

At March 31

2003
\$m2002
\$mCondensed
Consolidated
Balance Sheets**Assets****Service Businesses**

Current assets:

Cash and cash equivalents	13.3	20.0
Trade accounts receivable – net	138.7	166.1
Other current assets	20.4	20.5
Total Service Businesses current assets	172.4	206.6
Property, plant and equipment – net	109.8	95.2
Associates	49.7	47.4
Goodwill and other intangibles – net	368.6	351.0
Other long-term assets	9.9	8.0
Total Service Businesses assets	710.4	708.2

Financial Services

Cash, cash equivalents and due from banks	26.1	15.8
Interest-bearing deposits with correspondent banks	52.3	37.6
Loans – net	265.3	227.8
Other assets	29.2	25.6
Total Financial Services assets	372.9	306.8

Total assets	1,083.3	1,015.0
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Liabilities and shareholders' equity**Service Businesses**

Current liabilities:

Short-term debt	63.7	47.2
Accounts payable	18.3	17.9
Accrued personnel costs	46.5	44.6
Insurance reserves – current portion	19.1	19.5
Other current liabilities	39.9	39.4
Total Service Businesses current liabilities	187.5	168.6
Long-term debt	11.8	70.8
Insurance reserves – long-term portion	53.3	57.4
Other long-term liabilities	12.4	12.5
Minority interests	48.3	45.1
Total Service Businesses liabilities	313.3	354.4

Financial Services

Deposits	291.3	233.0
Other liabilities	6.4	6.3
Total Financial Services liabilities	297.7	239.3
Total liabilities	611.0	593.7

Shareholders' equity:

Share capital (ordinary shares of no par value – 61,765,820)	0.6	0.6
Additional paid-in capital	305.7	307.7
Treasury shares	(18.6)	(21.3)
Retained earnings	189.4	153.2
Cumulative other comprehensive loss	(4.8)	(18.9)
Total shareholders' equity	472.3	421.3
Total liabilities and shareholders' equity	1,083.3	1,015.0

Year ended March 31	2003 \$m	2002 \$m	2001 \$m
Service Businesses			
Net sales	1,194.7	1,246.5	1,240.7
Cost of sales	(995.6)	(1,036.3)	(1,045.6)
Selling, general and administrative expenses	(173.1)	(184.0)	(191.9)
Restructuring and other non-recurring items	(1.2)	(5.4)	(9.2)
Operating income (loss) – Service Businesses	24.8	20.8	(6.0)
Financial Services			
Interest income	39.0	35.3	30.7
Interest expense	(9.2)	(8.2)	(10.3)
Net interest income	29.8	27.1	20.4
Provision for loan losses	(0.7)	(0.4)	(0.5)
Net non-interest expense	(1.6)	(2.0)	(1.1)
Restructuring and other non-recurring items	1.5	1.7	–
Operating income – Financial Services	29.0	26.4	18.8
Total operating income	53.8	47.2	12.8
Associates	4.9	3.1	7.3
Interest income	0.3	0.6	0.9
Interest expense	(6.6)	(6.8)	(6.8)
Income before income taxes	52.4	44.1	14.2
Income taxes	(10.0)	(11.9)	(7.7)
Income after income taxes	42.4	32.2	6.5
Minority interests	(6.2)	(9.0)	(3.0)
Net income	36.2	23.2	3.5
Basic and diluted earnings per ordinary share	\$0.61	\$0.39	\$0.06

