CARLISLE COMPANIES INC
Form DEF 14A
February 27, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to §240.14a-12

CARLISLE COMPANIES INCORPORATED

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CARLISLE COMPANIES INCORPORATED

13925 Ballantyne Corporate Place, Suite 400
Charlotte, North Carolina 28277
(704) 501-1100

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The 2009 Annual Meeting of Shareholders of Carlisle Companies Incorporated (the "Company") will be held at the offices of the Company, 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina on Monday, April 20, 2009, at 12:00 noon for the following purposes:

1. To elect four (4) directors.
2. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the 2009 fiscal year.
3. To approve an amendment to the Company's Executive Incentive Program to increase the number of shares authorized for issuance under the Program.
4. To transact any other business properly brought before the meeting.

Only shareholders of record at the close of business on February 25, 2009 will be entitled to vote whether or not they have transferred their stock since that date.

SHAREHOLDERS ARE URGED TO FILL IN, SIGN, DATE AND MAIL THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE.

By Order of the Board of Directors

STEVEN J. FORD
Secretary

Charlotte, North Carolina
February 27, 2009

PROXY STATEMENT

GENERAL

The enclosed Proxy is solicited by the Board of Directors. The cost of proxy solicitation will be borne by the Company. In addition to the solicitation of proxies by use of the mails, officers and regular employees of the Company may devote part of their time to solicitation by facsimile, telephone or personal calls. Arrangements may also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation material to beneficial owners and for reimbursement of their out-of-pocket and clerical expenses incurred in connection therewith. Proxies may be revoked at any time prior to voting. See "Voting by Proxy and Confirmation of Beneficial Ownership" beginning on page 40.

The mailing address of the principal executive offices of the Company is Carlisle Companies Incorporated, 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina 28277. The Company intends to mail to shareholders of record as of February 25, 2009 this Proxy Statement and the enclosed Proxy, together with the 2008 Annual Report, on or about March 10, 2009. Upon written request mailed to the attention of the Secretary of the Company, at the address set forth above, the Company will provide without charge a copy of its 2008 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Important notice regarding the availability of proxy materials for the 2009 Annual Meeting of Shareholders of the Company to be held on April 20, 2009:

The proxy materials relating to the 2009 Annual Meeting and the 2008 Annual Report are available on the Internet. Please go to *http://www.carlisle.com/2009proxymaterials/* to view and obtain the proxy materials on-line.

VOTING SECURITIES

At the close of business on February 25, 2009, the Company had 60,990,654 shares of common stock ("Shares" or "Common Shares") outstanding, all of which are entitled to vote. The Company's Restated Certificate of Incorporation provides that each person who received Shares pursuant to the Agreement of Merger, dated March 7, 1986, which was approved by the shareholders of Carlisle Corporation and became effective on May 30, 1986, is entitled to five votes per Share. Persons acquiring Shares after May 30, 1986 (the effective date of the Merger) are entitled to one vote per share until the Shares have been beneficially owned (as defined in the Restated Certificate of Incorporation) for a continuous period of four years. Following continuous ownership for a period of four years, the Shares are entitled to five votes per share. The actual voting power of each holder of Shares will be based on shareholder records at the time of the Annual Meeting. See "Voting by Proxy and Confirmation of Beneficial Ownership" beginning on page 40. In addition, holders of Shares issued from the treasury, other than in connection with the exercise of stock options, before the close of business on February 25, 2009 (the record date for determining shareholders entitled to vote at the Annual Meeting) will be entitled to five votes per share unless the Company's Board of Directors (the "Board of Directors" or "Board") determines otherwise at the time of authorizing such issuance.

SECURITY OWNERSHIP

A. Beneficial Owners.

The following table provides certain information as of December 31, 2008 with respect to any person who is known to the Company to have been the beneficial owner of more than five percent (5%) of the Common Shares, the Company's only class of voting securities. As defined in Securities and Exchange Commission Rule 13d-3, "beneficial ownership" means essentially that a person has or shares voting or investment decision power over shares. It does not necessarily mean that the person enjoyed any economic benefit from those shares. The information included in the table is from Schedules 13G filed with the Securities and Exchange Commission by (i) Franklin Advisory Services, LLC, (ii) JPMorgan Chase & Co., (iii) Lord, Abbett & Co. LLC and (iv) Wellington Management Company, LLP.

Name and Address of Beneficial Owner	Number of Shares(1)	Percentage
Franklin Advisory Services, LLC One Parker Plaza, 9th Floor Fort Lee, New Jersey 07024	6,554,331	10.7%
JPMorgan Chase & Co. 270 Park Avenue New York, New York 10017	3,864,513	6.3%
Lord, Abbett & Co. LLC 90 Hudson Street Jersey City, New Jersey 07302	7,813,828	12.81%
Wellington Management Company, LLP 75 State Street Boston, Massachusetts 02109	4,626,903	7.58%

(1) Based on the referenced Schedule 13G filing, each listed reporting person beneficially owns the listed shares.

B. Nominees, Directors and Officers.

The following table provides information as of January 30, 2009, as reported to the Company by the persons and members of the group listed, as to the number and the percentage of Common Shares beneficially owned by: (i) each director, nominee and executive officer named in the Summary

Compensation Table on page 26; and (ii) all directors, nominees and current executive officers of the Company as a group.

Name of Director/Executive or Number of Persons in Group	**Number of Shares**	**Percentage**
Robert G. Bohn	1,229(l)	0.00%
Donald G. Calder	183,268(a)(c)(f)(l)	0.29%
Robin S. Callahan	33,729(f)(h)(l)	0.05%
Paul J. Choquette, Jr.	36,485(f)(l)	0.06%
Terry D. Growcock	1,184(l)	0.00%
Peter L.A. Jamieson	34,194(f)(k)(l)	0.05%
Peter F. Krogh	30,778(f)(i)(k)(l)	0.05%
Stephen P. Munn	424,971(b)(f)	0.68%
David A. Roberts	328,622(d)(e)(j)	0.53%
Gregg A. Ostrander	92(k)(l)	0.00%
Lawrence A. Sala	29,026(f)(k)(l)	0.05%
Magalen C. Webert	91,596(f)(g)(k)(l)	0.15%
John W. Altmeyer	320,796(d)(e)(j)	0.51%
Steven J. Ford	141,058(d)(e)(j)	0.23%
Carol P. Lowe	119,054(d)(e)(j)	0.19%
Michael D. Popielec	230,680(d)(e)(j)	0.37%
D. Christian Koch	43,445(d)(e)(j)	0.07%
21 Directors and current executive officers as a group	2,266,823(a)-(l)	3.64%

(a) Includes 7,000 Shares held by Mr. Calder's wife. Mr. Calder disclaims beneficial ownership of these Shares.

(b) Includes 10,400 Shares held by Mr. Munn's wife. Mr. Munn disclaims beneficial ownership of these Shares.

(c) Includes 116,202 Shares held by a foundation as to which Mr. Calder is a trustee. Mr. Calder disclaims beneficial ownership of these Shares.

(d) Includes Shares allocated as of December 31, 2008 to the accounts of the following executive officers participating in the Company's Employee Incentive Savings Plan: Mr. Roberts, 289 Shares; Mr. Ford, 4,096 Shares; Mrs. Lowe, 1,814 Shares; Mr. Popielec, 882 Shares; Mr. Altmeyer, 9,279 Shares; and Mr. Koch, 112 Shares. Each participant in the Plan has the right to direct the voting of Shares allocated to his or her account. Shares are held by the trustee of the Employee Incentive Savings Plan in a commingled trust fund with beneficial interest allocated to each participant's account.

(e) Includes Shares which the following executive officers have the right to acquire within sixty (60) days through the exercise of stock options issued by the Company: Mr. Roberts, 180,833 Shares; Mr. Ford, 113,167 Shares; Mrs. Lowe, 103,333 Shares; Mr. Altmeyer, 246,167 Shares; Mr. Popielec, 207,333 Shares and Mr. Koch, 23,333 Shares. Shares issued from the treasury of the Company pursuant to the exercise of stock options have one vote per share until such Shares have been held for a continuous period of four (4) years.

(f) Includes Shares which the following non-employee directors have the right to acquire within sixty (60) days through the exercise of stock options issued by the Company: Mr. Calder, 12,000 Shares; Mrs. Callahan, 14,000 Shares; Mr. Choquette, 26,000 Shares; Mr. Jamieson, 16,000 Shares; Mr. Krogh, 26,000 Shares; Mr. Munn, 70,000 Shares; Mr. Sala, 20,000 Shares; and Mrs. Webert, 26,000 Shares. Shares issued from the treasury of the Company pursuant to the exercise of stock options have one vote per share until such Shares have been held for a continuous period of four (4) years.

