



Zapata Corporation Announces Second Quarter Results

August 17, 2004

ROCHESTER, N.Y.--(BUSINESS WIRE)--Aug. 16, 2004--Zapata Corporation (NYSE:ZAP) today announced its consolidated financial results for the second quarter ended June 30, 2004.

Zapata reported consolidated net income of \$837,000 or \$.35 per diluted share on revenues of \$92.3 million for the three months ended June 30, 2004 as compared to consolidated net income of \$2.4 million or \$.98 per diluted share on revenues of \$27.3 million for the comparable period of 2003. The increase in revenues was primarily the result of the Company's acquisition of the majority of the outstanding common stock of Safety Components International, Inc. (OTCBB:SAFY) which occurred during September and October of 2003. On a consolidated basis, net income decreased primarily due to the recognition of a \$1.9 million income tax provision resulting from the deconsolidation of Safety Components for tax purposes which occurred in April 2004. The deconsolidation resulted from a decline in Zapata's ownership of Safety Components below 80% which was attributable to stock option exercises by employees of Safety Components. Additionally, during the comparable period of the prior year, the Company recognized a tax benefit of \$1.2 million resulting from the completion of an IRS audit.

Zapata reported consolidated net income of \$2.6 million or \$1.09 per diluted share on revenues of \$186.6 million for the six months ended June 30, 2004 as compared to consolidated net income of \$3.1 million or \$1.30 per diluted share on revenues of \$52.4 million for the comparable period of 2003. On a consolidated basis, the increase in revenues resulted primarily from the consolidation of Safety's revenues for the period. The decrease in consolidated net income resulted from the aforementioned tax effects of Safety's deconsolidation for tax purposes, a decrease in net income contributed by Omega Protein, and the prior year recognition of a tax benefit resulting from the completion of an IRS audit, all of which were largely offset by the consolidation of Safety's operating results.

Safety Components contributed approximately \$65.9 million and \$2.9 million to Zapata's consolidated revenues and net income, respectively, for the quarter ended June 30, 2004. For the six months ended June 30, 2004, Safety contributed approximately \$135.1 million and \$5.3 million to Zapata's consolidated revenues and net income, respectively. Due to the timing of Zapata's 2003 acquisition of Safety, no amounts related to Safety were included in the three and six month periods ended June 30, 2003.

Omega Protein Corporation (NYSE:OME) contributed approximately \$26.5 million and \$1.1 million to Zapata's consolidated revenues and net income, respectively, for the three months ended June 30, 2004 as compared to \$27.3 million and \$1.4 million for the comparable period of the prior year. For the six months ended June 30, 2004, Omega contributed approximately \$51.5 million and \$1.5 million to Zapata's consolidated revenues and net income, respectively as compared to \$52.4 million and \$3.0 million for the comparable period of the prior year. Omega Protein's three and six month results reflect reduced margins primarily due to higher cost of inventories carried forward from the 2003 fiscal year, partially offset by higher prices received during the current year. Omega's 2003 higher cost inventories resulted from the late season reduced fish catch, brought about by adverse weather conditions along the Atlantic Coast and Gulf of Mexico, combined with lower oil yields for Gulf of Mexico fish.

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, 2004, the Company had a 79% 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
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Per Share Amounts)

	June 30, 2004 (unaudited)	Dec. 31, 2003
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ASSETS		
Current assets:		
Cash and cash equivalents	\$72,349	\$43,934
Short-term investments	508	29,351

Accounts receivable, net	56,655	58,011
Inventories, net	65,201	63,957
Prepaid expenses and other current assets	7,147	6,045
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Total current assets	201,860	201,298
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Investments and other assets:		
Intangible assets, net	7,054	8,121
Other assets	25,523	23,925
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Total investments and other assets	32,577	32,046
Property, plant and equipment, net	129,770	125,695
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Total assets	\$364,207	\$359,039
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Current maturities of long-term debt	\$5,196	\$5,780
Accounts payable	15,599	27,935
Accrued and other current liabilities	34,351	27,278
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Total current liabilities	55,146	60,993
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Long-term debt	31,263	29,422
Pension liabilities	8,012	7,687
Other liabilities and deferred taxes	12,661	9,698
Minority interest	75,240	68,702
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Total liabilities	182,322	176,502
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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 shares issued and 2,391,315 shares outstanding	31	31
Capital in excess of par value	160,897	163,490
Retained earnings	53,743	51,108
Treasury stock, at cost, 679,010 shares	(31,668)	(31,668)
Accumulated other comprehensive loss	(1,118)	(424)
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Total stockholders' equity	181,885	182,537
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Total liabilities and stockholders' equity	\$364,207	\$359,039
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ZAPATA CORPORATION

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
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Revenues	\$92,314	\$27,292	\$186,601	\$52,393
Cost of revenues	76,123	21,114	155,258	39,793
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Gross profit	16,191	6,178	31,343	12,600

Operating expense:				
Selling, general and administrative	9,262	2,738	18,849	6,414
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Total operating expenses	9,262	2,738	18,849	6,414
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Operating income	6,929	3,440	12,494	6,186
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Other income (expense):				
Interest (expense) income, net	(325)	75	(638)	196
Other, net	49	(51)	(227)	(30)
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	(276)	24	(865)	166
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Income before income taxes and minority interest	6,653	3,464	11,629	6,352
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Provision for income taxes	(4,280)	(149)	(6,611)	(1,238)
Minority interest in net income of consolidated subsidiaries	(1,536)	(951)	(2,383)	(2,000)
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Net income to common stockholders	\$837	\$2,364	\$2,635	\$3,114
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Earnings per share:				
Basic	\$0.35	\$0.99	\$1.10	\$1.30
	=====	=====	=====	=====
Diluted	\$0.35	\$0.98	\$1.09	\$1.30
	=====	=====	=====	=====
Weighted average common shares outstanding:				
Basic	2,391	2,391	2,391	2,391
	=====	=====	=====	=====
Diluted	2,419	2,402	2,416	2,401
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SOURCE: Zapata Corporation