250 million, 5.125% senior notes due 2020, and par value $150 million, 6.125% senior notes due 2016, using Level 2 inputs in the fair value hierarchy, was approximately $351.5 million, $272.6 million and $154.7 million, respectively. Fair value is estimated based on current yield rates plus the Company's estimated credit spread available for financings with similar terms and maturities.

Note 13—Retirement Plans

Defined Benefit Plans

The Company maintains defined benefit retirement plans for certain domestic employees. Benefits are based primarily on years of service and earnings of the employee. The Company recognizes the funded status of its defined benefit plans in the Condensed Consolidated Balance Sheets. The funded status is the difference between the retirement plans' projected benefit obligation and the fair value of the retirement plans' assets as of the measurement date.

Components of net periodic benefit cost were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions)	**2015**	**2014**	**2015**	**2014**
Service cost	**$ 0.9**	$ 0.9	**$ 2.8**	$ 2.7
Interest cost	**1.8**	1.9	**5.3**	5.8
Expected return on plan assets	**(2.6)**	(2.6)	**(7.8)**	(8.0)
Amortization of unrecognized loss	**1.3**	1.1	**3.9**	3.2
Net periodic benefit cost	**$ 1.4**	$ 1.3	**$ 4.2**	$ 3.7

The Company made no contributions to the pension plans during the nine months ended September 30, 2015. No minimum contributions to the pension plans are required in 2015. In light of the plans' funded status, the Company does not expect to make discretionary contributions to its pension plans in 2015.

During 2015, the Company expects to pay approximately $1.0 million in participant benefits under the non-funded executive supplemental and director plans.

Defined Contribution Plans

The Company maintains defined contribution plans covering a significant portion of its employees. Expenses for the plans were $2.9 million and $2.8 million for the three months ended September 30, 2015 and 2014, respectively, and $9.4 million and $8.4 million for the nine months ended September 30, 2015 and 2014, respectively.

Employee Stock Ownership Plan

The Company sponsors an employee stock ownership plan ("ESOP") as part of one of its existing savings plans. Costs for the ESOP are included in the defined contribution plans noted above. The ESOP is available to eligible domestic employees and includes a match of contributions made by plan participants to the savings plan up to a maximum of 4.0% of a participant's eligible compensation, divided between cash and an employee-directed election of the Company's common stock, not to exceed 50% of the total match. Participants are not allowed to direct savings plan contributions to an investment in the Company's common stock. Total shares held by the ESOP were 1.3 million at September 30, 2015 and 1.4 million December 31, 2014.

Note 14— Deferred Revenue and Extended Product Warranties

Deferred revenue consists primarily of unearned revenue related to separately priced extended warranty contracts on sales of certain products, the most significant being those offered on its installed roofing systems within the Construction Materials segment.

Roofing Systems Deferred Revenue

The amount of revenue recognized related to extended product warranties covering roofing systems was $4.7 million and $4.9 million for the three month periods ended September 30, 2015 and 2014, respectively, and $13.8 million and $13.4 million for the nine month periods ended September 30, 2015 and 2014, respectively. Deferred revenue recognized in the Condensed Consolidated Balance Sheets includes the following related to roofing systems extended product warranty contracts:

(in millions)	September 30, 2015	December 31, 2014
Deferred revenue		
Current	**$ 17.7**	$ 17.5
Long-term	**155.8**	150.7
Deferred revenue liability	**$ 173.5**	$ 168.2

Expected costs of services to be performed under extended product warranty contracts are actuarially determined. Any expected costs in excess of deferred revenue are recognized within Accrued expenses.

Other Deferred Revenue

Other deferred revenue recognized in the Condensed Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014, primarily related to contracts on systems sales within the Fluid Technologies segment, was as follows:

(in millions)	September 30, 2015	December 31, 2014
Deferred revenue		
Current	**$ 9.6**	$ 0.4
Long-term	**0.1**	0.4
Deferred revenue liability	**$ 9.7**	$ 0.8

Note 15—Standard Product Warranties

The Company offers various warranty programs on its products included in the price of its products, primarily for certain installed roofing systems, high-performance cables and assemblies, fluid technologies, braking products, and foodservice equipment. The Company's liability for such warranty programs is included in Accrued expenses. The change in the Company's product warranty liabilities for the nine months ended September 30 was as follows:

(in millions)	2015	2014
Balance at January 1	**$ 15.2**	$ 14.3
Current year provision	**18.9**	15.7
Acquired warranty obligation	**1.1**	—
Current year claims	**(13.2)**	(14.1)
Balance at September 30	**$ 22.0**	$ 15.9

Note 16—Other Long-Term Liabilities

The components of Other long-term liabilities were as follows:

(in millions)	September 30, 2015	December 31, 2014
Deferred taxes and other tax liabilities	**$ 226.2**	$ 195.4
Pension and other post-retirement obligations	**27.3**	24.8
Long-term workers' compensation	**14.7**	15.7
Deferred compensation	**16.3**	14.0
Other	**10.8**	10.7
Other long-term liabilities	**$ 295.3**	$ 260.6

Note 17—Accumulated Other Comprehensive Income (Loss)

The changes in Accumulated other comprehensive income (loss) by component for the three months ended September 30, 2015 were as follows:

(in millions)	Accrued post-retirement benefit liability(1)	Foreign currency translation	Hedging activities(2)	Total
Balance at June 30, 2015	$ (30.4)	$ (38.9)	$ 0.4	$ (68.9)
Other comprehensive loss before reclassifications	—	(9.2)	—	(9.2)
Amounts reclassified from accumulated other comprehensive loss	1.3	—	(0.2)	1.1
Income tax benefit (expense)	(0.5)	—	0.1	(0.4)
Net other comprehensive income (loss)	0.8	(9.2)	(0.1)	(8.5)
Balance at September 30, 2015	**$ (29.6)**	**$ (48.1)**	**$ 0.3**	**$ (77.4)**

The changes in Accumulated other comprehensive income (loss) by component for the three months ended September 30, 2014 were as follows:

(in millions)	Accrued post-retirement benefit liability(1)	Foreign currency translation	Hedging activities(2)	Total
Balance at June 30, 2014	$ (27.6)	$ (2.6)	$ 0.8	$ (29.4)
Other comprehensive loss before reclassifications	—	(18.1)	—	(18.1)
Amounts reclassified from accumulated other comprehensive loss	1.1	—	(0.2)	0.9
Income tax benefit (expense)	(0.4)	—	0.1	(0.3)
Net other comprehensive income (loss)	0.7	(18.1)	(0.1)	(17.5)
Balance at September 30, 2014	$ (26.9)	$ (20.7)	$ 0.7	$ (46.9)

(1) Current period amounts related to accrued post-retirement benefit liability are related to amortization of unrecognized actuarial gains and losses which is included in net periodic benefit cost for pension and other post-retirement welfare plans. See Note 13.

(2) Current period amounts related to hedging activities are a reduction to interest expense. See Note 18 in the Company's 2014 Annual Report on Form 10-K for more information.

The changes in Accumulated other comprehensive income (loss) by component for the nine months ended September 30, 2015 were as follows:

(in millions)	Accrued post-retirement benefit liability(1)	Foreign currency translation	Hedging activities(2)	Total
Balance at December 31, 2014	$ (32.0)	$ (30.4)	$ 0.6	$ (61.8)
Other comprehensive loss before reclassifications	—	(17.7)	—	(17.7)
Amounts reclassified from accumulated other comprehensive loss	3.9	—	(0.4)	3.5
Income tax benefit (expense)	(1.5)	—	0.1	(1.4)
Net other comprehensive income (loss)	2.4	(17.7)	(0.3)	(15.6)
Balance at September 30, 2015	**$ (29.6)**	**$ (48.1)**	**$ 0.3**	**$ (77.4)**

The changes in Accumulated other comprehensive income (loss) by component for the nine months ended September 30, 2014 were as follows:

(in millions)	Accrued post-retirement benefit liability(1)	Foreign currency translation	Hedging activities(2)	Total
Balance at December 31, 2013	$ (28.2)	$ (4.3)	$ 1.0	$ (31.5)
Other comprehensive loss before reclassifications	(0.6)	(16.4)	—	(17.0)
Amounts reclassified from accumulated other comprehensive loss	3.1	—	(0.5)	2.6
Income tax benefit (expense)	(1.2)	—	0.2	(1.0)
Net other comprehensive income (loss)	1.3	(16.4)	(0.3)	(15.4)
Balance at September 30, 2014	$ (26.9)	$ (20.7)	$ 0.7	$ (46.9)

(1) Current period amounts related to accrued post-retirement benefit liability are related to amortization of unrecognized actuarial gains and losses which is included in net periodic benefit cost for pension and other post-retirement welfare plans. See Note 13.

(2) Current period amounts related to hedging activities are a reduction to interest expense. See Note 18 in the Company's 2014 Annual Report on Form 10-K for more information.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Overview

Carlisle Companies Incorporated ("Carlisle", the "Company", "we", "us" or "our") is a diversified manufacturing company focused on achieving profitable growth organically through new product development, product line extensions, entering new markets and externally through acquisitions that complement our existing technologies, products and market channels. We manage our businesses under the following segments:

- **Carlisle Construction Materials ("CCM" or the "Construction Materials segment");**
- **Carlisle Interconnect Technologies ("CIT" or the "Interconnect Technologies segment");**
- **Carlisle Fluid Technologies ("CFT" or the "Fluid Technologies segment");**
- **Carlisle Brake & Friction ("CBF" or the "Brake & Friction segment"); and**
- **Carlisle FoodService Products ("CFSP" or the "FoodService Products segment").**

We are a multi-national company with manufacturing operations located throughout North America, Western Europe, and the Asia Pacific region. Management focuses on maintaining a strong and flexible balance sheet, year-over-year improvement in sales, earnings before interest and income taxes ("EBIT") margins and net earnings, globalization, and reducing working capital (defined as receivables, inventories, net of accounts payable) as a percentage of net sales. Resources are allocated among the operating companies based on management's assessment of their ability to obtain leadership positions and competitive advantages in the markets they serve.

We use the Carlisle Operating System (''COS''), a manufacturing structure and strategy deployment system based on lean enterprise and six sigma principles, to drive operational improvements. COS is a continuous improvement process that defines the way we do business. Waste is eliminated and efficiencies improved enterprise wide, allowing us to increase overall profitability. Improvements are not limited to production areas, as COS is also driving improvements in new product innovation, engineering, supply chain management, warranty, and product rationalization. COS has created a culture of continuous improvement across all aspects of the Company's business operations.

We have a long-standing acquisition strategy. Traditionally, we have focused on acquiring new businesses that can be added to existing operations, or ''bolt-ons." In addition, we consider acquiring new businesses that can operate independently from other Carlisle companies. Factors we consider in making an acquisition include technology, customer dispersion, operating capabilities, growth potential and consolidation opportunities. We have also pursued the sale of operating divisions when it is determined they no longer fit within the Company's long-term goals or strategy.

On April 1, 2015, the Company acquired 100% of the Finishing Brands business from Graco Inc. ("Graco") for total cash consideration of $598.9 million, net of $12.2 million cash acquired. The Company funded the acquisition with cash on hand. As of the acquisition date, the Company recorded a payable to Graco for $20.6 million representing the estimated working capital settlement. In the third quarter of 2015, the Company finalized the working capital settlement with Graco for $21.1 million in cash. The additional cash consideration paid has been allocated to goodwill. The Company has reported the results of the acquired business as a new reporting segment named Carlisle Fluid Technologies. CFT is a global manufacturer and supplier of finishing equipment and systems serving diverse end markets for paints and coatings, including original equipment ("OE") automotive, automotive refinishing, aerospace, agriculture, construction, marine, rail, and other industrial applications. From the period beginning April 1, 2015 through September 30, 2015, the CFT has contributed net sales of $129.6 million and EBIT of $9.1 million.

For a more in-depth discussion of the results discussed in this "Executive Overview", please refer to the discussion on "Financial Reporting Segments" presented later in "Management's Discussion and Analysis of Financial Condition and Results of Operations".