(g) Includes 5,000 Shares held by Mrs. Webert's husband. Mrs. Webert disclaims beneficial ownership of these Shares.

(h) Includes 1,500 Shares held by Mrs. Callahan's husband. Mrs. Callahan disclaims beneficial ownership of these Shares.

(i) Includes 200 Shares held by Mr. Krogh's wife. Mr. Krogh disclaims beneficial ownership of these Shares.

(j) Includes restricted Shares as follows: Mr. Roberts, 127,500 Shares; Mr. Ford, 9,600; Mrs. Lowe, 10,675 Shares; Mr. Altmeyer, 30,450 Shares; Mr. Popielec, 15,650 Shares; and Mr. Koch, 20,000 Shares. Restricted Shares have one vote per share until such Shares have been held for a continuous period of four (4) years.

(k) The table does not include the following Share equivalent units ("Units") credited to the directors under the Company's Deferred Compensation Plan for Non-Employee Directors: Mr. Jamieson, 14,456 Units; Mr. Krogh, 7,368 Units; Mr. Ostrander, 525 Units; Mr. Sala, 6,382 Units; and Mrs. Webert, 6,664 Units. The value of the Units will be paid to the director in cash upon his or her termination of service.

(l) The table does not include the following restricted Share units ("RSUs") credited to the directors under the Company's Non-Employee Director Equity Plan: Mr. Bohn, 1,717 RSUs; Mr. Calder, 1,844 RSUs; Mrs. Callahan, 1,844 RSUs; Mr. Choquette, 1,844 RSUs; Mr. Growcock, 1,486 RSUs; Mr. Jamieson, 1,844 RSUs; Mr. Krogh, 1,844 RSUs; Mr. Ostrander, 1,671 RSUs; Mr. Sala, 1,844 RSUs and Mrs. Webert, 1,844 RSUs. The RSUs will be paid to the director in Shares upon his or her termination of service.

BOARD OF DIRECTORS

A. Election of Directors

The Company's Restated Certificate of Incorporation provides for a classified Board of Directors under which the Board is divided into three (3) classes of directors, each class as nearly equal in number as possible.

Four (4) directors are to be elected at the 2009 Annual Meeting. The directors will be elected to serve for a three-year term until the 2012 Annual Meeting and until their successors are elected and qualified. Directors will be elected by a plurality of the votes cast. Only votes cast for a nominee will be counted, except that the accompanying Proxy will be voted for the four nominees in the absence of instructions to the contrary. Abstentions, broker non-votes, and instruction on the accompanying Proxy to withhold authority to vote for one or more of the nominees will result in the respective nominees receiving fewer votes than if the votes were cast for the respective nominees. For voting purposes, proxies requiring confirmation of the date of beneficial ownership received by the Board of Directors with such confirmation not completed so as to show which Shares beneficially owned by the shareholder are entitled to five votes will be voted with one vote for each Share. See "Voting by Proxy and Confirmation of Beneficial Ownership" beginning on page 40. In the event any nominee is unable to serve (an event management does not anticipate), the Proxy will be voted for a substitute nominee selected by the Board of Directors or the number of directors will be reduced.

The Board of Directors does not impose arbitrary term limits, but a director is required to submit his or her resignation at the Annual Meeting following the date when he or she reaches age 72.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE FOLLOWING NOMINEES.

Nominees for Election

The following table sets forth certain information relating to each nominee, as furnished to the Company by the nominee. Except as otherwise indicated, each nominee has had the same principal occupation or employment during the past five years. All of the nominees are currently serving as Directors.

Name	Age	Position with Company, Principal Occupation, and Other Directorships	Period of Service as Director(1)
Paul J. Choquette, Jr.	70	Chairman and Chief Executive Officer of Gilbane, Inc., the holding company for Gilbane Development, Inc., and Gilbane Building Company, real estate development and construction management companies. Chairman of Compensation Committee (from May 2008) and member of Corporate Governance and Nominating Committee (through May 2008), Executive Committee and Pension and Benefits Committee (from September 2008) of the Company.	April, 1991 to date.
Stephen P. Munn	66	Lead Director (since June, 2007) of the Company. Former Chairman of the Board (from January, 1994 to June, 2007) and Chief Executive Officer (from September, 1988 to February, 2001) of the Company. Director of 62 mutual funds owned by Prudential. Member of the Executive Committee of the Company.	September, 1988 to date.
Lawrence A. Sala	46	Chairman, President and Chief Executive Officer of Anaren, Inc., manufacturer of microwave electronic components and subsystems for satellite and defense electronics, and telecommunications. Director of Anaren, Inc. Chairman of Corporate Governance and Nominating Committee (from May 2008) and member of Audit Committee, Executive Committee (from May 2008) and Pension and Benefits Committee (through September 2008) of the Company.	September, 2002 to date.
Magalen C. Webert	57	Private investor. Member of Pension and Benefits and Corporate Governance and Nominating Committees of the Company.	May, 1999 to date.

(1) Information reported includes service as a Director of Carlisle Corporation, the Company's predecessor.

Directors With Unexpired Terms

The following table sets forth certain information relating to each director whose term has not expired, as furnished to the Company by the director. Except as otherwise indicated, each director has had the same principal occupation or employment during the past five years.

Name	Age	Position with Company, Principal Occupation, and Other Directorships	Period of Service as Director(1) Expiration of Current Term
Robert G. Bohn	55	Chairman (since January, 2000) and President and Chief Executive Officer (since November, 1997) of Oshkosh Truck Corporation, a manufacturer of specialty vehicles and bodies for access equipment, defense, fire and emergency and commercial uses. Director of Menasha Corporation. Member of Compensation and Pension and Benefits Committees of the Company.	April, 2008. Term expires 2011.
Robin S. Callahan	62	Past General Manager, Distribution and Marketing of International Business Machines Corporation, a computer manufacturer and provider of information technology services. Chairman of Audit Committee (from September 2008) and member of Executive and Compensation Committees of the Company.	May, 1998 to date. Term expires 2010.
Donald G. Calder	71	President of G.L. Ohrstrom & Co., Inc., a private investment firm. Director of Central Securities Corporation and Brown-Forman Corporation. Member of Audit, Corporate Governance and Nominating and Executive Committees of the Company.	December, 1984 to date. Term expires 2010.
Terry D. Growcock	63	Chairman of the Board of Directors (from May, 2007 to December 31, 2008), Chairman and Chief Executive Officer (from February, 2002 to April, 2007), and President and Chief Executive Officer (from July, 1998 to February, 2002) of The Manitowoc Company, a multi-industry capital goods manufacturer. Director of Harris Corporation and Harsco Corporation. Member of Compensation, Corporate Governance and Nominating and Pension and Benefits Committees of the Company.	September, 2008 to date. Term expires 2011.

Name	Age	Position with Company, Principal Occupation, and Other Directorships	Period of Service as Director(1) Expiration of Current Term
Peter L.A. Jamieson	70	Past Director of Jardine Strategic Holdings, Ltd., a holding company which makes long-term strategic investments. Past Director of Robert Fleming Holdings Limited, an investment banking firm. Member of Audit, Compensation and Pension and Benefits Committees of the Company.	January, 1996 to date. Term expires 2011.
Peter F. Krogh	72	Dean Emeritus and Distinguished Professor, School of Foreign Service, Georgetown University. Director of Credit Suisse Mutual Funds. Chairman of Pension and Benefits Committee and Member of Compensation and Corporate Governance and Nominating Committees of the Company.	May, 1995 to date. Term expires 2011.
Gregg A. Ostrander	56	Executive Chairman of the Board of Directors (since January, 2008), Chairman, President and Chief Executive Officer (from April, 2001 to January, 2008) and President and Chief Executive Officer (from 1994 to April 2001) of Michael Foods, Inc., a national leader in egg products, refrigerated potatoes and branded cheese for food service and retail markets. Director of Arctic Cat Inc. and Birds Eye Foods, Inc. Member of the Audit and Compensation Committees of the Company.	August, 2008 to date. Term expires 2011.
David A. Roberts	61	Chairman, President and Chief Executive Officer (since June, 2007) and Chairman of the Executive Committee of the Company (since September, 2007). Former Chairman (from April, 2006 to June, 2007) and President and Chief Executive Officer (from June, 2001 to June, 2007) of Graco Inc., manufacturer of fluid handling systems and components used in vehicle lubrication, commercial and industrial settings. Director of Franklin Electric Co., ADC Telecommunications, Inc. and Arctic Cat Inc. (resigned, effective March 31, 2009).	June, 2007 to date. Term Expires 2010.

