



Zapata Corporation Announces Second Quarter Results

August 8, 2009

ROCHESTER, N.Y., Aug 07, 2009 (BUSINESS WIRE) -- Zapata Corporation (NYSE: ZAP) today announced its consolidated financial results for the three and six months ended June 30, 2009.

For the quarter ended June 30, 2009, Zapata reported a consolidated net loss of \$462,000 or \$(.02) per share as compared to consolidated net income of \$312,000 or \$0.02 per share for the quarter ended June 30, 2008. For the six months ended June 30, 2009, Zapata had a consolidated net loss of \$1.2 million or \$(0.06) per share as compared to consolidated net income of \$632,000 or \$0.03 per share for the comparable period of the prior year. The change from net income to net loss for the three and six month periods ended June 30, 2009 resulted primarily from a decrease in interest income arising from sustained lower interest rates on the Company's invested funds during 2009 as compared to 2008.

About Zapata:

Zapata is a holding company which has approximately \$153.2 million in consolidated cash, cash equivalents and investments as of June 30, 2009 and owns 98% of Zap.Com Corporation (OTBB: ZPCM), which is a public shell company. The Company is currently searching for candidates for acquisition.

The Company makes certain reports available free of charge on its website at www.zapatacorp.com as soon as reasonably practicable after this information is electronically filed, or furnished to, the United States Securities and Exchange Commission.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: The statements contained in this press release which are not historical fact are forward-looking statements based upon management's current expectations that are subject to risks, and uncertainties that could cause actual results, events and developments to differ materially from those set forth in or implied by forward-looking statements. Forward-looking statements, which are based upon certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may" or similar expressions. Factors that could cause actual results, events and developments to differ include, without limitation, the risk that we may not be successful in identifying any suitable future acquisition opportunities and those factors listed under the caption "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2008. All forward-looking statements made herein are qualified by these cautionary statements and there can be no assurance that the actual results, events or developments referenced herein will occur or be realized. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operation results.

ZAPATA CORPORATION UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (In Thousands, Except Share and Per Share Amounts)

	June 30, 2009	December 31, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 133,231	\$ 142,694
Short-term investments	16,013	11,965
Other receivables	198	130
Prepaid expenses and other current assets	131	256
Total current assets	149,573	155,045
Long-term investments	3,973	--
Property and equipment, net	42	--
Other assets, net	9,474	8,987
Total assets	\$ 163,062	\$ 164,032
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 29	\$ 92
Accrued and other current liabilities	1,082	1,045
Total current liabilities	1,111	1,137
Pension liabilities	2,919	2,904
Other liabilities	1,090	1,144

Total liabilities	5,120	5,185
Commitments and contingencies		
Zapata Corporation stockholders' equity:		
Preferred stock, \$.01 par; 1,600,000 shares authorized; none issued or outstanding	--	--
Preference stock, \$.01 par; 14,400,000 shares authorized; none issued or outstanding	--	--
Common stock, \$.01 par, 132,000,000 shares authorized, 24,708,414 shares issued and 19,276,334 shares outstanding	247	247
Capital in excess of par value	164,250	164,250
Retained earnings	36,003	37,192
Treasury stock, at cost, 5,432,080 shares	(31,668)	(31,668)
Accumulated other comprehensive loss	(10,921)	(11,207)
Total Zapata Corporation stockholders' equity	157,911	158,814
Noncontrolling interest	31	33
Total equity	157,942	158,847
Total liabilities and equity	\$ 163,062	\$ 164,032

ZAPATA CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Per Share Amounts)

	For the		For the	
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2009	2008	2009	2008
Revenues	\$ --	\$ --	\$ --	\$ --
Cost of revenues	--	--	--	--
Gross profit	--	--	--	--
Operating expense:				
General and administrative	1,173	688	2,373	1,552
Total operating expenses	1,173	688	2,373	1,552
Operating loss	(1,173)	(688)	(2,373)	(1,552)
Other income:				
Interest income	74	864	141	2,345
Other, net	383	4	414	72
	457	868	555	2,417
(Loss) income before income taxes	(716)	180	(1,818)	865
Benefit (provision) for income taxes	253	131	628	(234)
Net (loss) income	(463)	311	(1,190)	631
Net income attributable to noncontrolling interest	1	1	1	1
Net (loss) income attributable to Zapata Corporation	\$ (462)	\$ 312	\$ (1,189)	\$ 632
Net (loss) income per common share - basic and diluted	\$ (0.02)	\$ 0.02	\$ (0.06)	\$ 0.03
Weighted average common shares outstanding:				
Basic	19,276	19,276	19,276	19,276
Diluted	19,276	19,399	19,276	19,400

SOURCE: Zapata Corporation

Zapata Corporation
Leonard DiSalvo, CFO, 585-242-8703
<http://www.zapatacorp.com>