In the third quarter 2015, net sales increased 7.6% to $973.1 million, compared to $904.1 million for the prior year period. The acquisitions of Finishing Brands, reported in the Fluid Technologies segment, and LHi Technology ("LHi"), reported in the Interconnect Technologies segment, contributed 10.4% to net sales in the third quarter. Organic net sales (defined as net sales excluding sales from acquisition within the last twelve months, as well as the impact of changes in foreign exchange rates) declined by 1.0% in the third quarter. Contributing to the decline in the third quarter was an organic net sales decline at Construction Materials of 1.2%. In addition, the Brake & Friction segment experienced a net organic sales decline of 16% on further downturn in its key

markets of agriculture, construction and mining. Partially offsetting this was higher organic net sales growth at Interconnect Technologies of 7.4%. Fluctuations in foreign currency exchange rates negatively impacted net sales by 1.8% in the third quarter of 2015 versus the prior year.

For the third quarter of 2015, EBIT grew 21% to $161.8 million, reflecting lower raw material costs, primarily at Construction Materials, contribution from acquisitions, and lower labor and material usage costs from the Carlisle Operating System. EBIT margin in the third quarter 2015 increased 180 basis points to 16.6%, primarily reflecting lower raw material costs and savings from the Carlisle Operating System. Income from continuing operations, net of tax, increased 20% in the third quarter of 2015 to $103.6 million from $86.3 million in the third quarter of 2014, primarily due to higher EBIT in 2015 driven by the above factors.

For the nine months ended September 30, 2015, net sales increased 10.5% to $2.67 billion, compared to $2.41 billion for the same period in 2014, reflecting organic net sales growth of 3.9% and acquisition growth of 8.6%, partially offset by the negative impact of foreign exchange fluctuations of 2.0%. Organic net sales growth was led by organic net sales growth of 8.3% at Interconnect Technologies and 5.3% at Construction Materials. This increase was partially offset by lower organic net sales at Brake & Friction and FoodService Products.

For the first nine months of 2015, EBIT grew 18% reflecting lower raw material costs, higher sales volume, lower labor and material usage costs from the Carlisle Operating System, and contribution from acquisitions, partially offset by lower selling price. Included in EBIT for the first nine months of 2015 was $10.7 million in non-recurring acquisition related costs. Income from continuing operations, net of tax, of $237.9 million increased 20% in the first nine months of 2015 from income of $198.4 million in the first nine months of 2014. The increase was due to higher EBIT driven by the aforementioned factors.

For the full year 2015, we expect low-to-mid single digit percent organic net sales growth driven by organic net sales growth in the Interconnect Technologies and Construction Materials segments. Partially offsetting this is lower sales performance at Brake & Friction. We expect the acquisitions of LHi and Finishing Brands will contribute between 8% and 9% to our overall sales in 2015. For the full year 2015, excluding the impact of the new Fluid Technologies segment, the impact of the stronger U.S. Dollar is expected to reduce our sales by approximately 1.8% versus the prior year based on foreign exchange rates as of September 30, 2015.

For the full year 2015, we expect EBIT growth over 2014 from lower cost materials primarily at Construction Materials, organic net sales growth, lower labor and material usage costs from the Carlisle Operating System, and contributions from acquisitions. We expect to achieve EBIT margin improvement from lower raw material costs and lower labor and material usage costs from the Carlisle Operating System. Based on exchange rates as of September 30, 2015, the impact of the stronger U.S. Dollar is expected to negatively impact EBIT by approximately $14 million. In future periods, the acquisitions of LHi and the Finishing Brands business are expected to provide further growth and EBIT margin expansion to Carlisle due to the growth prospects for each of their respective markets and the highly-engineered content of their product offerings.

Net Sales

(in millions)	Three Months Ended September 30, 2015	2014	Change	Acquisition Effect	Volume Effect	Price Effect	Exchange Rate Effect
Net sales	**$ 973.1**	$ 904.1	7.6%	10.4%	0.6%	(1.6)%	(1.8)%

(in millions)	Nine Months Ended September 30, 2015	2014	Change	Acquisition Effect	Volume Effect	Price Effect	Exchange Rate Effect
Net sales	**$ 2,667.0**	$ 2,414.0	10.5%	8.6%	5.1%	(1.2)%	(2.0)%

For the third quarter of 2015, organic net sales decreased 1.0% reflecting 1.6% lower selling price, offset by 0.6% higher net sales volume. The decrease in selling price was primarily due to lower price at Interconnect Technologies and Construction Materials, and higher selling price incentives at Foodservice Products related to changes in customer mix. Higher net sales volume was led by growth at Interconnect Technologies, which achieved higher net sales in its aerospace and military markets. Net sales growth at Construction Materials was relatively level to the prior year due to slower growth in the commercial construction market and Construction Material's efforts to maintain selling price levels. Net sales at Brake & Friction declined organically by 16% due to continued weakness in its key markets of construction, agriculture and mining, which all experienced double digit net sales declines. Acquisitions contributed $93.8 million, or 10.4%, to sales in the third quarter comprised of $67.9 million in sales at Fluid Technologies and $25.9 million from the acquisition of LHi reported in the Interconnect Technologies segment. The negative 1.8% impact from fluctuations in foreign exchange was primarily attributable to the weaker Euro and Canadian Dollar versus the U.S.

Dollar impacting the Construction Materials segment and the weaker Euro and British pound versus the U.S. Dollar impacting the Brake & Friction segment.

For the first nine months of 2015, organic net sales growth was driven by stronger demand at Interconnect Technologies and Construction Materials. Acquisitions contributed $208.6 million, or 8.6%, to net sales in the first nine months of 2015, comprised of $129.6 million in net sales at Fluid Technologies and $79.0 million in net sales from the acquisition of LHi reported in the Interconnect Technologies segment.

We have a long-term goal of achieving 30% of total net sales from outside the United States. Total sales to customers located outside the United States increased 17 % from $587.3 million in the first nine months of 2014, or 24.3% of net sales, to $689.0 million in the first nine months of 2015, or 25.8% of net sales. The increase in global sales was primarily driven by contribution from the acquisition of LHi reported in Interconnect Technologies of $20.0 million, and contribution from Finishing Brands reported in the Fluid Technologies segment of $75.2 million. The increase in net sales to customers outside the United States also reflects higher organic net sales at Interconnect Technologies. These increases were partially offset by the negative impact of foreign exchange fluctuations primarily at Construction Materials and Brake & Friction and lower net sales volume at Brake & Friction and Foodservice Products.

Gross Margin

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in millions)	2015	2014	Change	2015	2014	Change
Gross profit	**$ 295.5**	$ 237.1	24.6%	**$ 753.9**	$ 623.8	20.9%
Gross margin	**30.4%**	26.2%		**28.3%**	25.8%	

For the third quarter of 2015, gross margin (gross profit expressed as a percentage of net sales) increased 420 basis points versus the prior year period due to lower raw material costs at Construction Materials, reduction in material usage and labor costs driven by COS, and the non-recurrence from the prior year of $2.0 million in plant startup costs at Construction Materials. These positive impacts were partially offset by lower selling price.

The increase in gross margin for the first nine months of 2015 versus the prior year was similarly impacted by the above noted factors. Included in cost of goods sold for the first nine months of 2015 was $8.6 million in additional cost of goods sold from the acquisition of Finishing Brands reported in the Fluid Technologies segment resulting from recording acquired inventory at fair value. Included in cost of goods sold for the first nine months of 2014 was $5.6 million in plant startup costs at Construction Materials.

Selling and Administrative Expenses

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in millions)	2015	2014	Change	2015	2014	Change
Selling and administrative expenses	**$ 121.7**	$ 94.4	28.9%	**$ 345.4**	$ 282.0	22.5%
As a percentage of net sales	**12.5%**	10.4%		**13.0%**	11.7%	

Selling and administrative expense as a percentage of net sales increased 210 basis points to 12.5% as a result of the Fluid Technologies segment having a higher ratio of selling and administrative expense to net sales versus the other segments, in part due to the amortized cost of acquired intangible assets. The increase in selling and administrative expenses in the third quarter of 2015 of $27.3 million included $21.4 million of expenses from acquired operations. Selling and administrative expenses also increased from higher staffing and performance-based incentive compensation costs at Construction Materials, $1.1 million in severance expense at Brake & Friction, and increased Corporate expenses. These increased expenses were partially offset by lower selling and administrative expense costs at Brake & Friction due to lower net sales volume and cost reduction efforts.

Selling and administrative expenses in the first nine months of 2015 as a percentage of sales were similarly impacted by the above noted factors as well as higher selling expense at Interconnect Technologies. The increase in selling and administrative expenses in the first nine months of 2015 of $63.4 million included $47.4 million of expense from acquired operations. During the nine months ended September 30, 2015, the company incurred $2.1 million in transaction costs related to the Finishing Brands

acquisition, of which $0.7 million was allocated to the Fluid Technologies segment and the remaining $1.4 million incurred at Corporate.

Research and Development Expenses

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
Research and development expenses	**$ 11.3**	$ 8.6	31.4%	**$ 31.0**	$ 25.0	24.0%
As a percentage of net sales	**1.2%**	1.0%		**1.2%**	1.0%	

The increase in research and development expenses during the three and nine months ended September 30, 2015 reflected increased activities related to new product development. Acquired operations added $1.4 million and $2.8 million in research and development expenses to the three and nine month periods ended September 30, 2015, respectively.

Other Expense (Income), net

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
Other expense (income), net	**$ 0.7**	$ 0.1	(600.0)%	**$ 1.3**	$ (2.5)	152.0%
As a percentage of net sales	**0.1%**	0.0%		**0.0%**	(0.1)%	

Other expense, net in the three and nine months ended September 30, 2015 primarily reflects foreign exchange losses. Other income, net in the nine months ended September 30, 2014 primarily reflects receipt of $0.9 million in final settlement proceeds at Interconnect Technologies, related to the Thermax acquisition, and a $1.1 million gain at FoodService Products on the sale of its exited property in The Netherlands.

EBIT (Earnings Before Interest and Taxes)

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
EBIT	**$ 161.8**	$ 134.0	20.7%	**$ 376.2**	$ 319.3	17.8%
EBIT Margin	**16.6%**	14.8%		**14.1%**	13.2%	

EBIT growth in the third quarter of 2015 versus the prior year was primarily attributable to lower raw material costs primarily at Construction Materials, reduction in material usage and labor costs driven by COS, and contribution from acquisitions. These positive impacts were partially offset by the negative impacts of lower selling price and foreign exchange fluctuations. The LHi acquisition in Interconnect Technologies contributed EBIT of $3.4 million. The Finishing Brands acquisition reported in the Fluid Technologies segment contributed EBIT of $10.1 million. These positive impacts were partially offset by lower selling price and lower performance at Brake & Friction.

EBIT margin increased 180 basis points to 16.6% in the third quarter of 2015 primarily driven by lower per unit costs resulting from lower raw material costs, as well as a reduction in material usage and labor costs driven by COS.

The increase in EBIT for the first nine months of 2015 versus the prior year was similarly impacted by the factors mentioned above. The LHi acquisition in Interconnect Technologies contributed $7.8 million to EBIT in the first nine months of 2015. The Finishing Brands acquisition reported in the Fluid Technologies segment contributed EBIT of $9.1 million. Included in Fluid Technologies EBIT contribution of $9.1 million was $9.3 million in acquisition related expenses, consisting of $8.6 million in additional cost of goods sold resulting from the fair valuation of acquired inventory and $0.7 million in transaction costs. Also included in our overall EBIT for the first nine months of 2015 was $1.4 million in transaction costs recorded at Corporate for the Finishing Brands acquisition. By comparison, included in EBIT for the first nine months of 2014 was $5.6 million in plant startup expenses at Construction Materials.

Interest Expense

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
Interest expense	**$ 8.8**	$ 8.1		**$ 26.1**	$ 24.9	
Interest income	**(0.1)**	(0.4)		**(0.5)**	(1.1)	
Interest expense, net	**$ 8.7**	$ 7.7	13.0%	**$ 25.6**	$ 23.8	7.6%

The increase in net interest expense in the three and nine month periods ending September 30, 2015 versus the prior year primarily reflects a reduction in interest capitalized into property, plant and equipment in 2015 versus 2014 and lower interest income as a result of lower cash on hand in 2015 versus 2014.