(1) Information reported includes service as a Director of Carlisle Corporation, the Company's predecessor.

B. Meetings of the Board and Certain Committees

During 2008, the Board of Directors of the Company held seven (7) meetings and had five (5) standing Committees: (i) Executive, (ii) Audit, (iii) Compensation, (iv) Pension and Benefits and (v) Corporate Governance and Nominating.

The Executive Committee has the authority to exercise all powers of the Board of Directors between regularly scheduled Board meetings. During 2008, the Executive Committee did not meet.

The Audit Committee has the sole authority to appoint and terminate the engagement of the Company's independent registered public accounting firm. The functions of the Audit Committee also include reviewing the arrangements for and the results of the auditors' examination of the Company's books and records, internal accounting control procedures, the activities and recommendations of the Company's internal auditors, and the Company's accounting policies, control systems and compliance activities. During 2008, the Audit Committee held ten (10) meetings.

The Compensation Committee administers the Company's annual and long-term, stock based incentive programs and decides upon annual salary adjustments for various employees of the Company, including the executive officers. During 2008, the Compensation Committee held four (4) meetings.

The Pension and Benefits Committee monitors the performance of the Company's pension and benefits programs. During 2008, the Pension and Benefits Committee held three (3) meetings.

The functions of the Corporate Governance and Nominating Committee include developing and maintaining a set of corporate governance guidelines, leading the search for individuals qualified to become members of the Board and recommending such individuals be nominated by the Board to be presented for shareholder approval at the Company's annual meetings, reviewing the Board's committee structure and recommending to the Board for its approval directors to serve as members of each committee, discussing succession planning and recommending a new chief executive officer if a vacancy occurs. During 2008, the Corporate Governance and Nominating Committee held four (4) meetings.

C. Remuneration of Directors

Lead Director. Stephen P. Munn serves as Lead Director and as a member of the Executive Committee. He was appointed Lead Director effective June 25, 2007. The Company pays Mr. Munn an annual retainer of $300,000 for his service as a member of the Board of Directors and as Lead Director.

Mr. Munn entered into a retirement agreement with the Company in 2001 when he ceased serving as chief executive officer of the Company. Under the retirement agreement, Mr. Munn became entitled to receive the following benefits from the Company when he retired on June 25, 2007: (i) continued medical insurance for Mr. Munn and his wife at the premium rates in effect from time to time for active employees, (ii) $450,000 in group term life insurance, and (iii) a pension benefit of $33,333 per month for the life of Mr. Munn and his wife.

Other Non-employee Directors. The Company pays an annual fee of $50,000 to each director who is not a member of management (other than Mr. Munn). The annual fee is determined by the Board of Directors. Each non-employee director may elect to receive the annual fee in cash or in Shares (or any combination of cash and Shares). Non-employee directors do not receive meeting attendance fees.

The Company also pays an annual fee to each non-employee director for service on the Board's Committees. Each member of the Executive Committee (other than Mr. Roberts, the Chairman of the Committee and Mr. Munn, the former Chairman of the Committee) and the Audit Committee received an annual fee of $15,000. The annual fee paid to each member of the Compensation, Pension and

Benefits and Corporate Governance and Nominating Committees was $5,000. The Chairman of each Committee received an additional annual fee of $10,000.

In addition to the annual retainer and committee fees, each non-employee director is eligible to participate in the Nonemployee Director Equity Plan. The Nonemployee Director Equity Plan provides for the grant of stock options, stock appreciation rights, restricted shares or units or other stock-based awards to non-employee directors. The Board administers the Nonemployee Director Equity Plan and has the discretionary authority to make all award decisions under the Plan. At the meeting of the Board of Directors held on February 5, 2008, the Board of Directors awarded each non-employee director an award of 1,805 restricted stock units having a value of approximately $60,000 based on the closing price of the Company's common stock on the award date. Under the current policy of the Board, each new director receives an award of restricted stock units having a value of $50,000. In connection with their appointments to the Board of Directors during 2008, the Board approved the following grants of restricted stock units, all of which had a value (based on the closing price of the Company's common stock on the award date) of approximately $50,000: (i) Mr. Bohn, 1,688 restricted stock units on May 8, 2008, (ii) Mr. Ostrander, 1,649 restricted stock units on August 4, 2008 and (iii) Mr. Growcock, 1,474 restricted stock units on September 19, 2008.

All restricted stock units awarded to non-employee directors are fully vested and will be paid in Shares after the director ceases to serve as a member of the Board, or if earlier, upon a change in control of the Company.

Prior to 2008, the Board of Directors made an annual grant of options to purchase Shares to non-employee directors under the Non-Employee Director Equity Plan. Messrs. Krogh and Jamieson will retire from the Board of Directors at the 2009 Annual Meeting. In recognition of their long service to the Company, the Board of Directors agreed to extend the expiration dates of the stock options granted to them prior to 2008 through the remaining ten year term of the options. In the absence of the extension, the options would have expired one year from the date of their retirement from the Board of Directors at the 2009 Annual Meeting.

The Company also maintains a Deferred Compensation Plan for Non-Employee Directors. Under the Deferred Compensation Plan, each non-employee director of the Company is entitled to defer up to 100% of the cash fees and restricted stock units otherwise payable to him or her. Each participant can direct the "deemed investment" of his or her account among the different investment funds offered by the Company from time to time. The investment options include (i) a fixed rate fund and (ii) Share equivalent units. All amounts credited to a participant's account under the Deferred Compensation Plan are 100% vested and generally will be paid or commence to be paid after the participant terminates service as a director. At the participant's election, payments can be made in a lump sum or in quarterly installments. Payments under the Deferred Compensation Plan are made in cash from the Company's general assets. For the period January 1, 2008 to December 31, 2008, the fixed rate fund accrued interest at five and one-half percent (5.5%) per annum and the aggregate interest accrued for all participants in the Deferred Compensation Plan was $36,546.

The Board of Directors has adopted stock ownership guidelines for non-employee directors. The guidelines require each non-employee director to own Shares, restricted stock units and Share equivalent units under the Deferred Compensation Plan having a market value equal to $175,000 within five years of his or her becoming a director. Once the required market value ownership level is achieved, no further purchases are required in the event the value of the Shares held by a director fall below $175,000 due solely to a decrease in the market value of the Shares. Messrs. Bohn, Ostrander and Growcock became directors in 2008 and do not yet own Shares, restricted stock units and Share equivalent units having a market value of $175,000. They have five years from the time they were appointed directors to achieve that ownership level. All other directors owned as of December 31, 2008 the number of Shares, restricted stock units and Share equivalent units required by the ownership guidelines.

The Company does not make payments (or have any outstanding commitments to make payments) to director legacy programs or similar charitable award programs.

The following table summarizes the compensation paid to each non-employee director for his or her service to the Board and its committees during 2008:

Director Compensation Table

Name	Fees Earned or Paid in Cash($)(3)	Stock Awards ($)(4)	Option Awards ($)(4)(5)	All Other Compensation($)	Total($)
Robert G. Bohn	$ 36,250	$ 49,999	$ 0	$ 0	$ 86,249
Donald G. Calder	$ 85,000	$ 60,016	$ 9,623	$ 0	$ 154,639
Robin S. Callahan	$ 90,000	$ 60,016	$ 9,623	$ 0	$ 159,639
Paul J. Choquette, Jr.	$ 81,250	$ 60,016	$ 9,623	$ 0	$ 150,889
Terry D. Growcock	$ 22,500	$ 49,993	$ 0	$ 0	$ 72,493
Peter L.A. Jamieson	$ 75,000	$ 60,016	$ 9,623	$ 0	$ 144,639
Peter F. Krogh	$ 75,000	$ 60,016	$ 9,623	$ 0	$ 144,639
Stephen P. Munn	$ 300,000	$ 0	$ 48,115	$ 0	$ 348,115
Gregg A. Ostrander	$ 28,750	$ 49,998	$ 0	$ 0	$ 78,748
Anthony W. Ruggiero(1)	$ 53,750	$ 60,016	$ 0	$ 0	$ 113,766
Lawrence A. Sala	$ 88,750	$ 60,016	$ 9,623	$ 0	$ 158,389
Eriberto R. Scocimara(2)	$ 35,000	$ 0	$ 9,623	$ 0	$ 44,623
Magalen C. Webert	$ 60,000	$ 60,016	$ 9,623	$ 0	$ 129,639

(1)

Mr. Ruggiero resigned as a director effective September 10, 2008.

(2)

Mr. Scocimara retired from the Board of Directors at the 2008 Annual Meeting on April 21, 2008 in accordance with the retirement policy of the Board of Directors. Because Mr. Scocimara had announced his retirement prior to the date the restricted stock units were awarded to the non-employee directors on February 5, 2008, Mr. Scocimara received an award of cash, in lieu of a restricted stock unit award, prorated for the period he served on the Board during 2008 through his retirement date.