Condensed
Consolidated
Statements
of Income

Condensed
Consolidated
Statements of
Changes in
Shareholders'
Equity

	Share capital \$m	Additional paid-in capital \$m	Treasury shares \$m	Retained earnings \$m	Cumulative other comprehensive (loss) income \$m	Total \$m
At April 1, 2000	0.6	308.9	(18.9)	126.5	2.4	419.5
Net income	–	–	–	3.5	–	3.5
Purchase of treasury shares	–	–	(5.3)	–	–	(5.3)
Disposal of treasury shares	–	(0.2)	0.5	–	–	0.3
Currency translation adjustments	–	–	–	–	(14.1)	(14.1)
Net unrealized losses	–	–	–	–	(3.4)	(3.4)
Minimum pension liability	–	–	–	–	(3.1)	(3.1)
Other movements	–	0.2	–	–	–	0.2
At March 31, 2001	0.6	308.9	(23.7)	130.0	(18.2)	397.6
Net income	–	–	–	23.2	–	23.2
Purchase of treasury shares	–	–	(0.1)	–	–	(0.1)
Disposal of treasury shares	–	(1.2)	2.5	–	–	1.3
Currency translation adjustments	–	–	–	–	0.7	0.7
Minimum pension liability	–	–	–	–	(1.4)	(1.4)
At March 31, 2002	0.6	307.7	(21.3)	153.2	(18.9)	421.3
Net income	–	–	–	36.2	–	36.2
Disposal of treasury shares	–	(1.8)	2.7	–	–	0.9
Currency translation adjustments	–	–	–	–	15.6	15.6
Minimum pension liability	–	–	–	–	(1.5)	(1.5)
Other movements	–	(0.2)	–	–	–	(0.2)
At March 31, 2003	0.6	305.7	(18.6)	189.4	(4.8)	472.3

Condensed
Consolidated
Statements
of Cash Flows

Year ended March 31	2003 \$m	2002 \$m	2001 \$m
Cash flows from operating activities			
Net income	36.2	23.2	3.5
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	22.6	19.8	13.9
Goodwill and other intangibles amortization	–	–	8.8
Discount amortization on insurance reserves	3.6	3.6	3.6
Restructuring and other non-recurring items	0.2	3.1	2.3
Loss on disposal of associates and other investments	–	–	5.6
Provision for loan losses	0.7	0.4	0.5
Undistributed earnings of associates	(2.3)	(0.6)	(2.3)
Refinancing costs amortization	0.9	0.6	0.6
Minority interests net of distributions	3.2	8.0	0.2
Other	(1.0)	(0.4)	(1.7)
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	33.0	24.7	(10.5)
(Increase) decrease in other assets	(3.3)	(3.7)	6.5
(Decrease) increase in accounts payable	(0.1)	1.9	(1.6)
(Decrease) increase in accrued personnel costs	(0.1)	(4.5)	3.7
(Decrease) in insurance reserves	(8.1)	(3.3)	(9.4)
(Decrease) increase in other liabilities	(14.4)	(23.0)	9.8
Net cash provided by operating activities	71.1	49.8	33.5
Cash flows from investing activities			
Purchase of property, plant and equipment	(40.6)	(24.9)	(19.2)
Disposal of property, plant and equipment	1.1	3.5	1.3
Purchase of associates and other investments	–	–	(15.6)
Disposal of associates and other investments	–	0.5	10.3
Acquisition of businesses	(5.4)	(17.7)	(27.9)
(Increase) decrease in interest-bearing deposits with correspondent banks	(14.7)	11.6	(24.8)
(Increase) in loans to customers	(37.6)	(55.8)	(15.4)
Other	–	(3.2)	(0.5)
Net cash utilized by investing activities	(97.2)	(86.0)	(91.8)
Cash flows from financing activities			
Proceeds from long-term debt	10.2	–	54.4
Repayment of long-term debt	(25.8)	(8.7)	(0.1)
Debt refinancing costs	(0.4)	(0.4)	(0.4)
(Decrease) increase in short-term debt	(14.0)	11.5	(10.2)
Increase in deposits	58.3	3.8	43.3
Net sale (purchase) of treasury shares	0.9	1.2	(4.7)
Net cash provided by financing activities	29.2	7.4	82.3
Currency translation adjustments	0.5	0.1	(1.0)
Net change in cash, cash equivalents and due from banks	3.6	(28.7)	23.0
Cash, cash equivalents and due from banks at beginning of year	35.8	64.5	41.5
Cash, cash equivalents and due from banks at end of year	39.4	35.8	64.5
Cash – service businesses	13.3	20.0	36.0
Cash – financial services	26.1	15.8	28.5
	39.4	35.8	64.5