Income Taxes

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
Income tax expense	**$ 49.5**	$ 40.0	23.8%	**$ 112.7**	$ 97.1	16.1%
Effective tax rate	**32.3%**	31.7%		**32.1%**	32.9%	

The Company's 2015 year-to-date provision for income taxes includes tax on ordinary earnings at an anticipated rate of approximately 33%. The 32.3% effective rate for the third quarter of 2015 includes current quarter discrete tax net benefit of $2.1 million. The Company's third quarter 2014 effective tax rate of 31.7% reflected discrete tax net benefit of $1.7 million resulting primarily from a previous year tax return finalization.

The Company expects its full year effective tax rate to be between 32% and 33%.

Income from Continuing Operations

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
Income from continuing operations	**$ 103.6**	$ 86.3	20.0%	**$ 237.9**	$ 198.4	19.9%
EPS						
Basic	**$ 1.59**	$ 1.34		**$ 3.64**	$ 3.07	
Diluted	**1.56**	1.31		**3.58**	3.01	

Income from continuing operations increased 20% in the third quarter of 2015 versus the prior year primarily due to higher EBIT. The increase in income from continuing operations of 20% during the first nine months of 2015 versus the prior year primarily reflects higher EBIT and a lower effective tax rate in 2015 versus 2014.

Net Income

(in millions)	Three Months Ended September 30, 2015	2014	Change	Nine Months Ended September 30, 2015	2014	Change
Income from continuing operations	**$ 103.6**	$ 86.3	20.0%	**$ 237.9**	$ 198.4	19.9%
EPS						
Basic	**$ 1.59**	$ 1.34		**$ 3.64**	$ 3.07	
Diluted	**1.56**	1.31		**3.58**	3.01	

The increase in Net income during the three and nine month periods ended September 30, 2015 versus the prior period was primarily attributable to higher income from continuing operations in 2015 versus 2014.

Acquisitions and Disposals

As previously stated, we have a long-standing acquisition strategy that has traditionally focused on bolt-on acquisitions. Factors we consider in making an acquisition include technology, customer dispersion, operating capabilities, growth potential and consolidation opportunities. We have also pursued the sale of operating divisions when it is determined they no longer fit within the Company's long-term goals or strategy.

On April 1, 2015, the Company acquired 100% of the Finishing Brands business from Graco Inc. ("Graco") for total cash consideration of $598.9 million, net of $12.2 million cash acquired. The Company funded the acquisition with cash on hand. As of the acquisition date, the Company recorded a payable to Graco for $20.6 million representing the estimated working capital settlement. In the third quarter of 2015, the Company finalized the working capital settlement with Graco for $21.1 million in cash. The additional cash consideration paid has been allocated to goodwill. The Company has reported the results of the acquired business as a new reporting segment named Carlisle Fluid Technologies. CFT is a global manufacturer and supplier of finishing equipment and systems serving diverse end markets for paints and coatings, including OE automotive, automotive refinishing, aerospace, agriculture, construction, marine, rail, and other industrial applications. The preliminary amount of goodwill recorded related to the acquisition is approximately $176.2 million as of September 30, 2015.

The goodwill recognized in the acquisition of Finishing Brands is attributable to the experienced workforce of Finishing Brands, the expected operational improvements through implementation of COS, opportunities for geographic and product line expansions in addition to supply chain efficiencies, and the significant strategic value of the business to Carlisle.

On October 1, 2014, the Company completed the acquisition of LHi for $194.0 million, utilizing cash on hand. LHi's manufacturing operations are located in Shenzhen, China. LHi provides world-class medical device manufacturers with interconnect components used for patient monitoring, electrosurgery, diagnostic imaging and surgical instrumentation. Results of LHi's operations are reported within the Interconnect Technologies segment. The acquisition of LHi complements Interconnect Technologies' existing medical cabling product offerings, adds global presence, and provides further end market diversification within the Interconnect Technologies segment. The final amount of goodwill recorded related to the acquisition of LHi was $112.8 million.

Financial Reporting Segments

Carlisle Construction Materials ("CCM")

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in millions)	2015	2014	Change $	Change %	2015	2014	Change $	Change %
Net sales	**$ 570.1**	$ 589.1	$ (19.0)	(3.2)%	**$ 1,519.0**	$ 1,472.2	$ 46.8	3.2%
EBIT	**$ 115.5**	$ 97.0	$ 18.5	19.1%	**$ 264.3**	$ 210.0	$ 54.3	25.9%
EBIT Margin	**20.3%**	16.5%			**17.4%**	14.3%		

CCM's net sales decline during the third quarter of 2015 versus the prior year period reflected a 2.0% negative impact from fluctuations in foreign exchange and an organic net sales decline of 1.2%. CCM's organic net sales decline was primarily driven by slightly lower selling price and relatively flat net sales volume. Demand for commercial roofing applications in the third quarter slowed from the first half of 2015 in part due to CCM's firmness in maintaining selling price, which resulted in a limited price decline during the third quarter. CCM's net sales into Europe, excluding the impact of foreign exchange fluctuations, grew organically by 12%. CCM's net sales into Canada, excluding the impact of foreign exchange, declined organically by approximately 25% in the third quarter of 2015 reflecting lower demand and the aforementioned maintenance of selling price.

For the first nine months of 2015, CCM's 3.2% net sales growth primarily reflected organic net sales growth of 5.3%, partially offset by a 2.1% negative impact from foreign exchange fluctuations. CCM experienced strong commercial roofing demand through the first six months of 2015 followed by lower demand in the third quarter. On a year-to-date basis, CCM's net sales volume growth was primarily driven by increased activity in both commercial construction and reroofing.

CCM's EBIT grew 19% in the third quarter 2015 due to contribution from lower raw material costs, lower labor and material usage costs from COS and the non-recurrence of $2.0 million in plant startup expense from the third quarter of 2014. CCM's raw material costs were lower than the prior year primarily due to lower input costs driven by the decline in crude oil and other energy commodity pricing. These positive impacts were partially offset by unfavorable changes in mix, lower selling price and the negative impact of foreign exchange fluctuations related to the U.S. Dollar versus the Canadian Dollar and versus the Euro. CCM's EBIT margin improved 380 basis points versus the prior year period to 20.3%, reflecting the aforementioned impacts to EBIT in the third quarter of 2015 versus the prior year.

For the first nine months of 2015, the increase in CCM's EBIT margin of 310 basis points versus the prior year were similarly impacted by the factors mentioned above. Included in CCM's EBIT for the nine month period ending September 30, 2014 were plant startup costs of $5.6 million.

CCM's net sales growth in 2015 is expected to be in the low-to-mid single digit percent range reflecting strong demand through the first half of 2015 and more moderated demand in the second half of 2015 in part due to efforts to maintain current selling prices. CCM's net sales and EBIT are generally higher in the second and third quarters of the year due to increased construction activity during these periods. CCM's commercial roofing business is comprised of approximately 70% of net sales from reroofing, which derives demand from a large base of installed roofs requiring replacement in a given year, and 30% from roofing for new commercial construction.

While net sales growth in the third quarter was flat organically, the overall outlook for commercial roofing is positive based upon continued growing demand for commercial construction in the United States as well as increased enforcement of building codes related to energy efficiency driving demand for commercial insulation products. Budget constraints at local and federal government levels could have a negative impact on growth rates in the market for institutional construction. Growth in demand in the commercial construction market can be negatively impacted by changes in fiscal policy and increases in interest rates. The availability of labor to fulfill installations may also be a near term constraint on growth in the commercial roofing market.

CCM's EBIT margin is expected to improve significantly in 2015 versus the prior year due to lower raw material costs driven by lower crude oil and related commodity pricing, lower labor and material usage costs from COS, and the non-recurrence of $9.0 million in plant startup costs incurred in 2014.

While market conditions in the commercial roofing market have improved, maintaining selling price levels has been a challenge in the past and is subject to significant price competition. Current pricing levels for crude oil and other feedstock costs continue to reduce CCM's raw material costs versus the prior year; however, CCM's ability to obtain incremental EBIT margin from lower costs is dependent upon selling price competition within the commercial roofing market.

Carlisle Interconnect Technologies ("CIT")

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in millions)	2015	2014	Change $	Change %	2015	2014	Change $	Change %
Net sales	**$ 202.3**	$ 164.4	$ 37.9	23.1%	**$ 595.0**	$ 477.5	$ 117.5	24.6%
EBIT	**$ 41.2**	$ 33.9	$ 7.3	21.5%	**$ 111.8**	$ 98.7	$ 13.1	13.3%
EBIT Margin	**20.4%**	20.6%			**18.8%**	20.7%		

CIT's net sales growth of 23% reflected acquisition growth of 16% and organic growth of 7.4%. CIT's organic net sales growth primarily reflected 11% higher net sales volume offset by 3.5% lower selling price. Net sales in CIT's aerospace market were up 8%, on higher demand for in-flight entertainment and connectivity applications ("IFEC") and increased net sales volume for aircraft programs. These positive impacts were partially offset by lower selling price primarily due to contractual price reductions. Net sales into the military market grew 10% on new defense program applications. Net sales into the test and measurement market were relatively flat to the prior year reflecting timing of orders from larger customers within this market. Net sales into the industrial market declined by 20% versus the prior year. The acquisition of LHi, in the medical market, contributed $25.9 million in net sales in the third quarter of 2015.

CIT's 25% net sales growth for the first nine months of 2015 versus the prior year was comprised of acquisition growth of 17% and organic net sales growth of 8.3%. The acquisition of LHi contributed $79.0 million in net sales for the first nine months of 2015. CIT's organic net sales growth of 8.3% reflected an 8% increase in aerospace sales, a 14% increase in test and measurement sales, and a 9% increase in military sales, partially offset by a 14% decline in sales for CIT's industrial connector applications.

CIT's EBIT increased 22% in the third quarter 2015 on higher net sales volume, lower labor and material usage costs from COS, and $3.4 million in EBIT contribution from the acquisition from LHi, partially offset by lower contractual selling price. CIT's EBIT margin in the third quarter of 2015 of 20.4% was relatively unchanged versus the prior year despite contractual selling price reductions and the dilutive impact of the LHi acquisition on margin. These negative impacts were partially offset by lower per unit costs resulting from higher capacity utilization and lower labor and material usage costs from COS.

For the first nine months of 2015, CIT's EBIT margin decreased 190 basis points versus the prior year primarily due to contractual selling price reductions and the dilutive impact of the LHi acquisition on margin. Included in CIT's EBIT for the first nine months of 2014 was $0.9 million in Other income, net for proceeds received in final settlement of the Thermax acquisition.

During 2014, CIT began construction on a new 216,000 sq. ft. manufacturing facility in Nogales, Mexico, to meet growing demand for its aerospace applications and to support growth in its medical applications. The total cost of CIT's new facility was $23.1 million spent through the third quarter of 2015. Shipments began in the first quarter 2015 and the project was completed in the second quarter of 2015.

The outlook for CIT in the commercial aerospace market remains favorable with a strong delivery cycle for new wide body aircraft expected over the next several years. Both Airbus and Boeing forecast growing demand for aircraft delivery over this time period. The outlook for the market for IFEC applications also remains positive on increasing demand for on board connectivity applications used in both installed aircraft seating and for personal mobile devices. One of CIT's customers, for which it supplies IFEC applications, comprises approximately 22% of CIT's total sales. CIT's net sales growth outlook for the aerospace market in 2015 is expected to be in the mid-single digit percent range reflecting strong net sales volume growth, partially offset by the impact of contractual selling price reductions.

The outlook for cabling and interconnect applications in the medical technology industry continues to be favorable. With the acquisition of LHi, CIT has added new products, customers, and complementary technologies to support its expansion into the growing healthcare technology market as well as to further diversify CIT's end markets.

The outlook for CIT's net sales into the test and measurement market is expected to be positive on new product and customer development. The outlook for CIT's military applications is expected to be positive based upon new program development; however, growth in this market is subject to government budget limitations. The outlook for the industrial market, which includes the heavy equipment industry and energy exploration and automotive applications, is expected to remain soft.