(3)

The following directors received a portion of their annual fee in Shares: Mr. Bohn 1,223 Shares, Mrs. Callahan 737 Shares, Mr. Choquette 737 Shares, Mr. Growcock 184 Shares, Mr. Krogh 368 Shares, Mr. Ostrander 92 Shares, Mr. Sala 368 Shares and Mrs. Webert 368 Shares.

(4)

The value of the stock and option awards shown in the table is equal to the expense reported for financial reporting purposes in 2008 (before reflecting forfeitures). The full grant date value of the restricted stock units awarded on February 5, 2008 to each of Messrs. Calder, Choquette, Jamieson, Krogh and Sala and to Mrs. Callahan and Mrs. Webert was $60,016. The full grant date value of the restricted stock units awarded (i) on May 8, 2008 to Mr. Bohn was $49,999, (ii) on August 4, 2008 to Mr. Ostrander was $49,998 and (iii) on September 10, 2008 to Mr. Growcock was $49,993. The full grant date value of the restricted stock units awarded equals the amounts shown above, because the restricted stock units were fully vested on the award date. Note 11 to the Company's consolidated financial statements included in the 2008 Annual Report on Form 10-K contains more information about the Company's accounting for stock-based compensation arrangements.

(5)
As of December 31, 2008, the directors listed in the Director Compensation Table (other than Messrs. Ruggiero and Scocimara who were not members of the Board of Directors on December 31, 2008) held options to acquire Shares granted to them under the Company's stock-based compensation plans as follows:

	Grant Date	Option Exercise Price	Exercisable(#)	Unexercisable(#)	Total Outstanding
Mr. Calder	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000
Total			10,667	1,333	12,000
Mrs. Callahan	02/04/04	$ 28.535	2,000	0	2,000
	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000
Total			12,667	1,333	14,000
Mr. Choquette	12/01/99	$ 17.5938	10,000	0	10,000
	02/05/03	$ 20.03	2,000	0	2,000
	02/04/04	$ 28.535	2,000	0	2,000
	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000
Total			24,667	1,333	26,000
Mr. Jamieson	02/05/03	$ 20.03	2,000	0	2,000
	02/04/04	$ 28.535	2,000	0	2,000
	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000
Total			14,667	1,333	16,000
Mr. Krogh	12/01/99	$ 17.5938	10,000	0	10,000
	02/05/03	$ 20.03	2,000	0	2,000
	02/04/04	$ 28.535	2,000	0	2,000
	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000

Total				24,667	1,333	26,000
Mr. Munn	02/04/04	$	28.535	10,000	0	10,000
	02/02/05	$	32.09	20,000	0	20,000
	02/08/06	$	34.43	20,000		20,000
	02/07/07	$	41.87	13,334	6,666	20,000
Total				63,334	6,666	70,000

	Grant Date	Option Exercise Price	Exercisable(#)	Unexercisable(#)	Total Outstanding
Mr. Sala	11/06/02	$ 20.00	4,000	0	4,000
	02/05/03	$ 20.03	2,000	0	2,000
	02/04/04	$ 28.535	2,000	0	2,000
	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000
Total			18,667	1,333	20,000
Mrs. Webert	12/01/99	$ 17.5938	10,000	0	10,000
	02/05/03	$ 20.03	2,000	0	2,000
	02/04/04	$ 28.535	2,000	0	2,000
	02/02/05	$ 32.09	2,000	0	2,000
	05/04/05	$ 36.40	2,000	0	2,000
	02/08/06	$ 34.43	4,000	0	4,000
	02/07/07	$ 41.87	2,667	1,333	4,000
Total			24,667	1,333	26,000

D. Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's executive officers and directors, and persons who beneficially own more than ten percent (10%) of the Company's equity securities, to file reports of security ownership and changes in such ownership with the Securities and Exchange Commission (the "SEC"). Executive officers, directors and greater than ten-percent beneficial owners also are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. Based solely upon a review of copies of such forms and written representations from its executive officers and directors, the Company believes that all Section 16(a) filing requirements were complied with on a timely basis during and for 2008. However, during 2008, the Company became aware that Mrs. Webert did not timely report (i) the acquisition of 5,200 Shares in August, 2001 for no consideration as a distribution from a trust for which she was a beneficiary and (ii) the acquisition of 14,850 Shares in June, 2007 for no consideration as the result of a pro-rata liquidating distribution from a limited partnership in which she was a limited partner.

E. Corporate Governance Matters

Independence. The Board recognizes the importance of director independence. Under the rules of the New York Stock Exchange, to be considered independent, the Board must determine that a director does not have a direct or indirect material relationship with the Company. Moreover, a director will not be independent if, within the preceding three (3) years: (i) the director was employed by the Company or receives $100,000 per year in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service, (ii) the director was a partner of or employed by the Company's independent auditor, (iii) the director is part of an interlocking directorate in which an executive officer of the Company serves on the compensation committee of another company that employs the director, (iv) the director is an executive officer or employee of another company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of $1 million or 2% of such other company's consolidated gross revenues, or (v) the director had an immediate family member in any of the categories in (i) (iv).

The Board has determined that ten (10) of the Company's twelve (12) directors are independent under these standards. The independent directors are as follows: Robert G. Bohn, Donald G. Calder, Robin S. Callahan, Paul J. Choquette, Jr., Terry D. Growcock, Peter L.A. Jamieson, Peter F. Krogh, Gregg A. Ostrander, Lawrence A. Sala, and Magalen C. Webert. In making its determination that Mr. Growcock is independent, the Board took into consideration that the Company, through its off-highway braking operation, sells braking system parts and components to The Manitowoc Company. At the time of his appointment to the Board on September 10, 2008, Mr. Growcock was Chairman of the board of directors of Manitowoc. The Company's total sales to Manitowoc during 2008 at the time of Mr. Growcock's appointment to the Board were approximately $990,000.

The other two directors are David A. Roberts, the Company's current Chairman, President and Chief Executive Officer, and Stephen P. Munn who was employed as an executive officer of the Company and served as Chairman of the Board through June 25, 2007 and is currently serving as the Lead Director.

In addition, each of the directors serving on the Audit, Compensation, Corporate Governance and Nominating and Pension and Benefits Committees are independent under the standards of the New York Stock Exchange.

Related Party Transactions. The Board has adopted a policy concerning the review, approval and monitoring of transactions involving the Company and "related persons" (directors and executives officers or their immediate family members, or shareholders owning five percent (5%) or greater of the Company's outstanding Shares). The policy covers any transaction exceeding $120,000 in which the related person has a direct or indirect material interest. Related person transactions must be approved by the Corporate Governance and Nominating Committee which will approve the transaction only if it determines that the transaction is in the best interests of the Company.

In 2008, in accordance with the requirements of the related party transaction policy, the Corporate Governance and Nominating Committee reviewed the fleet management services Emkay Incorporated provides to the Company's Construction Materials Group. The Company paid Emkay a management fee of approximately $50,000 and reimbursed Emkay for pass-through costs, such as fuel, taxes and vehicle depreciation, for Emkay's services, which in total exceeded $120,000. Emkay has provided fleet management services as a preferred vendor to the Construction Materials Group since 1997. A brother-in-law of Mr. Roberts (the Company's Chairman, President and Chief Executive Officer) is a senior officer and more than ten percent owner of Emkay Incorporated. The Corporate Governance and Nominating Committee reviewed all of the material facts related to the services provided by Emkay and ratified all transactions that occurred during 2008. The Corporate Governance and Nominating Committee will continue to review annually the Company's business relationships with Emkay.

Meetings of Non-Management Directors. At the conclusion of each of the regularly scheduled Board meetings, the non-management directors of the Board meet in executive session without management and with the Lead Director presiding at the executive meeting.

Statement of Corporate Governance Guidelines and Principles. The Company has adopted a Statement of Corporate Governance Guidelines and Principles and has published the Statement on its website: *www.carlisle.com*. The Company will provide without charge a copy of the Statement to any shareholder upon written request mailed to the attention of the Company's Secretary at 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina 28277.

Charters. The Company has adopted Charters for each of its Audit, Compensation, Pension and Benefits and Corporate Governance and Nominating Committees and has published the Charters on its website: *www.carlisle.com*. The Company will provide without charge a copy of the Charters to any shareholder upon written request mailed to the attention of the Company's Secretary at 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina 28277.

Code of Ethics. The Company's Business Code of Ethics is published on its website: *www.carlisle.com*. The Company will provide without charge a copy of the Business Code of Ethics to any shareholder upon written request mailed to the attention of the Company's Secretary at 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina 28277.