Year ended March 31

2003
\$m2002
\$m2001
\$m**Business analysis****Net sales**

Facilities Services	917.2	973.5	1,019.8
Staffing Services	222.3	217.5	207.5
Telecommunication Services	55.2	55.5	13.4
	1,194.7	1,246.5	1,240.7

Operating income (loss)

Facilities Services	2.6	(8.2)	(10.9)
Staffing Services	9.5	9.9	10.6
Telecommunication Services	19.2	26.4	6.7
Corporate	(6.5)	(7.3)	(12.4)
	24.8	20.8	(6.0)

Restructuring and other non-recurring items (included in operating income (loss))

Facilities Services	0.9	4.9	1.8
Staffing Services	0.3	0.8	1.4
Telecommunication Services	–	(0.4)	–
Corporate	–	0.1	6.0
	1.2	5.4	9.2

Depreciation and amortization

Facilities Services	10.0	10.9	17.2
Staffing Services	2.2	1.5	3.3
Telecommunication Services	9.7	6.8	1.6
	21.9	19.2	22.1

Capital expenditures

Facilities Services	5.0	9.5	13.5
Staffing Services	3.0	3.1	2.1
Telecommunication Services	30.2	10.8	2.0
	38.2	23.4	17.6

Goodwill

Facilities Services	266.0	259.2	252.3
Staffing Services	101.8	91.0	79.4
Telecommunication Services	0.8	0.8	0.8
	368.6	351.0	332.5

Total assets

Facilities Services	419.9	445.8	464.0
Staffing Services	137.2	129.0	117.9
Telecommunication Services	100.9	81.3	78.9
Associates	49.7	47.4	46.8
Corporate	2.7	4.7	8.8
	710.4	708.2	716.4

Geographical analysis

Net sales			
United States	788.7	832.0	863.9
United Kingdom	350.8	359.0	363.4
Belize	55.2	55.5	13.4
	1,194.7	1,246.5	1,240.7

Operating income (loss)

United States	(8.6)	(18.4)	(32.8)
United Kingdom	14.2	12.8	20.1
Belize	19.2	26.4	6.7
	24.8	20.8	(6.0)

Total assets

United States	313.8	337.9	357.1
United Kingdom	246.1	241.6	233.6
Belize	150.5	128.7	125.7
	710.4	708.2	716.4

Condensed
Segmental
Analysis

To the Board of Directors and Shareholders of Carlisle Holdings Limited

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheets of Carlisle Holdings Limited and its subsidiaries as of March 31, 2003 and 2002, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for each of the three years in the period ended March 31, 2003 (not presented herein) appearing in the Annual Report on Form 20-F for the fiscal year ended March 31, 2003; and in our report dated June 30, 2003, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

Report of
Independent
Accountants

PRICEWATERHOUSECOOPERS 

PricewaterhouseCoopers LLP
London, United Kingdom
June 30, 2003

**Lord Ashcroft, KCMG
Chairman**

Formerly Chairman and Chief Executive Officer of ADT Limited (1977 to 1997), a company listed on the New York Stock Exchange. He was Belize's Permanent Representative to the United Nations until April 2000 and Treasurer of the Conservative and Unionist Party in the UK from 1998 to 2001. He is currently Assistant Treasurer of the International Democrat Union and Chairman of Trustees for a number of charities – Crimestoppers Trust, Industry in Education and Prospect Education (Technology) Trust Limited. In March 2000, he was appointed as a life peer in the British House of Lords and in June 2000 he was awarded a Knighthood (KCMG – Knight Commander of the Order of St. Michael and St. George) for public service to the community and country of Belize. In November 2001, he was invested as Chancellor of Anglia Polytechnic University (APU) in the UK.

