



Zapata Corporation Announces Second Quarter Results

August 9, 2005

ROCHESTER, N.Y.--(BUSINESS WIRE)--Aug. 8, 2005--Zapata Corporation (NYSE: ZAP) today announced its consolidated financial results for the second quarter ended June 30, 2005.

Zapata reported consolidated net income of \$464,000 or \$.02 per diluted share on revenues of \$86.5 million for the three months ended June 31, 2005 as compared to consolidated net income of \$837,000 or \$.04 per diluted share on revenues of \$92.3 million for the quarter ended June 30, 2004. The decrease in consolidated revenue was primarily the result of decreased revenue contributed by Safety Components International, Inc. (OTCBB: SAFY), partially offset by an increase in revenue contributed by Omega Protein Corporation (NYSE: OME). Decreased net income for the same quarter was the result of decreased net income contributed by both Safety and Omega.

Zapata reported consolidated net income of \$542,000 or \$.03 per diluted share on revenues of \$169.0 million for the six months ended June 30, 2004 as compared to consolidated net income of \$2.6 million or \$.14 per diluted share on revenues of \$186.6 million for the comparable period of 2004. The decreases in revenue and net income resulted from decreases at Safety Components and Omega Protein.

Safety Components contributed approximately \$59.0 million and \$1.3 million to Zapata's consolidated revenues and net income, respectively, for the quarter ended June 30, 2005, as compared to \$65.9 million and \$2.9 million for the comparable period of the prior year. For the six months ended June 30, 2005, Safety contributed approximately \$117.6 million and \$3.0 million to Zapata's consolidated revenues and net income, respectively as compared to \$135.1 million \$5.3 million for the comparable period of the prior year. Safety's second quarter results, as well as the results for the first six months of 2005 reflect a decrease in net sales due to decreased demand in the North America automotive market and increased customer in-sourcing of production, which frequently occurs when demand decreases, partially offset by the favorable effect of changes in foreign currency exchange rates compared to comparable periods in 2004.

Omega Protein contributed approximately \$27.5 million and \$383,000 to Zapata's consolidated revenues and net income, respectively, for the three months ended June 30, 2005 as compared to \$26.5 million and \$1.1 million for the comparable period of the prior year. For the six months ended June 30, 2005, Omega contributed approximately \$51.3 million and \$447,000 to Zapata's consolidated revenues and net income, respectively as compared to \$51.5 million and \$1.5 million for the comparable period of the prior year. Omega Protein's second quarter results, as well as the results for the first six months of 2005 reflect reduced margins primarily due to higher cost of inventories carried forward from the 2004 fiscal year, partially offset by higher prices received during the current year.

About Zapata:

Zapata is a holding company which currently has two operating companies, Safety Components International, Inc. and Omega Protein Corporation. As of June 30, 2005, the Company had a 77% ownership interest in Safety Components and a 58% ownership interest in Omega Protein. In addition, Zapata owns 98% of Zap.Com Corporation (OTCBB: ZPCM), which is a public shell company.

Zapata effected an eight-for-one stock split of its outstanding shares of common stock, par value \$.01 per share, effective at the close of business on April 6, 2005. All share information on the financial statements and in this release, including per share amounts, have been proportionally adjusted as if the eight-for-one stock split had been effective as of the date or period presented.

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 Quarterly Report on Form 10-Q for the period ended June 30, 2005. 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
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Per Share Amounts)

	June 30, 2005 (unaudited)	December 31, 2004
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ASSETS		
Current assets:		
Cash and cash equivalents	\$47,665	\$67,433
Accounts receivable, net	53,759	53,376
Assets held in subsidiary deferred compensation plan	2,178	4,361
Inventories, net	82,451	67,324

Prepaid expenses and other current assets	8,564	6,515
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Total current assets	194,617	199,009
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Other assets:		
Intangible assets, net	5,007	6,158
Other assets	19,842	20,021
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Total other assets	24,849	26,179
Property, plant and equipment, net	139,382	137,301
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Total assets	\$358,848	\$362,489
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$3,920	\$4,924
Accounts payable	18,370	19,395
Accrued and other current liabilities	32,836	32,880
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Total current liabilities	55,126	57,199
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Long-term debt	17,574	19,672
Pension liabilities	10,061	9,677
Other liabilities and deferred taxes	11,530	10,117
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Total liabilities	94,291	96,665
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Minority interest	81,667	79,510
Commitments and contingencies		
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; 24,569,936 and 24,564,600 shares issued at June 30, 2005 and December 31, 2004, respectively; and 19,137,856 and 19,132,520 shares outstanding at June 30, 2005 and December 31, 2004, respectively	246	31
Capital in excess of par value	160,395	160,671
Retained earnings	55,383	54,841
Treasury stock, at cost, 5,432,080 shares	(31,668)	(31,668)
Accumulated other comprehensive (loss) income	(1,466)	2,439
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Total stockholders' equity	182,890	186,314
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Total liabilities and stockholders' equity	\$358,848	\$362,489
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ZAPATA CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Per Share Amounts)

Three Months Ended		Six Months Ended	
June 30,		June 30,	
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2005	2004	2005	2004
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Revenues	\$86,518	\$92,314	\$168,961	\$186,601
Cost of revenues	74,953	76,123	145,928	155,258
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Gross profit	11,565	16,191	23,033	31,343
Operating expense:				
Selling, general and administrative	9,385	9,262	18,673	18,849
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Total operating expenses	9,385	9,262	18,673	18,849
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Operating income	2,180	6,929	4,360	12,494
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Other income (expense):				
Interest income	402	377	727	768
Interest expense	(400)	(702)	(841)	(1,406)
Other, net	280	49	(85)	(227)
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	282	(276)	(199)	(865)
Income before income taxes and minority interest	2,462	6,653	4,161	11,629
Provision for income taxes	(1,297)	(4,280)	(2,454)	(6,611)
Minority interest in net income of consolidated subsidiaries	(701)	(1,536)	(1,165)	(2,383)
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Net income to common stockholders	\$464	\$837	\$542	\$2,635
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Earnings per share:				
Basic	\$0.02	\$0.04	\$0.03	\$0.14
	=====	=====	=====	=====
Diluted	\$0.02	\$0.04	\$0.03	\$0.14
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Weighted average common shares outstanding:				
Basic	19,135	19,131	19,134	19,131
	=====	=====	=====	=====
Diluted	19,345	19,356	19,379	19,326
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SOURCE: Zapata Corporation