Communications with Board of Directors. Any interested party may communicate with the Board of Directors or with the non-management directors as a group by writing to the Company's Secretary at Carlisle Companies Incorporated, 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina 28277, Attention: Secretary. Any written communication will be forwarded to the Board for its consideration.

Directors are not required to attend the Company's Annual Meeting of Shareholders and none of the directors attended last year's Annual Meeting.

Nomination Process. At its February, 2003 meeting, the Board established a Corporate Governance and Nominating Committee. The Committee's Charter is published on the Company's website: *www.carlisle.com*. All directors serving on the Committee are "independent" under the standards established by the New York Stock Exchange.

As more fully described in its Charter, the Corporate Governance and Nominating Committee assists the Board by identifying individuals qualified to be directors and recommending such individuals be nominated by the Board for election to the Board by the shareholders. Director nominees should possess the highest personal and professional integrity, ethics and values, and be committed to representing the long-term interests of the Company's shareholders. Nominees should also have outstanding business, financial, professional, academic or managerial backgrounds and experience. Each nominee must be willing to devote sufficient time to fulfill his or her duties, and should be committed to serve on the Board for an extended period of time. Prior to accepting an invitation to serve on another public company board, directors must advise the Corporate Governance and Nominating Committee and the Committee will determine whether such service will create a conflict of interest and/or prevent the director from fulfilling his or her responsibilities.

The source of director candidates may include: other directors, management, third-party search firms and security holders. Security holders may submit director recommendations to the Corporate Governance and Nominating Committee by writing to the Company's Secretary at Carlisle Companies Incorporated, 13925 Ballantyne Corporate Place, Suite 400, Charlotte, North Carolina 28277, Attention: Secretary. The writing should include whatever supporting material the security holder considers appropriate and should address the director nominee characteristics described in the immediately preceding paragraph and must be received at least 120 days prior to the applicable Annual Meeting. The Company has not retained a third-party search firm to identify candidates at this time, but may do so in the future in its discretion.

EXECUTIVE OFFICER
COMPENSATION DISCUSSION AND ANALYSIS

A. Introduction

The Compensation Committee of the Board of Directors reviews and administers the Company's compensation policies and practices for all executive officers of the Company, including the individuals listed in the compensation disclosure tables beginning on page 26 (the "named executives"). The Compensation Committee currently has seven members, all of whom are independent, non-employee directors.

In prior years, the Company's executive compensation policies and practices reserved to the Compensation Committee substantial negative discretion to determine after the end of a year the amount of annual cash bonuses and stock-based awards to be made to executives for their and the Company's performance for the year. In 2008, the Compensation Committee engaged Towers Perrin HR Services ("Towers Perrin") to analyze the competitiveness and effectiveness of the Company's executive compensation program. In February 2008, Towers Perrin presented to the Compensation Committee a proposed executive compensation program that was fundamentally different from the largely discretionary program used in prior years. The Compensation Committee adopted the more structured, formula-based executive compensation approach recommended by Towers Perrin for determining the annual and long-term, stock-based incentives for senior executives for 2008. The new approach is described in more detail in this section of the Proxy Statement. The Compensation Committee believes the new program will not only continue to provide a strong link between pay and performance by rewarding executives for superior performance, but it will also be more transparent and easier to communicate to the Company's executives and shareholders, require less complicated administration and provide a valuable retention tool for key executive talent.

B. Role of Compensation Consultant and Executive Officers in Determining Executive Compensation

In addition to analyzing the design of the Company's executive compensation program, the Compensation Committee also engaged Towers Perrin to evaluate the competitiveness of the total direct compensation provided to Company executives and to provide recommended adjustments to the Compensation Committee. Towers Perrin provides no services to the Company or its management other than services related to the Company's executive compensation program.

The Compensation Committee also receives input from Company management in connection with the administration of the Company's executive compensation program. Mr. Roberts, the Company's Chairman, President and Chief Executive Officer, provided the Compensation Committee performance evaluations and base salary recommendations for each named executive officer (other than himself). In addition, Mr. Roberts made recommendations to Compensation Committee about the performance measures to be used for determining the 2008 annual incentive compensation awards and the threshold, target and maximum performance levels for the performance measures.

Mr. Ford, the Company's Chief Financial Officer, provided information and analysis to the Compensation Committee about the financial performance of the Company for the 2008 fiscal year and each of the Company's operating groups for which a named executive officer was responsible. The Compensation Committee used the information and analysis provided by Mr. Ford in determining the annual incentive compensation awards earned by the executives for 2008.

C. Philosophy and Material Elements of Executive Compensation Program

For 2008, the Compensation Committee adopted a structured, formula-based executive compensation program based on the following guiding principles:

The program will provide competitive compensation opportunities.

- The program will reward performance that is consistent with key strategic and shareholder goals.

- The program will include financial and non-financial performance measures and, where appropriate, emphasize overall corporate or group performance.

- The program will serve as a retention tool for key executive talent, provide a balance of liquidity and reward executives for superior performance.

The material elements of the total direct compensation provided to executives under the Company's program are (i) base salary, (ii) a target annual cash bonus opportunity expressed as a percentage of each executive's base salary and (iii) a long-term, stock-based award, the expected value of which is also expressed as percentage of base salary. While each element of compensation paid to executive officers is significant, the annual cash bonus and long-term, stock-based awards have the potential to be the largest amounts of the total compensation paid to executive officers.

In prior years, the Compensation Committee used a peer group of 12 publicly-traded companies of similar size and business to assess the competitiveness of the Company's executive compensation program and to provide a guideline for the total direct compensation provided under the Company's program. The new program adopted for 2008 assesses the competitiveness of the Company's executive compensation program by using data collected from a much larger group of 244 general industry companies in the 2007 Towers Perrin Executive Compensation Database to develop market compensation rates. The companies in the database had revenues of one-half to two times the Company's revenue. The Compensation Committee believes the broader group of companies will be a more reliable and consistent source of market information than the smaller peer group used in prior years. In addition, market compensation rates derived from the larger group of companies will not be unduly influenced by the practices of one or two companies.

The Compensation Committee intends for the total direct compensation opportunities for the Company's executive officers to be within a range of 15% above or below the median of the market compensation rates developed from the database. The 15% range is intended to allow the Compensation Committee to vary compensation from the median market compensation rate based on a named executive's experience, tenure, internal equity considerations and individual performance.

Base Salaries

Base salaries provide a baseline level of compensation to executive officers. Base salaries are not linked to the performance of the Company, because they are intended to compensate executives for carrying out the day-to-day duties and responsibilities of their positions.

The Compensation Committee reviews and adjusts base salary levels in February each year. During the review and adjustment process, the Compensation Committee considers:

- the duties and responsibilities of each executive officer position;

- the relationship of executive officer pay to the base salaries of senior officers and other employees of the Company; and

- whether the base salary levels are competitive based on a comparison of the current base salary with the market base salary derived from the database described above.

In February 2008, the Committee approved base salary increases for the named executives as follows:

Executive	2007 Base Salary	2008 Base Salary	% Increase
Mr. Roberts	$900,000	$ 950,000	5.6%
Mr. Ford	$310,000	$ 335,000	8.1%
Mrs. Lowe	$350,000	$ 400,000	14.3%
Mr. Altmeyer	$550,000	$ 580,000	5.4%
Mr. Popielec	$495,000	$ 520,000	5.0%
Mr. Koch	not applicable	$ 300,000	not applicable

All of the base salary adjustments were based on the Committee's evaluation of each named executive's duties and responsibilities and the base salary trends shown by the benchmark database described above. In addition, the Compensation Committee increased Mr. Ford's base salary from $335,000 to $385,250 effective December 1, 2008 to reflect his assumption of additional responsibilities in connection with his appointment as Chief Financial Officer of the Company.

2008 Annual Incentive Compensation Awards

The Company's executive officers earned annual incentive compensation under the program for 2008 based on the Company's achievement of pre-established performance measures.

The Compensation Committee first established a target annual incentive award expressed as percentage of each named executive's base salary using the market benchmark database. The 2008 target awards were 100% of base salary for the Chief Executive Officer and 75% of base salary for the other named executives.