**Sir Edney Cain
Non-Executive Director**

Member of the Audit Committee

Sir Edney Cain is now in retirement after a distinguished career in the public service in Belize, which included positions as Financial Secretary to the Government of Belize, Governor of the Central Bank of Belize and Belize High Commissioner to the UK.

**David Hammond
Non-Executive Deputy Chairman and Chairman
of the Executive Committee and Audit Committee**

Mr Hammond is Chairman of BCA Holdings Limited. He was previously Deputy Chairman of ADT Limited from 1989 to 1996 and Director and Chairman of the Audit Committee of American Medical Response Inc. from 1993 to 1997. Member of the Competition Commission in the UK from 1995 to 2001. Mr Hammond, who is a Chartered Accountant, has over 30 years' experience in the services industry.

**Cheryl Jones
Director**

Ms Jones was appointed Chief Executive Officer and Chairman of OneSource in April 2003. She was previously appointed as Executive Vice-President in June 2002 and joined OneSource as Senior Vice-President in June 2001. Prior to OneSource, she served as Senior Vice-President of National Linen Service, a subsidiary of National Service Industries, Inc. where she held a variety of senior management positions from 1994 to 2001.

**Emory King
Non-Executive Director**

Mr King is now in semi-retirement after a career in insurance and real estate. He is presently involved in publishing, printing and public relations. He is also a Justice of the Peace in Belize.

**John Searle
Non-Executive Director
Member of the Audit Committee**

Mr Searle is Chairman and Managing Director of Belize Global Travel Services Limited which carries on the business of a travel agency and tourism.

**Peter Gaze
Executive Vice-President and Chief Financial Officer
Member of the Executive Committee**

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

**Philip Osborne
Company Secretary**

Philip Osborne has been Secretary of Carlisle Holdings Limited since 1993. He is a Solicitor and a member of the Law Society of England and Wales. Before joining Carlisle, Mr Osborne worked as a legal adviser to the London Stock Exchange and The Securities Association in the UK and for the international law firms of Clifford Chance and SJ Berwin & Co. He is country representative for Belize of the International Bar Association.

**Richard Bradford
Carlisle Group UK and Ireland – Chief Executive**

Richard Bradford joined the Staffing Services business as Chief Executive in December 1997 from Exel plc where he had broad-ranging line management experience in different businesses in a range of roles from Branch Manager to Managing Director. This spanned an 11-year period, during which a significant time was also spent on secondment to McKinsey & Co, and latterly as Managing Director with Exel Logistics. In 2001, Mr Bradford became Chief Executive of Carlisle's operations in the UK and Ireland.

**Philip Johnson
Financial Services – President**

Philip Johnson has been President of Carlisle's Financial Services businesses since 1995. Prior to joining Carlisle, Mr Johnson spent over ten years in a variety of commercial roles, including over seven years with Lonrho PLC, having previously qualified as a Chartered Accountant.

Shareholder Information

Market Information

Carlisle Holdings Limited ordinary shares are currently traded in the Over-the-Counter Market and quoted on The NASDAQ National Market in the United States under the symbol "CLHL" and on the Alternative Investment Market of the London Stock Exchange in the United Kingdom ("AIM") under the symbol "CLH". The table opposite sets forth the quarterly high and low reported prices of the ordinary shares in US dollars.

Range of ordinary share prices
High \$ Low \$

Fiscal 2002

First Quarter	5.50	4.45
Second Quarter	5.14	2.96
Third Quarter	3.03	1.94
Fourth Quarter	3.58	2.05

Fiscal 2003

First Quarter	3.54	2.56
Second Quarter	3.48	1.83
Third Quarter	2.94	1.38
Fourth Quarter	3.38	2.46

Website

www.carlisleholdings.com

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Registrar and Transfer Agent

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United Kingdom

Co-Transfer Agent

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