Teleflex Announces First Quarter 2002 Results; Revenues Increased 8% to $508 Million

April 17, 2002

PLYMOUTH MEETING, Pa., Apr 17, 2002 (BUSINESS WIRE) -- Teleflex Incorporated (NYSE:TFX) announced today that revenues for the first quarter ended March 31, 2002 increased 8% to $508.4 million compared to $470.7 million for the first three months last year. The growth came from core operations as well as from acquisitions. Net income in the quarter was $30.4 million and diluted earnings per share were 77 cents.

"Teleflex's performance in the first quarter of 2002 was in line with our expectations," said Lennox K. Black, chairman and chief executive officer. "Many of our end markets continue to be affected by the global economic slowdown. Despite this, Teleflex achieved core revenue growth which was supplemented by acquisitions," he said. "We are beginning to see some signs of firming in our Commercial markets, but our full-year results, which we estimate will be $3.20 to $3.30 per share, will depend on continued improvement in the economy."

In accordance with the adoption of SFAS 142, Teleflex stopped amortizing goodwill as of December 31, 2001. Excluding goodwill amortization in the first quarter 2001, net income and diluted earnings per share in the first quarter 2002 declined 6% and 7% respectively. To facilitate comparisons of segment operating results, prior year goodwill amortization in the accompanying financial summary has been reclassified as a corporate rather than a segment expense. Goodwill amortization expense in the first quarter 2001 was $3.2 million pre-tax, or 6 cents per share after tax. The 2001 pre-tax impact on operating earnings by segment is as follows: Aerospace $346,000; Medical $2,142,000; Commercial $712,000.

In the Commercial Segment, sales increased 19% over last year. The Automotive, Marine and Industrial product lines all reported double digit increases as a result of both core growth and acquisitions. As previously announced, Teleflex acquired an alternative fuels business and a Japanese cable maker in January 2002. Commercial operating profit was up slightly as gains in Marine and Industrial were offset by pricing pressure in the automotive market. Higher volume of adjustable pedal systems also contributed to the improvement in profits.

Medical Segment sales increased a modest 1% in the first quarter. Hospital Supply reported higher sales, while Surgical Devices sales were essentially flat. Segment operating profits improved in the quarter in part due to a continuing focus on a smaller range of more profitable products.

Aerospace Segment sales declined 4% in the quarter, and operating profit decreased as the commercial aerospace industry remained under pressure. Demand for fan blades and other turbine engine components continued to be sharply lower as a result of the lower build rate of commercial aircraft. Repair services improved from fourth quarter 2001, but is still affected by lower volumes due to fewer aircraft in service. Cargo systems experienced stretch-outs in deliveries, but introduced two new products in air travel security that may generate additional future sales.

Cash flow from operations in the first quarter increased to $28 million from $11 million a year ago. The balance sheet continues to provide a strong foundation for growth.

As previously announced, Teleflex will comment on first quarter 2002 results on a conference call to be held Thursday, April 18th. The call will be archived and available on the company's website, www.teleflex.com.

The figures are as follows:

COMPARATIVE SUMMARY OF REVENUES AND EARNINGS
(Unaudited)

Three Months Ended	March 31, 2002	April 1, 2001	Percent Change
Sales			
Commercial	$265,752,000	$222,818,000	19%
Medical	107,303,000	106,404,000	1%
Aerospace	135,341,000	141,512,000	(4%)
Total	$508,396,000	$470,734,000	8%
Operating Profit			
Commercial	$25,704,000	$25,070,000	3%
Medical	17,367,000	17,075,000	2%
Aerospace	11,429,000	16,435,000	(30%)
Total	54,500,000	58,580,000(a)	(7%)
Less:			
Interest expense	6,036,000	6,711,000	(10%)
Corporate expenses	4,570,000	4,644,000	(2%)
Goodwill amortization	--	3,200,000(a)	--
Income before taxes	43,894,000	44,025,000	--
Taxes on income	13,476,000	14,044,000	(4%)
Net income	$30,418,000	$29,981,000	1%
Earnings per share:			

Basic	$.78	$.78	--
Diluted	$.77	$.77	--
Average common shares outstanding:			
Basic	39,038,000	38,497,000	
Diluted	39,638,000	39,036,000	

(a) Goodwill amortization has been reclassified from operating profit to a corporate expense item to facilitate comparison with the current period's results.

CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

	March 31, 2002	December 30, 2001
Assets		
Current assets		
Cash and cash equivalents	$51,817,000	$46,900,000
Accounts receivable, net	394,773,000	363,674,000
Inventories	321,908,000	308,775,000
Prepaid expenses	29,155,000	28,128,000
	797,653,000	747,477,000
Property, plant and equipment, net	563,615,000	565,695,000
Goodwill	234,524,000	223,911,000
Intangibles and other assets	61,988,000	56,444,000
Investments in affiliates	42,083,000	41,493,000
	$1,699,863,000	$1,635,020,000
Liabilities and shareholders' equity		
Current liabilities		
Current borrowings	$231,021,000	$212,122,000
Accounts payable and accrued expenses	270,664,000	251,805,000
Income taxes payable	36,909,000	31,499,000
	538,594,000	495,426,000
Long-term borrowings	217,294,000	228,180,000
Deferred income taxes and other	137,331,000	133,271,000
	893,219,000	856,877,000
Shareholders' equity	806,644,000	778,143,000
	$1,699,863,000	$1,635,020,000

Teleflex At A Glance:

Teleflex is a diversified industrial company with annual sales of $1.9 billion. The company designs, manufactures and distributes quality engineered products and services for the aerospace, medical, automotive, marine and industrial markets worldwide. Teleflex employs more than 17,000 people worldwide who focus on providing innovative solutions for customers. Additional information about Teleflex, including a recent archived conference call with analysts and investors, can be obtained from the company's Web site on the Internet at www.teleflex.com.

Forward-looking information:

Statements in this news release, other than historical data, are considered forward-looking statements under the Private Securities Litigation Reform Act of 1995. These statements are subject to various risks and uncertainties that could cause actual results to differ from those contemplated in the statements. These factors are discussed in the company's Securities and Exchange Commission filings.

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