The Compensation Committee then selected the performance measures on which the 2008 annual incentive awards would be based. The measures for the 2008 annual incentive awards to Mr. Roberts, Chief Executive Officer, Mr. Ford, Chief Financial Officer, Mrs. Lowe, President, Trail King Industries, Inc. (a wholly-owned Company subsidiary) and the former Chief Financial Officer and Mr. Koch, President, Asia-Pacific were the Company's consolidated (i) sales, (ii) earnings, (iii) international revenue and (iv) cash conversion,* with each factor having an equal 25% weighting. The measures for the Group Presidents were (i) the Group's (a) sales, (b) operating margin, (c) international revenue and (d) cash conversion and (ii) the Company's consolidated earnings, with each factor having an equal 20% weighting. The Compensation Committee believes that each of these performance measures tracks whether the Company and its core business Groups are operating efficiently and with a view toward long-term, sustainable growth in the United States and abroad. The Compensation Committee believes that superior performance under these measures will ultimately benefit Company shareholders through increased profits, dividends and Share value.

Finally, the Compensation Committee established threshold, target and maximum levels of performance for each of the measures and determined that 50% of the target annual incentive award would be paid for threshold level performance, 100% of the target annual incentive award would be paid for target level performance and 200% of the target annual incentive award would be paid for performance at or above the maximum level. Under the program adopted by the Compensation Committee, the Company's performance under each of the measures was independently determined from the other measures, so that an annual incentive award was determined for the actual level of performance under each measure. The annual incentive awards under each measure were combined to determine each named executive's aggregate annual incentive award for 2008.

* Cash conversion is determined by dividing the Company's or a Company Group's (as the case may be) operating cash flow by its net income.

The following table shows the threshold, target and maximum performance levels for each of the performance measures established by the Compensation Committee for 2008 as well as the Company's actual performance in 2008 and 2007.

Consolidated Company Performance Measures(1)

Performance Measure	Performance Levels Established by the Compensation Committee Threshold	Target	Maximum	Actual Performance 2008	2007
Sales	$ 2.3 billion	$ 2.9 billion	$ 3.1 billion	$ 3.178 billion	$ 2.889 billion
% change from 2007	-20.4%	0.4%	7.3%	10.0%	
International Revenue	$ 115 million	$150 million	$170 million	$187.2 million	$139.2 million
% change from 2007	-17.4%	7.8%	22.1%	34.5%	
Earnings	$146.8 million	$190 million	$220 million	$ 55.8 million	$183.1 million
% change from 2007	-19.8%	3.8%	20.2%	-69.5%	
Operating Cash Conversion	90.0%	100.0%	120.0%	175.8%	120.0%
% change from 2007	-25.0%	-16.7%	0.0%	46.5%	

(1) For 2008 annual incentive awards to Mr. Roberts, Mr. Ford, Mrs. Lowe and Mr. Koch.

Construction Materials Group Performance Measures(2)

Performance Measure	Performance Levels Established by the Compensation Committee Threshold	Target	Maximum	Actual Performance 2008	2007
Group Sales	$ 1.092 billion	$1.365 billion	$ 1.5 billion	$1.472 billion	$ 1.365 billion
% change from 2007	-20.0%	0.0%	9.9%	7.8%	
Group International Revenue	$ 44 million	$ 48 million	$ 52 million	$ 56 million	$ 42.9 million

% change from 2007	2.6%	11.9%	21.2%	30.5%	
Group Operating Margin	11.5%	13.0%	13.3%	10.3%	13.3%
% change from 2007	-13.5%	-2.3%	0.0%	-22.6%	
Consolidated Earnings	$146.8 million	$ 190 million	$220 million	$ 55.8 million	$183.1 million
% change from 2007	-19.8%	3.8%	20.2%	-69.5%	
Group Operating Cash Conversion	90.0%	100.0%	120.0%	143.1%	158.5%
% change from 2007	-43.2%	-36.9%	-24.3%	-9.7%	

(2) For 2008 annual incentive award to Mr. Altmeyer.

Applied Technologies Group Performance Measures(3)

Performance Measure	Performance Levels Established by the Compensation Committee Threshold	Target	Maximum	Actual Performance 2008	2007
Group Sales	$240.1 million	$308.4 million	$336.0 million	$464.1 million	$300.2 million
% change from 2007	-20.0%	2.7%	11.9%	54.6%	
Group International Revenue	$ 29.6 million	$ 40.7 million	$ 44.4 million	$ 44.0 million	$ 32.4 million
% change from 2007	-8.6%	25.6%	37.0%	35.8%	
Group Operating Margin	10.0%	12.3%	13.4%	10.1%	12.6%
% change from 2007	-20.6%	2.4%	6.3%	-19.8%	
Consolidated Earnings	$146.8 million	$ 190 million	$ 220 million	$ 55.8 million	$183.1 million
% change from 2007	-19.8%	3.8%	20.2%	-69.5%	
Group Operating Cash Conversion	90.0%	100.0%	120.0%	212%	126.7%
% change from 2007	-29.0%	-21.1%	-5.3%	67.3%	

(3) For 2008 annual incentive award to Mr. Popielec.

Based on the performance measures established by the Compensation Committee for 2008 and the Company's actual performance, the named executives earned 2008 annual incentive awards as follows:

Executive	2008 Annual Incentive Award ($)(4)	2008 Annual Incentive Award (% of base salary)
Mr. Roberts	$ 1,425,000	150.0%
Mr. Ford	$ 433,400	112.5%

Mrs. Lowe	$	450,000	112.5%
Mr. Altmeyer	$	504,100	86.9%
Mr. Popielec	$	498,900	95.9%
Mr. Koch	$	337,500	112.5%

(4)
These amounts are also reported in the "Non-Equity Plan Incentive" column of the Summary Compensation Table on page 26.

2008 Long-Term, Stock-Based Awards

The Compensation Committee makes annual stock-based awards one time each year at the Committee's regularly-scheduled February meeting. All stock-based awards are made under the Company's Executive Incentive Program which imposes the restrictions described below on the terms of the awards.

In February 2008, the Committee awarded stock options and restricted Shares to the named executives in the amount shown in the Grants of Plan Based Awards Table on page 28. The number of Shares included in the 2008 awards was determined using the same formula-based approach that the Compensation Committee used for the 2008 annual incentive awards. First, the Compensation Committee established a target award opportunity, expressed as a percentage of base salary, for the named executives based on each executive's position and the market median long-term incentive award for that position. The Committee set the 2008 target award opportunity at 300% of base salary for the Chief Executive Officer, 100% of base salary for the President, Asia-Pacific and 150% of base salary for the other named executives. The 2008 awards included two components: (i) stock options, with vesting in equal installments over three years and (ii) restricted stock, with vesting upon the third anniversary of the award date. The market value of the Company's common stock was multiplied by a relative value factor for each type of award (*i.e.,* $10.00 for each stock option and $30.00 for each restricted Share) to calculate the number of shares included in the awards. The total expected value of Mr. Roberts' award was divided equally between stock options and restricted Shares. Each of the other named executives received stock options for two-thirds of the expected total value of his or her total award and restricted shares for the remaining one-third of the expected value of his or her total award.

The Committee included options in the awards to encourage the named executives to increase shareholder value over the term of the options. The Committee included restricted Shares in the awards not only to encourage the named executives to increase shareholder value but also to remain employed with the Company over the three-year vesting period of the restricted Shares.

The Compensation Committee also made a special retention and recognition equity award to Mr. Altmeyer comprised of 16,700 restricted Shares and stock options for 50,000 Shares (in addition to the 9,750 restricted Shares and 58,000 stock options awarded to Mr. Altmeyer under the formula based approach described above). The stock options included in the special award will vest in three equal annual installments beginning on the first anniversary of the grant date. The restricted Shares will vest in five equal annual installments beginning on the first anniversary of the grant date.

The Company's Executive Incentive Program contains certain restrictions on the terms of all stock-based awards. For example, all stock options must be granted with an option exercise price that is equal to or greater than the fair market value of the Shares on the date of award. The Program also expressly prohibits re-setting the option exercise price of stock options. These restrictions insure that any options awarded under the Program will have value to the executives only if the market price of the Shares increases after the date of the award. The Program further requires that restricted Share awards must be subject to a restriction period of at least two (2) years during which the Shares are subject to a substantial risk of forfeiture and may not be transferred. Finally, the Program provides an annual limit on the size of awards. No executive may receive in any one fiscal year period an award of options to acquire more than 200,000 Shares or an award of more than 60,000 performance-vested restricted Shares.

The Compensation Committee has never manipulated the timing of stock-based awards to take advantage of non-public information. The Committee is aware that the February meeting during which it makes annual stock-based awards precedes the date the Company releases its fourth quarter and annual financial results. The Committee is also aware that the release will usually affect the market value of the Company's stock and the underlying value of the stock-based awards made to executives at the February meeting. The Committee makes its award decisions in each instance only after carefully reviewing the information to be released about the Company's fourth quarter and annual financial results and all other material non-public information. The Committee believes that executives will not necessarily gain over the long run from the short term benefit of a positive release because the Company's stock price fluctuates over time and because all of the awards have multi-year vesting schedules and stock options have historically been held for several years prior to exercise. In addition, any gain from a positive benefit in some years will be offset by earnings releases in other years that negatively affect the market value of the Shares.