Carlisle Fluid Technologies ("CFT")

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in millions)	2015	2014	Change $	Change %	2015	2014	Change $	Change %
Net sales	**$ 67.9**	$ —	$ 67.9	—%	**$ 129.6**	$ —	$ 129.6	—%
EBIT	**$ 10.1**	$ —	$ 10.1	—%	**$ 9.1**	$ —	$ 9.1	—%
EBIT Margin	**14.9%**	—%			**7.0%**	—%		

On April 1, 2015, the Company completed the acquisition of the Finishing Brands business from Graco Inc. Beginning in the second quarter 2015, the Company added a reportable segment, CFT, to reflect the acquisition of Finishing Brands. Net sales in the third quarter 2015 of $67.9 million were sequentially higher than net sales in the second quarter of $61.7 million, primarily reflecting increased sales of large fluid handling and automotive finishing systems in the third quarter. These increased systems sales were primarily to customers in Japan and China.

Through the six month period from April 1, 2015 through September 30, 2015, CFT's EBIT and EBIT margin includes allocated transaction costs related to the Finishing Brands acquisition of $0.7 million and additional costs of goods sold of $8.6 million related to recording acquired inventory at fair value. These acquisition related costs were incurred in the second quarter of 2015.

CFT produces spray finishing equipment and systems utilizing highly advanced and automated technologies, including atomization, electrostatic applications, fluid handling, and curing. CFT markets to and supplies a diverse array of end markets. Its primary markets include the:

- transportation market, consisting of automotive original equipment manufacturers ("OEM"), tier 1 automotive suppliers, suppliers to the aviation and aerospace industry, and suppliers to manufacturers of trucks and buses
- industrial market, consisting of interior applications for the commercial and residential construction industry and suppliers of manufacturers of construction and agricultural equipment
- automotive refinishing market, consisting of applications for the automotive refinish and repair industry.

Other markets served include the wood finishing, protective coating and specialty finishing markets.

Approximately 20% to 25% of CFT's annual net sales are for the development and assembly of large fluid handling or other application systems projects. Timing of these system sales can result in sales that are higher in certain quarters versus other quarters

within the same calendar year. In addition, timing of system sales can cause significant year over year sales variances. It is anticipated that net sales in the fourth quarter of 2015 will be higher than each of the second and third quarters of 2015 primarily due to completion of the aforementioned large systems projects.

Approximately 60% of CFT's net sales are outside the United States. CFT's results of its foreign operations translated into U.S. Dollars are subject to foreign exchange fluctuations of the U.S. Dollar versus the Euro, British Pound, Japanese Yen, Chinese Renminbi, Mexican Peso, Brazilian Real and Australian Dollar. The outlook for CFT's sales in the transportation market is positive reflecting favorable conditions in the North American automotive market. Despite slower economic growth conditions in the Asia Pacific region, CFT's outlook in the Asia Pacific transportation and industrial markets is favorable due to increased penetration of the market for large and highly engineered fluid handling and automotive system solutions. The outlook for demand for CFT's products in the automotive refinishing market is flat to modestly negative due to consolidation activities among North American automotive repair shops as well as slower economic conditions in some of its overseas markets.

CFT is undergoing extensive acquisition integration activities and implementing COS. It is anticipated that these activities, in addition to further investment and pursuit of new product and market development, will generate net sales growth and EBIT margin improvement in upcoming periods.

Carlisle Brake & Friction ("CBF")

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in millions)	2015	2014	Change $	Change %	2015	2014	Change $	Change %
Net sales	**$ 70.7**	$ 89.3	$ (18.6)	(20.8)%	**$ 242.1**	$ 279.1	$ (37.0)	(13.3)%
EBIT	**$ 0.5**	$ 6.1	$ (5.6)	(91.8)%	**$ 16.8**	$ 26.1	$ (9.3)	(35.6)%
EBIT Margin	**0.7%**	6.8%			**6.9%**	9.4%		

CBF's net sales declined 21% in the third quarter 2015 due to the combination of a 16% decline from lower net sales volume and a 4.8% negative impact from foreign exchange fluctuations from the stronger U.S. Dollar versus the Euro and British pound in the third quarter 2015 versus the prior year. CBF's net sales into the construction market declined by 29%. CBF's net sales into the agriculture and mining markets declined by 16% and 24%, respectively. Markets were negatively impacted by slowing global conditions, particularly in China.

For the first nine months of 2015, CBF's 13% net sales decrease reflected a 7.7% organic net sales decline and a 5.6% negative impact on net sales from fluctuations in foreign exchange rates. Net sales into the construction market declined by 14%. Net sales to the agriculture and mining markets for the first nine months of 2015 declined by 23% and 18%, respectively.

CBF's EBIT declined 92% and its EBIT margin declined 610 basis points to 0.7% during the third quarter 2015, primarily reflecting lower net sales volume, higher per unit costs resulting from lower capacity utilization and the negative impact of foreign exchange fluctuations of approximately $0.7 million. Also included in CBF's EBIT in the third quarter 2015 was $1.1 million in severance costs.

CBF's 250 basis EBIT margin decline during the first nine months of 2015 was similarly impacted by the aforementioned factors.

The outlook for CBF's applications in its primary markets of construction, agriculture and mining is unfavorable in the near term due to slowing growth in China, lower farm incomes impacting equipment demand, and lower demand for commodities. For the full year 2015, we expect CBF's organic net sales to decline in the low double-digit percent range reflecting lower demand conditions in its primary markets. The impact of foreign exchange is estimated to have an approximately 5% negative impact to CBF's full year net sales in 2015 versus the prior year and a negative $3 million impact to its EBIT for 2015, based upon exchange rates as of September 30, 2015. CBF has taken cost reduction measures to align with its current demand environment. Despite cost reduction efforts, we expect CBF's EBIT and EBIT margin to decline versus the prior year.

As of September 30, 2015 and December 31, 2014, the carrying value of the CBF reporting unit's goodwill and other indefinite-lived intangible assets was $226.6 million and $53.3 million, respectively. The most recent annual goodwill impairment test was performed for all reporting units as of October 1, 2014. The Company determined through ongoing monitoring that due to various factors, including changes to forecasted cash flows related to the CBF reporting unit and the strengthening of the U.S. Dollar, it was appropriate to perform Step 1 of the goodwill impairment test as of September 30, 2015. Consistent with the policy described

in the 2014 Form 10-K, the Company performed Step 1 of the goodwill impairment test using a discounted cash flow analysis to estimate the fair value of the CBF reporting unit and concluded that its fair value continues to exceed its carrying value.

The Company also evaluated the indefinite-lived intangible assets, primarily trademarks and trade names with a carrying value of $53.5 million, associated with the CBF reporting unit for impairment as of September 30, 2015. The analysis did not result in an impairment of CBF's trade names as their estimated fair value exceeded their carrying value.

For additional information in regards to our policy with respect to testing goodwill and indefinite-lived intangible assets for impairment, refer to "Critical Accounting Policies" in the Company's 2014 Form 10-K.

As noted above, the Company believes that the facts and circumstances as of September 30, 2015 indicate that no impairment exists with respect to CBF's goodwill and other indefinite-lived intangible assets. If the estimates of recovery in CBF's end markets do not materialize as expected and/or the U.S. Dollar continues to strengthen and therefore results continue to be lower than anticipated, an impairment loss may be recorded.

While the Company believes its conclusions regarding the estimates of fair value of the CBF reporting unit and its indefinite-lived intangible assets are appropriate, the estimates of fair value of the CBF reporting unit and its indefinite-lived intangible assets are subject to uncertainty and by nature include judgments and estimates regarding various factors including the rate and extent of recovery in the markets that CBF serves, the realization of future sales price increases, fluctuations in exchange rates, fluctuation in price and availability of key raw materials, future operating efficiencies, and discount rates.

Carlisle FoodService Products ("CFSP")

	Three Months Ended September 30,				Nine Months Ended September 30,			
(in millions)	2015	2014	Change $	Change %	2015	2014	Change $	Change %
Net sales	**$ 62.1**	$ 61.3	$ 0.8	1.3%	**$ 181.3**	$ 185.2	$ (3.9)	(2.1)%
EBIT	**$ 7.7**	$ 7.4	$ 0.3	4.1%	**$ 20.3**	$ 22.9	$ (2.6)	(11.4)%
EBIT Margin	**12.4%**	12.1%			**11.2%**	12.4%		

CFSP's net sales for the third quarter of 2015 increased 1.3% primarily due to higher net sales volume partially offset by lower net selling price. Net sales to the foodservice market increased by 2% reflecting higher demand in the domestic foodservice market, offset by changes in customer mix and lower international demand in Europe and Asia. Net sales to the janitorial/sanitation market grew by 5% reflecting increasing sales to new customers. Net sales to the healthcare market declined by 2%.

For the first nine months of 2015, CFSP's net sales decreased 2.1% primarily reflecting lower net selling price partially offset by modestly higher net sales volume. Net sales to the healthcare market decreased by 7%, in part due to lower sales of rethermalization equipment. Net sales to the foodservice market decreased by 1% primarily reflecting lower international sales and changes in customer mix. Net sales to the janitorial/sanitation market grew 6% due to growth in sales to new accounts.

CFSP's EBIT increased 4.1% and its EBIT margin increased 30 basis points to 12.4% in the third quarter 2015 on lower raw material costs and operating efficiencies. These positive impacts were partially offset by the negative impact of increased selling price incentives in the third quarter 2015 versus the prior year, in part reflecting increased sales volume to larger customer accounts.

CFSP's EBIT declined 11% and its EBIT margin declined 120 basis points during the first nine months of 2015 primarily due to lower selling price connected with selling incentives. In addition, included in CFSP's results for the first nine months of 2014 was a gain of $1.1 million on the sale of previously exited property in The Netherlands. These negative impacts were partially offset by lower raw material costs and lower selling and general administrative expense.

For the full year 2015, CFSP's net sales are expected to be relatively level to the prior year. CFSP's EBIT margin is expected to be lower in 2015 versus the prior year primarily as a result of lower net selling price and the non-recurrence of the aforementioned gain on the sale of property in 2014. These negative impacts are expected to be partially offset by lower raw material costs and lower selling and general administrative expense due to cost reduction efforts.

Corporate

(in millions)	Three Months Ended September 30, 2015	2014	Change $	Change %	Nine Months Ended September 30, 2015	2014	Change $	Change %
Corporate expenses	**$ 13.2**	$ 10.4	$ 2.8	(26.9)%	**$ 46.1**	$ 38.4	$ 7.7	(20.1)%
As a percentage of net sales	**1.4%**	1.2%			**1.7%**	1.6%		

Corporate expenses are largely comprised of compensation, benefits, and travel expense for the corporate office staff, business development costs, and certain compliance costs not allocated to the segments. Corporate expense also includes certain gains and losses related to employee benefit obligations that are not allocated to the segments such as pension and post-employment benefit obligation settlements and curtailment charges as well as gains and losses associated with workers' compensation obligations.

Corporate expenses increased $2.8 million in the third quarter 2015 from the prior year primarily due to higher staffing costs, sponsorship of companywide management programs, including incentive payouts for COS, and higher legal costs. For the first nine months of 2015, corporate expenses similarly increased versus the prior year due to the aforementioned factors. In addition, the company incurred $1.4 million in transaction costs for the acquisition of the Finishing Brands business in the second quarter of 2015, which was reported in Corporate expenses.

Liquidity and Capital Resources

We maintain liquidity sources primarily consisting of cash and cash equivalents and our unused committed credit facility. As of September 30, 2015, we had $354.4 million of cash on hand, of which $118.4 million was located in wholly-owned subsidiaries of the Company outside the United States. Cash held by subsidiaries outside the United States is held in U.S. Dollars or in the currency of the country in which it is located. It is our intention to use cash held outside the United States to fund the operating activities of our foreign subsidiaries, to make further investments in our foreign operations, and to invest in additional growth opportunities for the Company through acquisitions. Cash outside the United States is generally held in deposit accounts with banking institutions that are parties to our credit facility. The majority of these accounts are at bank subsidiaries that are owned by U.S. corporate banks. Repatriation of cash held by foreign subsidiaries may require the accrual and payment of taxes in the United States; however, consistent with our unremitted earnings, we consider such related cash to be permanently reinvested in our foreign operations and our current plans do not demonstrate a need, nor do we plan, to repatriate such cash to fund U.S. operations and financing activities. We plan to continue to invest in our international business and potential acquisitions to achieve our stated goal of 30% of net sales outside of the United States.

