



Zapata Corporation Announces First Quarter Results for 2001

May 15, 2001

ROCHESTER, N.Y.--(BUSINESS WIRE)--May 14, 2001--Zapata Corporation (NYSE:ZAP) today announced its consolidated financial results for the quarter ended March 31, 2001.

For the quarter ended March 31, 2001, Zapata reported a net loss of \$1.2 million or \$.48 per share compared to a loss of \$2.7 million or \$1.12 per share in the comparable quarter last year.

The net loss for the first quarter of 2001 was primarily due to losses at Omega Protein and impairment charges on non-investment grade securities, partially offset by interest income and a favorable contract settlement negotiated by Zap.Com. About Zapata Corporation

Zapata Corporation is a holding company that operates in the food segment and, until December 2000, the Internet segment. Zapata owns approximately 61% of the stock of Omega Protein Corporation (NYSE: OME), the nation's largest marine protein company, and approximately 38% of the stock of Viskase (NASDAQ:VCIC), a world leader in food packaging. Zapata is also the largest shareholder of Zap.Com Corporation (OTCBB: ZPCM).

"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. Factors that could cause actual results, events and developments to differ include, without limitation, those factors listed under the caption "Significant Factors That Could Affect Future Performance And Forward Looking Statements" in the Company's Annual Report on Form 10-K dated April 2, 2001 for the fiscal year ended December 31, 2000. Consequently 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

CONDENSED CONSOLIDATED BALANCE SHEET

(In thousands, except shares and per share amounts)

March 31,	December 31,	2001 (Unaudited)	2000 (Audited)
ASSETS			
Current assets:			
Cash and cash equivalents		\$ 69,807	\$ 19,237
Short-term investments		13,500	55,384
Accounts receivable, net		8,683	11,971
Inventories, net		27,659	37,032
Prepaid expenses and other current assets		1,503	2,150
Total current assets		121,152	125,774
Investments and other assets:			
Long-term investments, available-for-sale		7,931	13,396
Other assets		33,916	33,315
Total investments and other assets		41,847	46,711
Property and equipment, net		87,391	89,374
Total assets		\$ 250,390	\$ 261,859

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Current maturities of long-term debt	\$ 1,249	\$ 1,227
Accounts payable	1,262	2,766
Accrued liabilities	17,368	21,153

Total current liabilities	19,879	25,146
Long-term debt	14,506	14,827
Other liabilities	4,793	4,820
Minority interest	51,949	52,071
Total liabilities	91,127	96,864
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, (\$.01 par), 200,000 shares authorized, 0 shares issued and outstanding as of March 31, 2001 and December 31, 2000	--	--
Preference stock, (\$.01 par), 1,800,000 shares authorized, 0 shares issued and outstanding as of March 31, 2001 and December 31, 2000	--	--
Common stock, (\$.01 par), 16,500,000 and 16,500,000 shares authorized; 3,069,859 and 3,067,718 shares issued; and 2,390,849 and 2,388,708 shares outstanding on March 31, 2001 and December 31, 2000	31	31
Capital in excess of par value	161,769	161,755
Retained earnings	38,191	39,389
Treasury stock, at cost, 679,010 shares at March 31, 2001 and December 31, 2000	(31,668)	(31,668)
Accumulated other comprehensive loss	(9,060)	(4,512)
Total stockholders' equity	159,263	164,995
Total liabilities and stockholders' equity	\$ 250,390	\$ 261,859

ZAPATA CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Three months ended March 31,	
	2001	2000
Revenues	\$ 19,046	\$ 19,388
Cost of sales	18,013	18,490
Gross Profit	1,033	898
Operating Expense:		
Product development	---	523
Selling, general and administrative	2,980	4,219
Consulting expense	--	2,135
Contract termination settlement	(403)	---
Total Operating Expenses	2,577	6,877
Operating loss	(1,544)	(5,979)
Other income (expense):		
Interest income, net	970	1,358
Realized loss on non-investment grade		

securities	(917)	---
Other income (expense), net	22	(119)
	75	1,239
Loss before income taxes and minority interest	(1,469)	(4,740)
Benefit from income taxes	149	1,650
Minority interest in net loss of consolidated subsidiary	163	417
Net loss	\$ (1,157)	\$ (2,673)
Per share data (basic and diluted):		
Net loss per share	\$ (0.48)	\$ (1.12)
Weighted average common shares and common share equivalents outstanding	2,390	2,389

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Investor Relations

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