Stock Ownership Policy

The Compensation Committee believes that ownership of the Company's common stock by executive officers aligns their interests with those of the Company's shareholders, enhances retention of executives by providing them an opportunity to accumulate a meaningful ownership interest in the Company and focuses executives on building shareholder value over the long term. Therefore, the Committee has adopted a stock ownership policy for the Company's executive officers, including the named executives. The stock ownership levels under the policy are set forth below.

Executive	Guideline Number of Shares
CEO	114,000
Group President	36,000
Corporate Vice President	15,000
Division President	7,000 13,000

The definition of ownership under the policy includes Shares owned directly or under an employee benefit plan and all restricted shares. Ownership does not include any Shares subject to stock options. An executive is expected to achieve his or her Share ownership level within the later of (i) five years of being appointed to a position that is subject to the policy, and (ii) December 31, 2011.

D. Retirement and Other Benefits

Retirement and Group Insurance Benefits

The Company also provides retirement, health and welfare and other benefits to its executive officers. The Company sponsors the Employee Incentive Savings Plan (the "Savings Plan"), a tax-qualified Code Section 401(k) retirement savings plan, for the benefit of substantially all of its non-union employees, including the named executives. The Savings Plan encourages saving for retirement by enabling participants to save on a pre-tax basis and by providing Company matching contributions.

The Company also sponsors the Retirement Plan for Employees of Carlisle Corporation (the "Retirement Plan"), a tax-qualified retirement plan, that provides retirement income to eligible employees following their retirement from the Company. The Pension Benefits Table on page 31 shows the lump sum present value of the annual annuity benefit earned by the named executives under the Retirement Plan for their credited service through December 31, 2008.

Section 401(a)(17) of the Code limits the amount of annual compensation that tax-qualified plans like the Company's Savings Plan and Retirement Plan may take into account for purposes of determining contributions and benefits. The limit for 2008 was $230,000 and it is subject to adjustment annually for cost of living increases. To ensure that all Retirement Plan participants receive equivalent retirement benefits that are not affected by Internal Revenue Code limits that are subject to change from time to time, the Company maintains an unfunded supplemental pension plan to provide benefits to Retirement Plan participants whose benefits are limited by Section 401(a)(17) of the Code and to certain employees who were employed on or after January 1, 2005 and are not eligible to participate in the Retirement Plan. The Pension Benefits Table on page 31 also shows the lump sum present value of the annual annuity benefit earned by the named executives under the supplemental plan.

The Company does not maintain a supplemental plan to make up for any Savings Plan benefits that are limited by Section 401(a)(17) of the Code or any other Code imposed benefit limits.

The named executives also participate in group health, life and other welfare benefit plans on the same terms and conditions that apply to other employees. Generally, the named executives do not receive better insurance programs, vacation schedules or holidays or have access to other perquisites such as company cars, executive dining rooms or executive parking places.

The Company does not maintain any non-qualified deferred compensation plans that would allow executives to elect to defer receipt (and taxation) of their base salaries or incentive awards.

Employment Letter Agreement with Mr. Roberts

In connection with the recruitment of Mr. Roberts to join the Company in 2007 as Chairman, President and Chief Executive Officer, the Company and Mr. Roberts negotiated the terms of his employment and entered into an employment letter agreement, dated June 5, 2007, that provides for the following compensation and benefits for 2008 and later years:

- An annual base salary of not less than $900,000.

- A severance benefit equal to two times the highest annual compensation payable to Mr. Roberts for either of the two years ending with the date of termination and full vesting of all stock options and restricted Share awards if Mr. Roberts is terminated by the Company for other than gross and willful misconduct or Mr. Roberts resigns for good reason (as defined in the employment letter agreement).

- Participation in all employee benefit plans generally available to the Company's senior executives and reimbursement of reasonable tax preparation and financial planning expenses as well as the cost of an annual executive physical.

- A benefit under the Company's Supplemental Pension Plan equal to $25,703 per month payable for Mr. Roberts' life if he continues employment with the Company until he attains age 65.

- Retiree medical and dental coverage for the life of Mr. Roberts and his wife.

- Relocation assistance, including a $100,000 relocation payment.

Post-Termination of Employment Benefits

The Company has not entered into employment agreements with any executive officers that provide severance or other benefits following their resignation, termination, retirement, death or disability, except (i) for agreements with certain executive officers (including all of the named executives) that provide severance benefits in the event of a termination of their employment following a change of control of the Company (the "change in control agreements") and (ii) the previously-described employment agreement with Mr. Roberts.

The Compensation Committee was advised that the change in control agreements would have to be amended and restated in 2008 to comply with the requirements of Section 409A of the Internal Revenue Code. In view of the pending required amendments, the Compensation Committee engaged Towers Perrin to provide an analysis of the change in control agreements and the prevailing practice in the market for similar agreements. The analysis found the level of severance benefits provided by the change in control agreements to be generally comparable to the prevailing market practice. However, after reviewing the analysis, the Compensation Committee concluded that the prohibition in the change in control agreements with the named executives (other than Mr. Roberts) on the payment of any benefits in excess of the limit on parachute payments under Section 280G of the Internal Revenue Code was not the prevailing practice. Instead, the prevailing practice is to pay the full amount due under the change in control agreements (without any reduction due to the Code Section 280G limit) so long as the payments are either below the Code Section 280G limit or are in excess of 115% of the Code Section 280G limit. If the payments are between 100% and 115% of the Code Section 280G limit, the prevailing practice is to reduce the payments to the Code Section 280G limit. If the payments are in excess of 115% of the limit, the prevailing practice is to provide a gross-up for the related excise taxes imposed on the executive. The Compensation Committee also observed that the prohibition in the change in control agreements on payments in excess of the Code Section 280G limit had the illogical and inequitable effect of reducing the severance benefits of executives who were recently promoted and received a significant increase in compensation and increasing the severance benefits due to executives who had recently exercised stock options. Upon the conclusion of its review, the Committee approved amended and restated change in control agreements to comply with Section 409A of the Internal Revenue Code and to adopt the prevailing market practice with respect to the Code Section 280G limit and related excise taxes.

As amended and restated, the change in control agreements provide that the executives will not, in the event of the commencement of steps to effect a change of control (defined generally as an acquisition of 20% or more of the outstanding voting Shares or a change in a majority of the Board of Directors), voluntarily leave the employ of the Company until the potential acquirer of the Company or control of the Company has terminated his or its efforts to effect a change of control or until a change of control has occurred. The Company believes that the change in control agreements protect the interests of the Company's shareholders by providing financial incentives to executives to represent the best interests of the Company and its shareholders during the periods immediately preceding and following a change of control.

In the event of any termination of an executive's employment (including due to the executive's resignation) within three (3) years of a change of control (other than due to the executive's death or disability or after the executive attains age 65), each change in control agreement provides that the executive will be entitled to receive three years' compensation, including bonus, retirement benefits equal to the benefits the executive would have received had he or she completed three additional years of employment, continuation of all life, accident, health, savings, and other fringe benefits for three years, and relocation assistance. The three year benefit period is reduced if the executive terminates within three years of the date the executive would attain age 65. At the end of the three year benefit period, Mr. Roberts would be entitled to retiree medical and dental coverage for the life of Mr. Roberts and his wife. In addition, the agreements provide that the executive will become fully vested in all outstanding stock option and restricted Share awards. If any payments to a named executive are considered excess "parachute payments"* and the amount of the excess is more than 15%, the Company would be required to provide a tax gross up for the excise taxes the executive would be required to pay with respect to the payments.

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* Section 280G of the Internal Revenue Code defines "parachute payments" as payments which (i) are compensatory in nature, (ii) are made to or for the benefit of a shareholder, officer or highly compensated individual, and (iii) are contingent on a change in ownership or effective control (or change in ownership of a substantial portion of assets) of a corporation. If the parachute payments have an aggregate present value of at least 3 times the average annual compensation earned by the recipient of the payment over the 5 years preceding the date of the change in control, the amount of the payments in excess of 1 times such average annual compensation are not deductible by the payor for federal income tax purposes and are subject to a 20% excise tax (payable by the recipient) in addition to regular income taxes.