In addition, cash held by subsidiaries in China is subject to local laws and regulations that require government approval for conversion of such cash to and from U.S. Dollars as well as for transfer of such cash to entities that are outside of China. As of September 30, 2015, we had cash and cash equivalents of $35.4 million located in wholly owned subsidiaries of the Company within China.

On April 1, 2015, we used $445.0 million of our cash in the United States and $132.8 million of our cash held outside the United States to acquire the Finishing Brands business from Graco Inc. In the third quarter 2015, we paid a final working capital adjustment of $21.1 million to Graco Inc. consisting of $2.5 million of our cash in the United States and $18.6 of our cash held outside the United States.

Sources and Uses of Cash and Cash Equivalents

(in millions)	Nine Months Ended September 30, 2015	2014
Net cash provided by operating activities	**$ 352.9**	$ 164.7
Net cash used in investing activities	**(647.5)**	(80.7)
Net cash used in financing activities	**(78.3)**	(32.3)
Effect of foreign currency exchange rate changes on cash	**(3.5)**	(1.1)
Change in cash and cash equivalents	**$ (376.4)**	$ 50.6

The Company had net cash provided by operating activities of $352.9 million for the nine months ended September 30, 2015 compared to cash provided of $164.7 million in the prior year. The increase in net cash provided by operating activities was attributable to increased net income, depreciation and amortization (as reconciling items from net income to cash) in 2015 versus 2014, and lower usage of cash for working capital and other assets and liabilities in 2015 versus the prior year. Cash provided by

working capital and other assets and liabilities of $14.5 million for the nine months ending September 30, 2015 was $130.6 million higher than cash used of $116.1 million for the nine months ending September 30, 2014 primarily due to lower cash used for receivables and inventories in 2015 versus 2014 and higher cash provided by changes in accrued expenses and deferred revenue in 2015 versus cash used in 2014.

We view the ratio of our average working capital balances (defined as the average of the quarter end balances, excluding current year acquisitions, of receivables, plus inventory less accounts payable) as a percentage of annualized net sales (defined as year-to-date net sales, excluding current year acquisitions, calculated on an annualized basis) as an important measure of our ability to effectively manage our cash requirements in relation to changes in sales activity. For the nine months ending September 30, 2015, average working capital as a percentage of annualized net sales increased to 18.3%, from 17.7% during the same prior year period. The increase primarily reflected higher average net inventory in 2015 versus the prior year due to higher expected demand.

Cash used in investing activities of $647.5 million for the nine months ended September 30, 2015 included cash utilized of $598.9 million, net of cash acquired, for the acquisition of Finishing Brands. Capital expenditures for the first nine months of 2015 of $48.7 million, was $44.4 million lower than cash used in the prior year. We expect our full year capital expenditures to be approximately $70 million to $80 million.

Cash used in financing activities for the nine month period ended September 30, 2015 primarily reflects cash used for the payment of dividends and share repurchases, offset by increased cash from issuances of treasury shares related to stock option activity. Starting in the first quarter 2015, the Company began its systematic share repurchase program as part of its plan to return capital to shareholders. The Company purchased 591,062 shares during the first nine months of 2015.

Debt Instruments and Covenants

At September 30, 2015, we had all of our $600 million revolving credit facility available. We did not incur any borrowings under the revolving credit facility during the three months ended September 30, 2015. We also maintain a $45 million uncommitted line of credit, of which $45 million was available at September 30, 2015.

We have senior unsecured notes outstanding of $150 million due 2016 (at a stated interest rate of 6.125%), $250 million due 2020 (at a stated interest rate of 5.125%) and $350 million due 2022 (at a stated interest rate of 3.75%) that are rated BBB by Standard & Poor's and Baa2 by Moody's. We view our debt to capital ratio (defined as short-term debt plus long-term debt divided by the sum of total Shareholders' equity, long-term debt and short-term debt) as an important indicator of our ability to utilize debt in financing acquisitions. As of September 30, 2015, our debt to capital ratio was 24%.

The $150 million senior notes mature on August 15, 2016 and are reported in Short-term debt on our Condensed Consolidated Balance Sheet in Item 1. We anticipate we will have sufficient cash on hand as well as available liquidity under our revolving credit facility to repay the outstanding balance by the maturity date. If these sources of liquidity have been used for other strategic purposes by the time of the senior note maturity, we would obtain additional liquidity by accessing the capital markets to repay the outstanding balance.

Under the Company's various debt and credit facilities, the Company is required to meet various restrictive covenants and limitations, including limitations on leverage ratios, interest coverage and limits on outstanding debt balances held by certain subsidiaries. The Company was in compliance with all covenants and limitations as of September 30, 2015 and December 31, 2014.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). ASU 2014-09 outlines a single, comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance issued by the FASB, including industry specific guidance. ASU 2014-09 provides accounting guidance for all revenue arising from contracts with customers and affects all entities that enter into contracts with customers to provide goods and services. The guidance also provides a model for the measurement and recognition of gains and losses on the sale of certain nonfinancial assets, such as property and equipment, including real estate.

ASU 2014-09 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2017. The new standard must be adopted using either a full retrospective approach for all periods presented in the period of adoption or a modified retrospective approach.

ASU 2014-09 also requires entities to disclose both quantitative and qualitative information to enable users of the financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

We have not yet determined the impact of adopting the standard on our financial statements nor have we determined whether we will utilize the full retrospective or the modified retrospective approach.

In April 2015, the FASB issued ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015, and early adoption is permitted. The provisions of ASU 2015-03 are not expected to have a material effect on the Company's financial condition.

In August 2015, the FASB issued ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements* ("ASU 2015-15"). ASU 2015-15 expands guidance provided in ASU 2015-03 and states that presentation of costs associated with securing a revolving line of credit as an asset is permitted, regardless of whether a balance is outstanding. ASU 2015-15 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015, and early adoption is permitted. The provisions of ASU 2015-15 are not expected to have a material effect on the Company's financial condition.

In April 2015, the FASB issued ASU 2015-05, *Customer's Accounting For Fees Paid In A Cloud Computing Arrangement* ("ASU 2015-05"), which provides guidance for a customer's accounting for cloud computing costs. ASU 2015-05 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015. The provisions of ASU 2015-05 are not expected to have a material effect on the Company's financial condition, results of operations, or cash flows.

In July 2015, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory* ("ASU 2015-11"), which applies to inventory valued at first-in, first-out (FIFO) or average cost. ASU 2015-11 requires inventory to be measured at the lower of cost and net realizable value, rather than at the lower of cost or market. ASU 2015-11 is effective on a prospective basis for annual periods, including interim reporting periods within those periods, beginning after December 15, 2016. The Company reports inventory on an average-cost basis and thus will be required to adopt the standard; however, the provisions of ASU 2015-11 are not expected to have a material effect on the Company's financial condition.

In September 2015, the FASB issued ASU 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments* ("ASU 2015-16"). ASU 2015-16 eliminates the requirement to restate prior period financial statements for measurement period adjustments. The new guidance requires that the cumulative impact of a measurement period adjustment (including the impact on prior periods) be recognized in the reporting period in which the adjustment is identified. In addition, separate presentation on the face of the income statement or disclosure in the notes is required regarding the portion of the adjustment recorded in the current period earnings, by line item, that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. ASU 2015-16 is to be applied prospectively for measurement period adjustments that occur after the effective date. ASU 2015-16 is effective for annual reporting periods, including interim reporting periods within those periods, beginning after December 15, 2015, and early adoption is permitted. Since it is prospective, the impact of ASU 2015-16 on the Company's financial condition and earnings will depend upon the nature of any measurement period adjustments identified in future periods.

Forward-Looking Statements

This report 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. Such statements are made based on known events and circumstances at the time of publication, and as such, are subject in the future to unforeseen risks and uncertainties. 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 undertake no duty to update forward-looking statements.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

There have been no material changes in the Company's market risk for the period ended September 30, 2015. For additional information, refer to Item 7A of the Company's 2014 Annual Report on Form 10-K.

Item 4. Controls and Procedures

(a) Under the supervision and with the participation of the Company's management, including the Company's chief executive officer and chief financial officer, the Company carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15. Based upon that evaluation and as of September 30, 2015, the chief executive officer and chief financial officer concluded that the Company's disclosure controls and procedures are effective.

(b) There were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Litigation

Over the years, the Company has been named as a defendant, along with numerous other defendants, in lawsuits in various state courts in which plaintiffs have alleged injury due to exposure to asbestos-containing brakes, which Carlisle manufactured in limited amounts between the late-1940's and the mid-1980's. In addition to compensatory awards, these lawsuits may also seek punitive damages.

The Company typically obtains dismissals or settlements of its asbestos-related lawsuits with no material effect on its financial condition, results of operations, or cash flows. The Company maintains insurance coverage that applies to the Company's defense costs and payments of settlements or judgments in connection with asbestos-related lawsuits, excluding punitive damages.

Based on an ongoing evaluation, the Company believes that the resolution of its pending asbestos claims will not have a material impact on the Company's financial condition, results of operations, or cash flows, although these matters could result in the Company being subject to monetary damages, costs or expenses, and charges against earnings in particular periods.

In addition, the Company may occasionally be involved in various other legal actions arising in the normal course of business. In the opinion of management, the ultimate outcome of such actions, either individually or in the aggregate, will not have a material adverse effect on the consolidated financial position or annual operating cash flows of the Company, but may have a more than inconsequential impact on the Company's results of operations for a particular period.

Environmental Matters

The Company is subject to increasingly stringent environmental laws and regulations, including those relating to air emissions, wastewater discharges, chemical and hazardous waste management and disposal. Some of these environmental laws hold owners or operators of land or businesses liable for their own and for previous owners' or operators' releases of hazardous or toxic substances or wastes. Other environmental laws and regulations require the obtainment and compliance with environmental permits. To date, costs of complying with environmental, health and safety requirements have not been material. The nature of the Company's operations and its long history of industrial activities at certain of its current or former facilities, as well as those acquired could potentially result in material environmental liabilities.

While the Company must comply with existing and pending climate change legislation, regulation, international treaties or accords, current laws and regulations do not have a material impact on its business, capital expenditures or financial position. Future events, including those relating to climate change or greenhouse gas regulation could require the Company to incur expenses related to the modification or curtailment of operations, installation of pollution control equipment, or investigation and cleanup of contaminated sites.

Item 1A. Risk Factors

During the three months ended September 30, 2015, there were no material changes to the risk factors disclosed in "PART I—Item 1A. Risk Factors" of the Company's 2014 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes the repurchase of common stock during the three months ended September 30, 2015:

Period	Total Number of Shares Purchased (2)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs(1)
July 2015	68,362	$ 101.74	68,362	2,606,095
August 2015	68,000	$ 100.95	68,000	2,538,095
September 2015	115,000	$ 94.09	115,000	2,423,095
Total	251,362		251,362	

(1) Represents the number of shares that can be repurchased under the Company's stock repurchase program. The stock repurchase program was originally approved on November 3, 1999, and was reactivated on August 17, 2004. At the time of the adoption, the Company had the authority to purchase 741,890 split-adjusted shares of common stock. The Board of Directors authorized the repurchase of an additional 2,500,000 shares of the Company's common stock on August 1, 2007, and the repurchase of an additional 1,400,000 shares of the Company's common stock on February 12, 2008.

(2) The Company may also reacquire shares outside of the repurchase program from time to time in connection with the forfeiture of shares in satisfaction of tax withholding obligations from the vesting of share-based compensation. There were no shares reacquired in transactions outside the repurchase program during the three months ended September 30, 2015.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

(3.1) Restated Certificate of Incorporation dated October 14, 2015

(12) Ratio of Earnings to Fixed Charges

(31.1) Rule 13a-14(a)/15d-14(a) Certifications

(31.2) Rule 13a-14(a)/15d-14(a) Certifications

(32) Section 1350 Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(101) Interactive Data File

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Carlisle Companies Incorporated

October 21, 2015

By: /s/ Steven J. Ford
Name: Steven J. Ford
Title: Vice President and Chief Financial Officer

Exhibit 3.1

RESTATED CERTIFICATE OF INCORPORATION

OF

CARLISLE COMPANIES INCORPORATED

(Pursuant to Section 245 of the General Corporation Law of the State of Delaware)

CARLISLE COMPANIES INCORPORATED, a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is CARLISLE COMPANIES INCORPORATED.

