Teleflex Reports Fourth Quarter and Year-End 2002 Results; 28th Consecutive Year of Growth

February 12, 2003

PLYMOUTH MEETING, Pa., Feb 12, 2003 (BUSINESS WIRE) -- Teleflex Incorporated (NYSE:TFX) today reported that revenues for the year ended December 29, 2002 increased 9% to $2.08 billion compared to $1.90 billion in 2001. Net income increased 12% to $125.3 million from $112.3 million the prior year. Diluted earnings per share increased to $3.15 in 2002 compared to $2.86 in 2001.

In the fourth quarter, revenues increased 10% to $513.3 million from $465.3 million in 2001. Net income increased 20% to $35.0 million. Diluted earnings per share were $0.88 in 2002 compared to $0.74 in 2001. During the quarter, Teleflex sold two minor non-core businesses and also received insurance proceeds resulting in a $10 million pre-tax gain, or $0.16 per share after tax.

"In 2002, Teleflex achieved its 28th consecutive year of growth," stated Jeffrey P. Black, president and chief executive officer. "Despite very challenging market conditions, we delivered solid results, strengthened global operations, invested in new technologies and continued to position Teleflex for long-term growth."

"Our diverse portfolio and strong performances in several of our businesses," he continued, "were the key strategic factors in the ongoing success of the company. We delivered record cash flow and maintained a strong balance sheet which provide Teleflex with the foundation to invest and grow in the future."

In the fourth quarter, the Commercial and Medical segments both achieved increased sales, while Aerospace Segment sales declined slightly. Operating profits overall were down 8%, as strong gains in all three Commercial Segment product lines did not offset steep declines in three of the four Aerospace businesses, and a slight decline in Medical.

For the year, Commercial Segment sales increased 20% and showed strong gains across all product lines. Businesses in this Segment serve the automotive, recreational marine, and various industrial markets. Strength in the automotive market, a variety of new products and acquisitions contributed to the increase. The Segment's operating profits rose 15% in 2002, but operating margins declined slightly due to acquisitions.

Medical Segment sales grew 5% in 2002. Both hospital supply, through new products, and surgical devices, with the help of an acquisition, contributed to the increase. Operating profits rose 2% although operating margins declined as a result of product mix and a plant closing.

Aerospace Segment sales declined 4% in 2002 in the midst of a severe downturn in the commercial aerospace and industrial gas turbine markets. An increase in the repairs product line, which serves the aftermarket, was offset by declines in manufactured components, industrial gas turbine services and cargo systems. Operating profits were down 45% as a result of lower volumes and pervasive pricing pressure.

In accordance with the adoption of SFAS No. 142, Teleflex stopped amortizing goodwill as of December 31, 2001. Excluding goodwill amortization in 2001, net income improved 3% compared to 2001 results and diluted earnings per share increased 2%. 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 2001 was $12.9 million pre-tax, or 24 cents per share after tax. The pre-tax impact on 2001 operating earnings by segment is as follows: Commercial $2,928,000; Medical $8,488,000; Aerospace $1,485,000.

"We anticipate that the environment in our Aerospace Segment markets will be just as challenging in 2003 as it was in 2002," said Mr. Black, "and we assume there will be no significant change in the economy during 2003. At this time, we expect that Teleflex's revenues and earnings in 2003 will increase at a single-digit percentage rate." He indicated that earnings in the first quarter of 2003 likely would be down compared to the quarter a year ago, but that they should show accelerating growth in subsequent quarters as continuing cost reductions take effect and new programs and products are launched.

As previously announced, Teleflex will comment on fourth quarter and year-end 2002 results on a conference call to be held Thursday, February 13, 2003 at 11:15 a.m. (ET). The call can be accessed by dialing (888) 634-9566, or at the company's website at www.teleflex.com.