If the Company had terminated Mr. Roberts' employment for any reason other than gross and willful misconduct or Mr. Roberts had resigned for good reason, in either case as of December 31, 2008, Mr. Roberts would have received the following severance benefits in accordance with his employment letter agreement with the Company:

Severance Benefit	Stock Options(1)	Restricted Stock(2)	Present Value of Supplemental Pension Plan Benefit(3)	Estimated Value of Retiree Medical Benefits	Total
$4,750,000	$ 0	$2,639,250	$ 2,416,619	$ 215,743	$10,021,612

(1)
Value (based on the closing market price of the Company's common stock on December 31, 2008 of $20.70 per Share) of unvested in-the-money stock options that would become vested upon termination.

(2)
Value (based on the closing market price of the Company's common stock on December 31, 2008 of $20.70 per Share) of unvested shares of restricted stock that would become vested upon termination.

(3)
Present value of the Supplemental Pension Plan benefit that would become vested upon termination. Note 13 to the Company's consolidated financial statements included in the 2008 Annual Report on Form 10-K includes the valuation assumptions and other information relating to the Supplemental Pension Plan.

The following table shows the amounts that would have been payable to the named executives under the change in control agreements if a change of control of the Company had occurred on December 31, 2008 and the named executives' employment with the Company was terminated without cause immediately thereafter.

	Severance Benefit	Estimated Value of Continued Participation in Health and other Welfare Benefit Plans(1)	Stock Options(2)	Restricted Stock(3)	Present Value of Supplemental Pension Plan Benefit(4)	Excise Tax Gross-Up (Reduction in Payments)	Total
Mr. Roberts	$7,125,000	$ 215,743	$ 0	$2,639,250	$ 2,416,619	$ 5,205,056	$17,601,668
Mr. Ford	$2,317,782	$ 30,000	$ 0	$ 198,720	$ 129,135	$ 0	$ 2,675,637
Mrs. Lowe	$2,500,000	$ 30,000	$ 0	$ 220,973	$ 51,799	$ 1,192,807	$ 3,995,579
Mr. Altmeyer	$3,825,000	$ 30,000	$ 0	$ 630,315	$ 301,593	$ 0	$ 4,786,908
Mr. Popielec	$3,056,832	$ 30,000	$ 0	$ 323,955	$ 26,944	$ 1,329,438	$ 4,767,169
Mr. Koch	$1,837,500	$ 30,000	$ 0	$ 414,000	$ 0	$ (92,863)	$ 2,188,637

(1)
Under his employment letter agreement with the Company, Mr. Roberts is entitled to retiree medical and dental coverage for the life of Mr. Roberts and his wife if his employment is terminated without cause. The amount presented for Mr. Roberts is the estimated value of the retiree medical benefits. The amount presented for the other named executives is the estimated value of three years of continued participation in the Company's group health and other welfare benefit plans.

(2)
Value (based on the closing market price of the Company's common stock on December 31, 2008 of $20.70 per Share) of unvested in-the-money stock options that would become vested upon a change of control of the Company.

(3)
Value (based on the closing market price of the Company's common stock on December 31, 2008 of $20.70 per Share) of unvested shares of restricted stock that would become vested upon a change of control of the Company.

(4)
Present value of the Supplemental Pension Plan benefit that would become vested upon termination after a change of control of the Company. Note 13 to the Company's consolidated financial statements included in the 2008 Annual Report on Form 10-K includes the valuation assumptions and other information relating to the Supplemental Pension Plan.

Internal Revenue Code Section 162(m)

Section 162(m) of the Code limits the amount of compensation paid to the named executives in any one fiscal year that may be deducted by the Company for federal income tax purposes. The deduction limitation is currently $1 million. "Performance-based compensation" paid under a plan that has been approved by the Company's shareholders is not subject to the deduction limitation.

The Company's Executive Incentive Program has been approved by the Company's shareholders, and the compensation attributable to stock option awards under the program should qualify as "performance-based" compensation that is fully deductible and not subject to the Code Section 162(m) deduction limit. Compensation attributable to restricted Share awards under the program that vest based on continued employment with the Company is subject to the deduction limit.

The Company's shareholders have also approved the Senior Management Incentive Compensation Plan of Carlisle Companies Incorporated. All of the named executives participated in the Incentive Plan for 2008, and the annual incentive compensation awarded to the named executives under the Plan for 2008 should qualify as fully deductible "performance based" compensation.

The Committee has not adopted a formal policy that requires all compensation paid to the named executives to be fully deductible.

E. Conclusion

The Compensation Committee has reviewed all components of the Chief Executive Officer's and the named executives' compensation, including salary, bonus, equity and long-term incentive compensation, accumulated realized and unrealized stock option and restricted stock gains, the dollar value of all perquisites and other personal benefits as well as the Company's obligations under its pension plans. Based on this review, the Compensation Committee finds the Chief Executive Officer's and the named executives' total compensation, in the aggregate, to be reasonable and appropriate.

F. Executive Officer Compensation Disclosure Tables

Summary Compensation Table This table shows the base salary, annual bonus and all other compensation paid to the named executives. The table also shows the compensation expense the Company recognized for financial reporting purposes for the stock and option awards made to the named executives and for the retirement benefit earned by each officer.

Name and Principal Position(s)	Year	Salary($)	Bonus($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)(2)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(3)	All Other Compensation ($)(4)	Total($)
David A. Roberts Chairman, President and Chief Executive Officer(5)	2008	$950,000	$ 0	$2,089,087	$1,449,980	$ 1,425,000	$ 53,716	$ 25,846	$5,993,629
	2007	$474,230	$1,800,000	$1,258,688	$ 886,000	$ 0	$ 2,362,903	$ 258,736	$7,040,557
Steven J. Ford Vice President, Chief Financial Officer and General Counsel(6)	2008	$339,188	$ 0	$ 109,544	$ 198,059	$ 433,400	$ 1,360	$ 13,797	$1,095,348
Carol P. Lowe Former Vice President and Chief Financial Officer(6)	2008	$400,000	$ 0	$ 120,466	$ 236,242	$ 450,000	$ 6,153	$ 28,008	$1,240,869
	2007	$350,000	$ 325,000	$ 69,933	$ 157,587	$ 0	$ 17,826	$ 26,369	$ 946,715
	2006	$300,000	$ 325,000	$ 73,563	$ 163,561	$ 0	$ 10,660	$ 13,640	$ 886,424
John W. Altmeyer Group President, Construction Materials	2008	$580,000	$ 0	$ 384,151	$ 590,957	$ 504,100	$ 3,970	$ 12,535	$2,075,713
	2007	$550,000	$ 725,000	$ 72,707	$ 299,587	$ 0	$ 61,904	$ 15,695	$1,724,893
	2006	$475,000	$ 725,000	$ 150,366	$ 306,833	$ 0	$ 53,001	$ 18,060	$1,728,260
Michael D. Popielec Group President, Applied Technologies	2008	$520,000	$ 0	$ 187,669	$ 306,530	$ 498,900	$ 8,818	$ 15,394	$1,537,311
	2007	$495,000	$ 350,000	$ 154,305	$ 663,570	$ 0	$ 14,601	$ 25,186	$1,702,662

	2006	$465,000	$ 350,000	$ 234,345	$ 659,742	$ 0	$ 3,525	$ 221,314	$1,933,926
D. Christian Koch(7) President, Asia-Pacific	2008	$275,000	$ 0	$ 286,581	$ 179,035	$ 337,500	$ 0	$ 323,040	$1,401,156

(1) The value of the stock and option awards shown in the table is equal to the expense reported for financial reporting purposes in 2008 (before reflecting forfeitures). Note 11 to the Company's consolidated financial statements included in the 2008 Annual Report on Form 10-K contains more information about the Company's accounting for stock-based compensation arrangements.

(2) As explained in the Compensation Discussion and Analysis, the Company adopted a structured, formula based program for the award of annual incentive compensation to the named executives for 2008. Prior to 2008, the program reserved a substantial amount of negative discretion to the Compensation Committee to determine the amount of annual incentive compensation awards. Because the 2008 awards were formula-based, they are reported in the Non-Equity Incentive Plan Compensation column for 2008. Annual incentive awards for 2007 and 2006 are reported in the Bonus column.

(3) Represents the aggregate change in the actuarial present value of the named executive's accumulated benefit under the Retirement Plan for Employees of Carlisle Corporation and the Carlisle Corporation Supplemental Pension Plan.

(4) The amounts presented in the "All Other Compensation" column for 2008 consist of the following:

	Mr. Roberts	Mr. Ford	Mrs. Lowe	Mr. Altmeyer	Mr. Popielec	Mr. Koch
Matching Contributions to the Company's Employee Incentive Savings Plan	$ 9,200	$ 9,200	$ 9,200	$ 9,200	$ 9,200	$ 6,900
Reimbursement of Relocation Expenses	$ 2,000		$ 3,681			
Reimbursement of Tax Return Preparation Fees	$ 7,713		$ 5,000			