2. The corporation was originally incorporated under the name CARLISLE COMPANIES, INC., and its original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on February 28, 1986.

3. This Restated Certificate of Incorporation has been duly adopted by the Board of Directors of the corporation in accordance with Section 245 of the General Corporation Law of the State of Delaware. This Restated Certificate of Incorporation only restates and integrates and does not further amend the provisions of the corporation's Certificate of Incorporation, as theretofore amended or supplemented or restated, and there is no discrepancy between those provisions and the provisions of this Restated Certificate of Incorporation.

4. The text of the corporation's Certificate of Incorporation, as heretofore amended or supplemented or restated, is hereby restated to read in its entirety as follows:

FIRST: The name of the corporation is: CARLISLE COMPANIES INCORPORATED (the "Corporation").

SECOND: The address of the registered office of the Corporation in the State of Delaware is No. 1209 Orange Street, in the City of Wilmington, in the County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted by the Corporation is as follows:

> To conduct any lawful business and to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware.

FOURTH: A. The total number of shares of stock which the Corporation shall have authority to issue is Two Hundred and Five Million (205,000,000) shares, divided into two (2) classes as follows:

(i) Two Hundred Million (200,000,000) shares, each to be of the par value of one dollar ($1.00), and to be designated as Common Stock; and,

(ii) Five Million (5,000,000) shares, each to be of the par value of one dollar ($1.00), and to be designated as Preferred Stock.

B. (i) Each outstanding share of Common Stock shall entitle the holder thereof to five (5) votes on each matter properly submitted to the stockholders of the Corporation for their vote, waiver, release or other action; except that no holder of outstanding shares of Common Stock shall be entitled to exercise more than one (1) vote on any such matter in respect of any share of Common Stock with respect to which there has been a change in beneficial ownership during the four (4) years immediately preceding the date on which a determination is made of the stockholders of the Corporation who are entitled to vote or to take any other action.

(ii) A change in beneficial ownership of an outstanding share of Common Stock shall be deemed to have occurred whenever a change occurs in any person or persons who, directly or indirectly, through any contract, agreement, arrangement, understanding, relationship or otherwise has or shares any of the following:

(a) Voting power, which includes, without limitation, the power to vote or to direct the voting power of such share of Common Stock.

(b) Investment power, which includes, without limitation, the power to direct the sale or other disposition of such share of Common Stock.

(c) The right to receive or to retain the proceeds of any sale or other disposition of such share of Common Stock.

(d) The right to receive or to retain any distributions, including, without limitation, cash dividends, in respect of such share of Common Stock.

(iii) Without limiting the generality of the foregoing section (ii) of this subparagraph B, the following events or conditions shall be deemed to involve a change in beneficial ownership of a share of Common Stock:

(a) In the absence of proof to the contrary provided in accordance with the procedures set forth in section (v) of this subparagraph B, a change in beneficial ownership shall be deemed to have occurred whenever an outstanding share of Common Stock is transferred of record into the name of any other person.

(b) In the case of an outstanding share of Common Stock held of record in the name of a corporation, general partnership, limited partnership, voting trustee, bank, trust company, broker, nominee or clearing agency, if it has not been established pursuant to the procedures set forth in section (v) of this subparagraph B that there has been no change in the person or persons who or that direct the exercise of the rights referred to in clauses (ii)(a) through (ii)(d), inclusive, of this subparagraph B with respect to such outstanding share of Common Stock during the period of four (4) years immediately preceding the date on which a determination is made of the stockholders of the Corporation entitled to vote or to take any other action (or since May 30, 1986 for any period ending on or before May 30, 1990), then a change in beneficial ownership of such share of Common Stock shall be deemed to have occurred during such period.

(c) In the case of an outstanding share of Common Stock held of record in the name of any person as a trustee, agent, guardian or custodian under the Uniform Gifts to Minors Act as in effect in any jurisdiction, a change in beneficial ownership shall be deemed to have occurred whenever there is a change in the beneficiary of such trust, the principal of such agent, the ward of such guardian, the minor for whom such custodian is acting or in such trustee, agent, guardian or custodian.

(d) In the case of outstanding shares of Common Stock beneficially owned by a person or group of persons who, after acquiring, directly or indirectly, the beneficial ownership of five percent (5%) of the outstanding shares of Common Stock, fails to notify the Corporation of such ownership within ten (10) days after such acquisition, a change in beneficial ownership of such shares of Common Stock shall be deemed to occur on each day while such failure continues.

(iv) Notwithstanding any other provision in this subparagraph B to the contrary, no change in beneficial ownership of an outstanding share of Common Stock shall be deemed to have occurred solely as a result of:

(a) Any event that occurred prior to May 30, 1986 or pursuant to the terms of any contract (other than a contract for the purchase and sale of shares of Common Stock contemplating prompt settlement), including contracts providing for options, rights of first refusal and similar arrangements, in existence on May 30, 1986 and to which any holder of shares of Common Stock is a party; provided , however, that any exercise by an officer or employee of the Corporation or any subsidiary of the Corporation of an option to purchase Common Stock after May 30, 1986 shall, notwithstanding the foregoing and clause (iv)(f) hereof, be deemed a change in beneficial ownership irrespective of when that option was granted to said officer or employee.

(b) Any transfer of any interest in an outstanding share of Common Stock pursuant to a bequest or inheritance, by operation of law upon the death of any individual, or by any other transfer without valuable consideration, including, without limitation, a gift that is made in good faith and not for the purpose of circumventing the provisions of this Article FOURTH.

(c) Any changes in the beneficiary of any trust, or any distribution of an outstanding share of Common Stock from trust, by reason of the birth, death, marriage or divorce of any natural person, the adoption of any natural person prior to age eighteen (18) or the passage of a given period of time or the attainment by any natural person of a specific age, or the creation or termination of any guardianship or custodial arrangement.

(d) Any appointment of a successor trustee, agent, guardian or custodian with respect to an outstanding share of Common Stock if neither such successor has nor its predecessor had the power to vote or to dispose of such share of Common Stock without further instructions from others.

(e) Any change in the person to whom dividends or other distributions in respect of an outstanding share of Common Stock are to be paid pursuant to the issuance or modification of a revocable dividend payment order.

(f) Any issuance of a share of Common Stock by the Corporation or any transfer by the Corporation of a share of Common Stock held in treasury, unless otherwise determined by the Board of Directors at the time of authorizing such issuance or transfer.

(g) Any giving of a proxy in connection with a solicitation of proxies subject to the provisions of Section 14 of the Securities Exchange Act of 1934 and the rules and regulations thereunder promulgated.

(h) Any transfer, whether or not with consideration, among

individuals related or formerly related by blood, marriage or adoption ("Relatives") or between a Relative and any Person (as defined in Article SEVENTH) controlled by one or more Relatives where the principal purpose for the transfer is to further the estate tax planning objectives of the transferor or of Relatives of the transferor.

(i) Any appointment of a successor trustee as a result of the death of the predecessor trustee (which predecessor trustee shall have been a natural person).

(j) Any appointment of a successor trustee who or which was specifically named in a trust instrument prior to May 30, 1986.

(k) Any appointment of a successor trustee as a result of the resignation, removal or failure to qualify of a predecessor trustee or as a result of mandatory retirement pursuant to the express terms of a trust instrument; provided , that less than fifty percent (50%) of the trustees administering any single trust will have changed (including in such percentage the appointment of the successor trustee) during the four (4)-year period preceding the appointment of such successor trustee.

(v) For purposes of this subparagraph B, all determinations concerning changes in beneficial ownership, or the absence of any such change, shall be made by the Board of Directors of the Corporation or, at any time when the Corporation employs a transfer agent with respect to the shares of Common Stock, at the Corporation's request, by such transfer agent on the Corporation's behalf. Written procedures designed to facilitate such determinations shall be established and may be amended, from time to time, by the Board of Directors. Such procedures shall provide, among other things, the manner of proof of facts that will be accepted and the frequency with which such proof may be required to be renewed. The Corporation and any transfer agent shall be entitled to rely on any and all information concerning beneficial ownership of the outstanding shares of Common Stock coming to their attention from any source and in any manner reasonably deemed by them to be reliable, but neither the Corporation nor any transfer agent shall be charged with any other knowledge concerning the beneficial ownership of outstanding shares of Common Stock.

(vi) In the event of any stock split or stock dividend with respect to the outstanding shares of Common Stock, each share of Common Stock acquired by reason of such split or dividend shall be deemed to have been beneficially owned by the same person from the same date as that on which beneficial ownership of the outstanding share or shares of Common Stock, with respect to which such share of Common Stock was distributed, was acquired.

(vii) Each outstanding share of Common Stock, whether at any particular time the holder thereof is entitled to exercise five (5) votes or one (1) vote, shall be identical to all other shares of Common Stock in all respects, and together the outstanding shares of Common Stock shall constitute a single class of shares of the Corporation.

C. Authority is hereby granted to the Board of Directors of the Corporation to adopt, from time to time, a resolution or resolutions providing for the issuance of shares of Preferred Stock in one or more series; and the Board of Directors is hereby expressly granted and vested with the authority to determine and to fix with respect to each series of Preferred Stock any or all of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions of such Preferred Stock, including, but not limited to, the determination of the following:

(i) the distinctive designation of such series of Preferred Stock and the number of shares which shall constitute such series, which number may be increased (except where otherwise provided by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by the Board of Directors;

(ii) the rate of dividends, if any, payable on the shares of such series of Preferred Stock, the conditions upon which and the dates when such dividends shall be payable, whether such dividends shall be cumulative (and, if so, from which date or dates), and whether payable in preference to dividends payable on any other class or classes of stock or on any other series of Preferred Stock;

(iii) whether or not the shares of such series of Preferred Stock shall have voting powers, and, if voting powers are granted, the extent of such voting powers;

(iv) whether or not the shares of such series of Preferred Stock shall be redeemable and, if so, the terms and conditions of such redemption, including, but not limited to, the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(v) whether or not the shares of such series of Preferred Stock shall be entitled to the benefit of a retirement fund or sinking fund, and, if so, the terms and conditions of such fund;

(vi) whether or not the shares of such series of Preferred Stock shall be convertible into or exchangeable for shares of any other class or classes of stock of the Corporation or of any other series of Preferred Stock and, if made so convertible or exchangeable, the time or times, the conversion price or prices, or the rate or rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange;

(vii) the rights of the holders of the shares of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up, or merger, consolidation or distribution or sales of assets of the Corporation;

(viii) the conditions and restrictions, if any, on the payment of dividends or on the making of other distributions on, or the purchase, redemption or other acquisition by the Corporation of Common Stock or of any other class of stock or other series of Preferred Stock of the Corporation ranking junior to the shares of such series of Preferred Stock as to dividends or on liquidation;

(ix) the conditions and restrictions, if any, on the creation of indebtedness of the Corporation or any subsidiary or on the authorization or issue of any additional stock of the Corporation ranking on a parity with or prior to the shares of such series of Preferred Stock as to dividends or on liquidation; and,

(x) any other preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof.

D. Subject to the foregoing, the authorized shares of stock of any class of the Corporation may be issued by the Corporation from time to time and for such consideration, not less than the par value thereof, and upon such terms as may be fixed from time to time by the Board of Directors, and any and all shares so issued, the full consideration for which shall have been paid or delivered, shall be deemed fully-paid and non-assessable stock and shall not be liable to any further call or assessment thereon.

E. The holders of stock, as such, of any class of the Corporation shall have no preemptive or preferential right to purchase or subscribe for any part of the unissued capital stock of the Corporation of any class or for any new issue of stock of any class, whether now or hereafter authorized or issued, or to purchase or subscribe for any bonds or other obligations, whether or not convertible into stock of any class of the Corporation, now or hereafter authorized or issued other than such, if any, as the Board of Directors of the Corporation from time to time may fix pursuant to the authority hereby conferred by the Restated Certificate of Incorporation of the Corporation; and the Board of Directors may issue stock of the Corporation, or securities or obligations convertible into stock, without offering such issue of stock or such securities or obligations, either in whole or in part, to the stockholders of the Corporation.