The figures are as follows:

COMPARATIVE SUMMARY OF REVENUES AND EARNINGS

Year Ended	December 29, 2002	December 30, 2001	Percent Change
Sales			
Commercial Products	$1,085,497,000	$908,183,000	20%
Medical Products	448,677,000	429,338,000	5%
Aerospace Products	542,055,000	567,483,000	(4%)
Total	$2,076,229,000	$1,905,004,000	9%
Operating Profit			
Commercial Products	$99,841,000	$86,702,000	15%
Medical Products	72,313,000	71,177,000	2%
Aerospace Products	34,176,000	61,822,000	(45%)
Total	$206,330,000	$219,701,000(a)	(6%)
Less:			

Interest expense	25,023,000	28,465,000	(12%)
Corporate expenses	18,904,000	18,640,000	1%
Goodwill amortization	-	12,901,000(a)	-
Non-operating gains	(10,085,000)	-	-
Income before taxes	172,488,000	159,695,000	8%
Taxes on income	47,222,000	47,384,000	-
Net income	$125,266,000	$112,311,000	12%
Earnings per share			
Basic	$3.19	$2.90	10%
Diluted	$3.15	$2.86	10%
Average shares outstanding			
Basic	39,251,000	38,752,000	
Diluted	39,786,000	39,280,000	

Three Months Ended	December 29, 2002	December 30, 2001	Percent Change
Sales			
Commercial Products	$265,981,000	$220,514,000	21%
Medical Products	115,678,000	111,031,000	4%
Aerospace Products	131,630,000	133,707,000	(2%)
Total	$513,289,000	$465,252,000	10%
Operating Profit			
Commercial Products	$25,711,000	$20,206,000	27%
Medical Products	18,935,000	19,064,000	(1%)
Aerospace Products	3,905,000	13,555,000	(71%)
Total	$48,551,000	$52,825,000(a)	(8%)
Less:			
Interest expense	6,468,000	7,113,000	(9%)
Corporate expenses	4,828,000	4,540,000	6%
Goodwill amortization	-	3,244,000(a)	-
Non-operating gains	(10,085,000)	-	-
Income before taxes	47,340,000	37,928,000	25%
Taxes on income	12,308,000	8,761,000	40%
Net income	$35,032,000	$29,167,000	20%
Earnings per share			
Basic	$.89	$.75	19%
Diluted	$.88	$.74	19%
Average shares outstanding			
Basic	39,384,000	38,910,000	
Diluted	39,717,000	39,345,000	

(a) Goodwill amortization in 2001 has been reclassified from operating profit to a corporate expense item to facilitate comparison with the current period's operating results.

CONDENSED CONSOLIDATED BALANCE SHEET

	December 29, 2002	December 30, 2001
Assets		
Current assets		
Cash and cash equivalents	$44,494,000	$46,900,000
Accounts receivable, net	401,888,000	363,674,000
Inventories	365,535,000	308,775,000
Prepaid expenses	25,978,000	28,128,000
	837,895,000	747,477,000
Property, plant and		

equipment, net	604,241,000	565,695,000
Goodwill	257,999,000	223,911,000
Investments in affiliates	44,439,000	41,493,000
Intangibles and other assets	68,810,000	56,444,000
	$1,813,384,000	$1,635,020,000
Liabilities and shareholders' equity		
Current liabilities		
Current borrowings	$182,776,000	$212,122,000
Accounts payable and accrued expenses	276,938,000	251,805,000
Income taxes payable	38,769,000	31,499,000
	498,483,000	495,426,000
Long-term borrowings	240,123,000	228,180,000
Deferred income taxes and other	162,497,000	133,271,000
	901,103,000	856,877,000
Shareholders' equity	912,281,000	778,143,000
	$1,813,384,000	$1,635,020,000

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended	December 29, 2002	December 30, 2001
Cash flows from operating activities	$200,585,000	$188,257,000
Cash flows from financing activities:		
Proceeds from new borrowings	53,000,000	75,000,000
Reduction in long-term borrowings	(35,040,000)	(46,304,000)
(Decrease) increase in current borrowings and demand loans	(74,167,000)	74,531,000
Stock compensation plans	9,846,000	8,228,000
Dividends	(27,861,000)	(25,586,000)
	(74,222,000)	85,869,000
Cash flows from investing activities:		
Expenditures for plant assets	(87,163,000)	(97,744,000)
Payments for businesses acquired	(57,229,000)	(170,700,000)
Proceeds from the sale of businesses and other	15,623,000	(3,921,000)
	(128,769,000)	(272,365,000)
Net (decrease) increase in cash and cash equivalents	(2,406,000)	1,761,000
Cash and cash equivalents at the beginning of the		

year	46,900,000	45,139,000
Cash and cash equivalents at the end of the year	$44,494,000	$46,900,000

Teleflex At A Glance:

Teleflex is a diversified industrial company with annual revenues of more than $2 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 18,000 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 website 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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