



Zapata Corporation Announces 2003 Revenues Increase 55%

March 27, 2004

ROCHESTER, N.Y.--(BUSINESS WIRE)--March 26, 2004--Zapata Corporation (NYSE:ZAP) today announced its consolidated financial results for the fourth quarter and year ended December 31, 2003.

Zapata reported consolidated net income of \$892,000 or \$.37 per diluted share on revenues of \$181.4 million for the year ended December 31, 2003 as compared to consolidated net income of \$6.5 million or \$2.70 per diluted share on revenues of \$117.0 million in 2002. The increase in revenues was primarily the result of the Company's acquisition of 84% of the outstanding common stock of Safety Components International, Inc. (OTCBB:SAFY) As a result of this acquisition, the Company began consolidating amounts related to Safety's operations during the fourth quarter of 2003. On a consolidated basis, the decrease in net income is primarily the result of decreased net income at Omega Protein Corporation (NYSE:OME), partially offset by the consolidation of Safety Components' fourth quarter net income.

For the quarter ended December 31, 2003, Zapata reported net income of \$95,000 or \$.05 per diluted share as compared to net income of \$1.6 million or \$.68 per diluted share for the comparable quarter last year. The decrease in net income for the fourth quarter of 2003 as compared to 2002 primarily resulted from decreased net income at Omega Protein, offset by Zapata's consolidation of Safety's results for the quarter.

Omega Protein contributed approximately \$117.9 million and \$3.5 million to Zapata's consolidated revenues and net income, respectively, for the year ended December 31, 2003. For the quarter ended December 31, 2003, Omega contributed approximately \$33.4 million and \$19,000 to Zapata's consolidated revenues and net income, respectively. Omega Protein's 2003 results, as well as the results for the fourth quarter of 2003, reflected a lower than expected fish catch (approximately 11% below both 2003 expectations and 2002 fish catch level), combined with low oil yields. The reduced fish catch was primarily attributable to adverse weather conditions along the Atlantic Coast and the Gulf of Mexico and the low oil yields were due to reduced fat content of the fish. The reduced fish catch and low oil yields resulted in higher per unit cost inventories, as well as less product available for sale.

Safety Components contributed approximately \$63.5 million and \$538,000 to Zapata's consolidated revenues and net income, respectively, for the quarter and year ended December 31, 2003. Safety's fourth quarter contribution to Zapata's consolidated net income was impacted by purchase accounting adjustments, the largest of which related to inventory. As of the date of the acquisition, and consistent with the purchase method of accounting, Zapata recorded Safety's inventory at fair value. This fair value was approximately \$2.8 million greater than the carrying value recorded by Safety. As all of the related inventory was sold by December 31, 2003, Zapata recorded the entire amount of the fair value mark-up as a charge to cost of goods sold during the fourth quarter of 2003. Net of tax effects, this charge reduced Zapata's consolidated net income by approximately \$1.7 million, or \$.69 per diluted share.

About Zapata:

Zapata is a holding company which currently has two operating companies, Safety Components International, Inc. and Omega Protein Corporation. As of December 31, 2003, the Company had an 83% ownership interest in Safety Components and a 59% ownership interest in Omega Protein. In addition, Zapata owns 98% of Zap.Com Corporation (OTCBB:ZPCM), which is a public shell company.

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 release which are not historical facts are "forward-looking" statements that involve risks and/or uncertainties as described in the "Significant Factors That Could Affect Future Performance and Forward-Looking Statements" in the Company's Annual Report on Form 10-K for the year ended December 31, 2003. You are cautioned not to place undue reliance on any forward-looking statements. The Company's actual actions or results may differ materially from those expected or anticipated in the forward-looking statements. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release.

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

	Dec. 31, 2003	Dec. 31, 2002
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ASSETS		
Current assets:		
Cash and cash equivalents	\$43,934	\$80,643
Short-term investments	29,351	35,928
Accounts receivable, net	58,011	13,070
Inventories, net	63,957	41,939
Prepaid expenses and other current assets	6,045	4,015

Total current assets	201,298	175,595
Investments and other assets:		
Long-term investments, available for sale	--	4,016
Intangible assets, net	8,121	--
Other assets	23,925	24,524
Total investments and other assets	32,046	28,540
Property, plant and equipment, net	125,695	80,842
Total assets	\$359,039	\$284,977
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$5,780	\$1,270
Accounts payable	27,935	2,718
Accrued and other current liabilities	27,278	23,027
Total current liabilities	60,993	27,015
Long-term debt	29,422	14,239
Pension liabilities	7,687	11,835
Other liabilities and deferred taxes	9,698	1,608
Minority interest	68,702	55,018
Total liabilities	176,502	109,715
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par; 200,000 shares authorized; none issued or outstanding	--	--
Preference stock, \$.01 par; 1,800,000 shares authorized; none issued or outstanding	--	--
Common stock, \$.01 par, 16,500,000 shares authorized; 3,070,325 and 3,069,859 shares issued; 2,391,315 and 2,390,849 shares outstanding, respectively	31	31
Capital in excess of par value	163,490	162,037
Retained earnings	51,108	50,216
Treasury stock, at cost, 679,010 shares	(31,668)	(31,668)
Accumulated other comprehensive loss	(424)	(5,354)
Total stockholders' equity	182,537	175,262
Total liabilities and stockholders' equity	\$359,039	\$284,977

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

	Three months ended December 31,		Twelve months ended December 31,	
	2003	2002	2003	2002
Revenues	\$96,885	\$31,300	\$181,429	\$117,008
Cost of revenues	86,207	24,791	154,553	89,305

Gross profit	10,678	6,509	26,876	27,703
Operating expenses:				
Selling, general and administrative	10,160	3,253	20,086	11,906
Total operating expenses	10,160	3,253	20,086	11,906
Operating income	518	3,256	6,790	15,797
Other income (expense):				
Interest (expense) income, net	(522)	233	(329)	822
Other, net	1,053	(61)	1,011	(222)
	531	172	682	600
Income before income taxes and minority interest	1,049	3,428	7,472	16,397
Provision for income taxes	(400)	(635)	(3,733)	(5,120)
Minority interest in net income of consolidated subsidiaries	(554)	(1,154)	(2,847)	(4,804)
Net income to common stockholders	\$95	\$1,639	\$892	\$6,473
Earnings per share:				
Basic	\$0.04	\$0.69	\$0.37	\$2.71
Diluted	\$0.04	\$0.68	\$0.37	\$2.70
Weighted average common shares outstanding:				
Basic	2,391	2,391	2,391	2,391
Diluted	2,423	2,395	2,405	2,395

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SOURCE: Zapata Corp.