F. Subject to any limitations contained in the resolution or resolutions providing for the issue of any

series of Preferred Stock, the holders of Common Stock shall be entitled to receive, when and as declared by the Board of Directors out of the assets of the Corporation which are by law available therefor, dividends payable in cash, in property or in shares of Common Stock. No dividends, other than dividends payable only in shares of Common Stock of the Corporation, shall be paid on Common Stock if cash dividends in full to which all outstanding shares of Preferred Stock of all series shall then be entitled for the then current dividend period and (where such dividends are cumulative) for all past dividend periods shall not have been paid or declared and set apart in full.

G. In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, the holders of Common Stock shall be entitled, after payment or provision for payment of the debts and other liabilities of the Corporation and of the amounts to which the holders of the Preferred Stock shall be entitled, to share ratably in the remaining net assets of the Corporation. Neither a consolidation nor a merger of the Corporation with or into any other corporation; nor a merger of any other corporation with or into the Corporation; nor a reorganization of the Corporation; nor the purchase or redemption of all or part of the outstanding shares of stock of any class or classes of the Corporation; nor the sale or transfer of the property and business of the Corporation as, or substantially as, an entity shall be considered a liquidation, dissolution or winding-up of the Corporation for purposes of the preceding sentence.

FIFTH: A. (i) Except as otherwise provided in this Restated Certificate of Incorporation or the General Corporation Law of the State of Delaware, the business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors consisting of such number as may be fixed, from time to time, by the By-Laws of the Corporation; but not less than three (3). Effective on the filing in Delaware of an amendment setting forth this amended Article FIFTH A., the directors shall be divided into three classes, as nearly equal in number as possible. The directors serving at such time shall designate individual directors as the initial members of such classes, with the term of office of the first class to expire at the 1992 Annual Meeting of Stockholders, the term of office of the second class to expire at the 1993 Annual Meeting of Stockholders and the term of office of the third class to expire at the 1994 Annual Meeting of Stockholders. At each Annual Meeting of Stockholders following the initial classification and election, directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the third succeeding Annual Meeting of Stockholders after their election.

(ii) Subject to the rights of the holders of any series of preferred stock then outstanding, any director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all of the shares of the Corporation entitled to vote for the election of directors; provided , however, that if there is a Substantial Stockholder (as defined in Article SEVENTH), such sixty-six and two-thirds percent (66 2/3%) vote must include the affirmative vote of at least fifty percent (50%) of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors held by stockholders other than the Substantial Stockholders. For purposes of this Article FIFTH, cause for removal shall be construed to exist only if the director whose removal is proposed has been convicted of a felony by a court of competent jurisdiction or has been adjudged by a court of competent jurisdiction to be liable for negligence or misconduct in the performance of his duty to the Corporation in a matter of substantial importance to the Corporation.

(iii) Subject to the rights of the holders of any series of preferred stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled by a majority vote of the directors then in office, and directors so chosen shall hold office for a term expiring at the Annual Meeting of Stockholders at which the term of the class to which they have been elected expires.

B. In furtherance and not in limitation of the powers conferred by the General Corporation Law of the State of Delaware and by any other provision of this Restated Certificate of Incorporation, the Board of Directors is expressly authorized:

(i) to adopt, alter, amend and rescind the By-Laws of the Corporation;

(ii) to direct and to determine the use and disposition of any net assets in excess of capital or any surplus or net profits arising from the business of the Corporation; to set apart out of any funds of the Corporation available for dividends a reserve or reserves for any appropriate purpose; and to abolish any such reserve; and,

(iii) to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation; subject, however, to the provisions of the laws of the State of Delaware, of this Restated Certificate of Incorporation and of the By-Laws of the Corporation.

C. Election of directors shall be by ballot whenever requested by a majority of the persons entitled to vote and present at any meeting of the stockholders of the Corporation but unless so requested may be held in any way approved at the stockholders' meeting.

D. Nominations for the election of directors may be made by the Board of Directors or any committee thereof or by any stockholder of the Corporation entitled to vote generally in the election of directors. Nominations other than those made by the Board of Directors or a committee thereof shall be made by a notice in writing (the "Notice") received by the Secretary of the Corporation not less than ninety (90) days prior to the first anniversary of the date of the last meeting of stockholders of the Corporation called for the election of directors.

Each Notice shall set forth: (i) the name, address and qualifications of the person making the nomination; (ii) the name, age, business address and, if known, residence address of each nominee proposed in such Notice; (iii) the principal occupation or employment of each such nominee; (iv) the number of shares of capital stock of the Corporation of which each such nominee is the Beneficial Owner (as defined in Article SEVENTH); and (v) such other information as would be required by the securities laws of the United States and the rules and regulations promulgated thereunder in respect of an individual nominated as a director of the Corporation and for whom proxies are solicited by the Board of Directors of the Corporation.

The presiding officer at any meeting of stockholders of the Corporation may, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedure set forth in this Article FIFTH, and if he should so determine and declare to the meeting, the defective nomination shall be without legal force and effect and shall be disregarded.

SIXTH: No action required to be taken or which may be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, and the power of stockholders of the Corporation to take any such action by means of a consent or consents in writing, without a meeting, is specifically denied.

SEVENTH: A. In addition to any affirmative vote required by law or under any other provision of this Restated Certificate of Incorporation, and except as otherwise expressly provided in subparagraph B of this Article SEVENTH, any Business Combination (as hereinafter defined) with respect to a Substantial Stockholder (as hereinafter defined) shall require the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, considered for the purpose of this Article SEVENTH as one class ("Voting Shares"). Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that some lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise.

B. The provisions of subparagraph A of this Article SEVENTH shall not be applicable to a Business Combination, and such Business Combination shall require only such affirmative vote as is required by law and any other provision of this Restated Certificate of Incorporation, if:

1. A definitive agreement or other arrangement to effectuate the Business Combination was approved by a majority of the directors of the Corporation at a time when the Substantial Stockholder who is a party to the Business Combination was not the Beneficial Owner (as hereinafter defined) of five percent (5%) or more of the outstanding Voting Shares of the Corporation; or

2. The Business Combination is approved by a majority of the Continuing Directors (as hereinafter defined); such approval shall be made by a majority of the Continuing Directors even if such majority does not constitute a quorum of the members of the Board of Directors then in office and shall be in addition to any other approval of the Corporation's Board of Directors required by law and any other provision of this Restated Certificate of Incorporation; or

3. All of the following conditions shall have been satisfied:

(a) The aggregate amount of the cash and the Fair Market Value (as hereinafter defined), as of the date of the consummation of the Business Combination, of the property, securities or other consideration (including, without limitation, shares of stock of the Corporation retained by its existing Public Stockholders (as hereinafter defined) in the event of a Business Combination in which the Corporation is the surviving corporation) to be received per share by holders of the Corporation's Common Stock in such Business Combination is not less than the higher of:

(i) the price per share equal to the Fair Market Value per share of such Common Stock immediately prior to the announcement of such Business Combination; or

(ii) the highest per share price (including brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Substantial Stockholder for any shares of Common Stock acquired by it, regardless of whether the shares were purchased before or after the Substantial Stockholder became a Substantial Stockholder;

provided , however, that as used in the foregoing calculations, all prices per share shall be adjusted to reflect any subsequent stock splits, stock dividends or other similar corporate actions;

(b) The aggregate amount of the cash and the Fair Market Value, as of the date of the consummation of the Business Combination, of the property, securities or other consideration (including, without limitation, shares of stock of the Corporation retained by its existing Public Stockholders in the event of a Business Combination in which the Corporation is the surviving corporation) to be received per share by holders of the Corporation's Preferred Stock in such Business Combination is not less than the highest of:

(i) the price per share equal to the Fair Market Value per share of such Preferred Stock immediately prior to the announcement of such Business Combination;

(ii) the highest per share price (including brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Substantial Stockholder for any shares of Preferred Stock acquired by it, regardless of whether the shares were purchased before or after the Substantial Stockholder became a Substantial Stockholder; or

(iii) the highest preferential amount per share to which the holders of such Preferred Stock would be entitled in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Corporation, regardless of whether the Business Combination to be consummated constitutes such an event;

provided , however, that as used in the foregoing calculations, all prices per share shall be adjusted to reflect any

subsequent stock splits, stock dividends or other similar corporate actions.

The provisions of this section 3(b) shall apply with respect to every series of outstanding Preferred Stock, whether or not the Substantial Stockholder has previously acquired any such Preferred Stock;

(c) The consideration to be received by holders of a particular class of outstanding stock in such Business Combination shall be in the same form and of the same kind as the consideration paid by the Substantial Stockholder in acquiring the shares of such class of stock already owned by it. If the Substantial Stockholder has purchased shares of such class of stock with varying forms of consideration, the form of consideration for such class of stock to be paid in the Business Combination shall be either cash or, at the election of a majority of the Continuing Directors, the form previously used by such Substantial Stockholder to acquire the largest number of shares of such class of stock. If the Business Combination is of a type which does not involve the payment of any consideration to such holders, then this section 3 of subparagraph B shall not be applicable, and such Business Combination shall be required to satisfy the provisions of either section 1 or section 2 of this subparagraph B or the provisions of subparagraph A;

(d) After a Person (as hereinafter defined) has become a Substantial Stockholder and prior to the consummation of the Business Combination:

(i) the proportion of Continuing Directors on the Board shall at all times be at least equal to the proportion that the Voting Shares owned by Public Stockholders bears to all outstanding Voting Shares;

(ii) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any full dividends (whether cumulative or not) on the outstanding Preferred Stock or any class or series of stock having a preference over Common Stock as to dividends or upon liquidation;

(iii) there shall have been: (a) no reduction in the rate of dividends payable on Common Stock except as necessary to reflect any subdivision of Common Stock, or except as necessary to comply with a restrictive covenant in a loan or similar agreement or to ensure that a quarterly dividend payment does not exceed 6.25% of the net income of the Corporation for the four full consecutive fiscal quarters immediately preceding the declaration date of such dividend, or except as may be approved by a majority of the Continuing Directors; and (b) an increase in such rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization, or any similar transaction which has the effect of reducing the number of outstanding shares of Common Stock, unless the failure so to increase such rate is approved by a majority of the Continuing Directors;

(iv) except as approved by a majority of the Continuing Directors, there shall have been no amendment to any trust or other agreement with respect to any employee savings, stock, pension or other benefit plan the effect of which is to change in any manner the provisions governing the voting of any of the Corporation's stock in such plan; and,

(v) the Substantial Stockholder shall not have: (a) received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance, or tax credits or other tax advantages provided by the Corporation; (b) made any major change in the Corporation's business or equity capital structure without the unanimous approval of the Continuing Directors; or (c) used any asset of the Corporation as collateral, or compensating balances, directly or indirectly, for any obligation of such Substantial Stockholder; and,

(e) A proxy or information statement responsive to the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall have been mailed to all holders of Voting Shares at least thirty (30) days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). Such proxy statement shall contain:

(i) at the front thereof, in a prominent place, any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors, or any of them, may choose to state; and,

(ii) if deemed advisable by a majority of the Continuing Directors, an opinion of a reputable investment banking or appraisal firm as to the fairness (or lack of fairness) of the terms of such Business Combination, from the point of view of the Public Stockholders (such investment banking or appraisal firm to be: (a) selected by a majority of the Continuing Directors; (b) a firm which has not previously been associated with or rendered services to or acted as manager of an underwriting or as agent for the Substantial Stockholder; (c) furnished with all information it reasonably requests; and (d) paid a reasonable fee for its services upon receipt by the Corporation of such opinion).

C. For purposes of this Restated Certificate of Incorporation:

1. A "Person" shall mean any individual, firm, corporation, partnership, trust or entity.

2. The term "Business Combination" shall mean:

(a) any merger, consolidation or share exchange of the Corporation or any subsidiary thereof with or into (i) a Substantial Stockholder or (ii) any other corporation (whether or not itself a Substantial Stockholder) which is, or after such merger, consolidation or share exchange would be, an Affiliate (as hereinafter defined) or Associate (as hereinafter defined) of a Substantial Stockholder; in each case irrespective of which corporation or entity is the surviving entity;

(b) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to a Substantial Stockholder, or any Affiliate or Associate thereof, of all or substantially all of the assets of the Corporation;

(c) the issuance or transfer by the Corporation or any subsidiary thereof (in one transaction or a series of transactions) of any securities of the Corporation or any subsidiary thereof to any Substantial Stockholder or an Affiliate or Associate thereof (other than an issuance or transfer of securities which is effected on a pro rata basis to all stockholders of the Corporation) in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of One Million Dollars ($1,000,000) or more, other than the issuance of securities upon the conversion of convertible securities of the Corporation or any subsidiary thereof which were not acquired by such Substantial Stockholder (or such Affiliate or Associate) from the Corporation or such subsidiary;

(d) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of a Substantial Stockholder or any Affiliate or Associate thereof;

(e) any reclassification of securities (including any reverse stock split), recapitalization, reorganization, merger or consolidation of the Corporation with any of its subsidiaries, or any other transaction (whether or not with or into or otherwise involving a Substantial Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class or series of equity or convertible securities of the Corporation, or any subsidiary thereof, of which any Substantial Stockholder, or any Affiliate or Associate thereof, is the Beneficial Owner; or

(f) any agreement, contract or other arrangement providing for or resulting in any of the transactions described herein.

3. "Substantial Stockholder" shall mean any Person (other than the Corporation or any subsidiary thereof and other than any profit-sharing, employee stock ownership, or other employee benefit plan of the Corporation or such subsidiary, or any trustee of or fiduciary with respect to any such plan when acting in such capacity) who or which:

(a) is the Beneficial Owner of not less than fifteen percent (15%) of the Voting Shares;

(b) is an Affiliate or Associate of the Corporation and at any time within two (2) years prior to the date in question was the Beneficial Owner of not less than fifteen percent (15%) of the then outstanding Voting Shares; or

(c) is an assignee of or has otherwise succeeded to any shares of capital stock of the Corporation which any Substantial Stockholder was the Beneficial Owner of at any time within two (2) years prior to the date in question, and such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.

For purposes of determining whether a Person is a Substantial Stockholder within the meaning hereof, the number of Voting Shares deemed to be outstanding shall include shares deemed owned through application of this section but shall not include any other Voting Shares that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

4. A Person shall be the "Beneficial Owner" of any Voting Shares:

(a) which such Person or any of its Affiliates or Associates beneficially owns, directly or indirectly, within the meaning of Rule 13d-3 (or any successor rule) of the General Rules and Regulations under the Securities Exchange Act of 1934;

(b) which such Person or any of its Affiliates or Associates has: (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants, or options, or otherwise; or (ii) the right to vote pursuant to any agreement, arrangement or underwriting; or

(c) which are beneficially owned, directly or indirectly, within the meaning of such Rule 13d-3 (or successor rule) by any other Person with which such first mentioned Person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of capital stock of the Corporation.

5. "Public Stockholders" shall mean those holders of shares of stock of the Corporation who or which are not Substantial Stockholders.

6. "Continuing Director" shall mean: (a) any member of the Board of Directors of the Corporation who is unaffiliated with the Substantial Stockholder who is a party to the Business Combination and who was first elected or appointed to the Board prior to the date as of which such Substantial Stockholder became a Substantial Stockholder; and (b) any successor thereto who is unaffiliated with such Substantial Stockholder and who was named to succeed such member of the Board by a majority of the Continuing Directors then on the Board, whether or not a quorum.

7. "Affiliate" and "Associate" shall have the respective meanings given those terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1984.

8. "Fair Market Value" shall mean: (a) in the case of stock, the highest closing sale price during the thirty (30)-day period immediately preceding the date in question of a share of such stock on the New York Stock Exchange Composite Tape, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing sales price or bid quotation with respect to a share of such stock during the thirty (30)-day period preceding the date in question on the National Association of Securities Dealers, Inc., Automated Quotations System or any system then in use, or, if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (b) in the case of stock of any class or series which is not traded on any securities exchange or in the over-the-counter market or in the case of property other than cash or stock, the fair market value of such stock or property, as the case may be, on the date in question as determined by a majority of the Continuing Directors in good faith.

D. A majority of the Continuing Directors shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article SEVENTH, including without limitation:

1. the number of Voting Shares beneficially owned by any Person, and whether such Person is a Substantial Stockholder;

2. whether a Person is an Affiliate or Associate of another;

3. whether the requirements of section 3 of subparagraph B of this Article SEVENTH have been met with respect to any Business Combination;

4. whether the consideration to be received for the issuance or transfer of securities by the Corporation or any subsidiary thereof in any Business Combination has an aggregate Fair Market Value of One Million Dollars ($1,000,000) or more;

5. whether a Person has an agreement, arrangement or understanding with another as to matters referred to in sections 4(b) and (c) of subparagraph C; and

6. the Fair Market Value of property, securities or other consideration (other than cash) to be received by holders of shares of stock of the Corporation.

The good faith determination of a majority of the Continuing Directors on such matters shall be binding and conclusive for purposes of this Article SEVENTH.

E. Nothing contained in this Article SEVENTH shall be construed to relieve the Board of Directors or any Substantial Stockholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provision in this Restated Certificate of Incorporation to the contrary (and notwithstanding the fact that a lesser percentage may be specified by applicable law, this Restated Certificate of Incorporation or the By-Laws of the Corporation), any amendment, alteration, change or repeal of this Article SEVENTH shall require the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors; provided , however, that if there is a Substantial Stockholder, such sixty-six and two-thirds percent (66 2/3%) vote must include the affirmative vote of at least fifty percent (50%) of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors held by stockholders other than the Substantial Stockholder; and provided further, that such sixty-six and two-thirds percent (66 2/3%) vote shall not be required for any amendment, alteration, change or repeal of this Article SEVENTH recommended to the stockholders of the Corporation by majority vote of the Continuing Directors or, in the event that there is no Substantial Stockholder at the time such amendment, alteration, change or repeal is under consideration, by majority vote of the Board of Directors.

EIGHTH: A. A director of the Corporation shall not be personally liable to the Corporation or to its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability: (i) for any breach of the director's duty of loyalty to the Corporation or to its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of the General Corporation Law of the State of Delaware; or (iv) for any transaction from which the director derived an improper personal benefit.

B. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (specifically including employee benefit plans), against all loss, liability, expenses (specifically including attorneys' fees), judgments, fines (specifically including any excise taxes assessed on a person with respect to an employee benefit plan) and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

C. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (specifically including employee benefit plans), against all loss, liability and expenses (specifically including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation.

D. To the extent that a director or officer of the Corporation has been successful on the merits or otherwise in connection with any action, suit or proceeding referred to in Paragraph B and C of this Article EIGHTH or in connection with any claim, issue or matter therein, he shall, notwithstanding anything to the contrary in this Article EIGHTH, be indemnified against expenses (specifically including attorneys' fees) actually and reasonably incurred by him in connection therewith.

E. Any indemnification under Paragraph B or C of this Article EIGHTH shall be made by the Corporation upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in said Paragraph B and C. Such determination shall be made: (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or (2) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or (3) by the stockholders.

F. Expenses incurred by a director or officer of the Corporation in defending an action, suit or proceeding, whether civil, criminal, administrative or investigative, shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation, whether under this Article EIGHTH or otherwise. Such expenses incurred by other employees and agents of the Corporation may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

G. The indemnification and advancement of expenses provided by or granted pursuant to this Article EIGHTH shall not be deemed exclusive of any other rights to which a director, officer, employee or agent of the Corporation seeking indemnification or advancement of expenses may be entitled under any By-Law, agreement, vote of stockholders or of disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The Corporation may, by motion of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the indemnification of directors and officers contained in this Article EIGHTH. The indemnification and advancement of expenses provided by or granted pursuant to this Article EIGHTH shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

H. The Corporation shall have the power to purchase and to maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (specifically including employee benefit plans) against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article EIGHTH.

I. For purposes of this Article EIGHTH: (i) a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall conclusively be deemed to have acted in a manner "not opposed to the best interests of the Corporation"; (ii) a director who acted in good faith and who, in addition to considering the short-term interests of the Corporation's stockholders, shall have considered the long-term interests of the Corporation's stockholders, the interests of the Corporation's employees, suppliers, creditors and customers and community and societal considerations in making any decision shall conclusively be deemed to have acted in a manner "not opposed to the best interests of the Corporation"; and (iii) a person shall not be deemed to have had "reasonable cause to believe that his conduct was

unlawful" unless that person shall, with respect to the conduct in question, have acted in knowing, willful or reckless violation of the law.

NINTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation. Notwithstanding the foregoing (and notwithstanding the fact that a lesser percentage may be specified by applicable law, this Restated Certificate of Incorporation or the By-Laws of the Corporation), any amendment, alteration, change or repeal of Articles FIFTH or SIXTH of this Restated Certificate of Incorporation or of subparagraph B of Article FOURTH of this Restated Certificate of Incorporation or of this Article NINTH shall require the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors; provided , however, that if there is a Substantial Stockholder (as defined in Article SEVENTH), such sixty-six and two-thirds percent (66 2/3%) vote must include the affirmative vote of at least fifty percent (50%) of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors held by stockholders other than the Substantial Stockholder; and provided further, that such sixty-six and two-thirds percent (66 2/3%) vote shall not be required for any amendment, alteration, change or repeal of Articles FIFTH or SIXTH of this Restated Certificate of Incorporation or of subparagraph B of Article FOURTH of this Restated Certificate of Incorporation or of this Article NINTH recommended to the stockholders of the Corporation by majority vote of the Continuing Directors (as defined in Article SEVENTH) or, in the event that there is no Substantial Stockholder (as defined in Article SEVENTH) at the time such amendment, alteration, change or repeal is under consideration, by majority vote of the Board of Directors; and provided further, that Article SEVENTH of this Restated Certificate of Incorporation shall only be amended, altered, changed or repealed as provided in subparagraph F of said Article SEVENTH.

* * *

IN WITNESS WHEREOF, this Restated Certificate of Incorporation has been executed by a duly authorized officer of the Corporation on this 14th day of October, 2015.

CARLISLE COMPANIES INCORPORATED

By: /s/ Steven J. Ford
Steven J. Ford, Vice President and
Chief Financial Officer

Exhibit 12

The following table sets forth the Company's ratio of earnings to fixed charges for the nine months ended September 30, 2015 and the years ended December 31, as indicated:

	Nine Months Ended September 30,	Year Ended December 31,			
	2015	2014	2013	2012	2011
Ratio of earnings to fixed charges	12.79	10.93	9.57	12.42	10.58

For purposes of computing the ratio of earnings to fixed charges, earnings are defined as earnings before income taxes from continuing operations, less interest on tax liabilities, plus fixed charges. Fixed charges consist of interest expense (including capitalized interest, but excluding interest on tax liabilities) and the portion of rental expense that is representative of the interest factor.

Exhibit 31.1

Rule 13a-14(a)/15d-14(a) Certifications

I, David A. Roberts, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carlisle Companies Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 21, 2015

/s/ David A. Roberts
Name: David A. Roberts
Title: Chief Executive Officer

Exhibit 31.2

Rule 13a-14(a)/15d-14(a) Certifications

I, Steven J. Ford, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carlisle Companies Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 . The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 21, 2015

/s/ Steven J. Ford
Name: Steven J. Ford
Title: Vice President and Chief Financial Officer

Exhibit 32

Section 1350 Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each of the undersigned officers of Carlisle Companies Incorporated, a Delaware corporation (the "Company"), does hereby certify that:

The Quarterly Report on Form 10-Q for the period ended September 30, 2015 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: October 21, 2015

By: /s/ David A. Roberts
Name: David A. Roberts
Title: Chief Executive Officer

Dated: October 21, 2015

By: /s/ Steven J. Ford
Name: Steven J. Ford
Title: Vice President and Chief Financial Officer