Teleflex Reports Third Quarter 2002 Results: Revenues Increased 9%; Net Income Up 19%

October 16, 2002

PLYMOUTH MEETING, Pa., Oct 16, 2002 (BUSINESS WIRE) -- Teleflex Incorporated (NYSE:TFX) today reported revenues in the third quarter ended September 29, 2002 increased 9% to $508.2 million compared to $466.0 million for the year-ago quarter. Net income in the quarter was $26.3 million and diluted earnings per share were 66 cents. Results included a benefit from income tax settlements which contributed $3.1 million to net income, or 8 cents per diluted share in the third quarter.

Revenues in the first nine months of 2002 increased 9% to $1.6 billion compared to $1.4 billion last year. Net income in the first nine months, including the tax settlements, was $90.2 million compared to $83.1 million for the same period in 2001. Diluted earnings per share increased to $2.27 compared to $2.12 per share for the same period a year ago.

Jeffrey P. Black, president and chief executive officer, said, "Strong volume gains this quarter in our Commercial Segment businesses coupled with increased sales in our Medical Segment offset a decline in demand for Aerospace products and services. We see these trends continuing into the final quarter of the year, and, as a result, we now anticipate that earnings for 2002 will be in the range of $3.10 per share. Cash flow from operations in the first nine months was $151 million, well ahead of last year."

The Commercial Segment reported a 20% increase in sales in the quarter with gains in all three product lines, Automotive, Marine and Industrial, as a result of strong market demand and new products. These businesses account for 52% of total corporate revenues. Operating profits grew as a result of higher volumes.

Medical Segment sales increased 7% in the third quarter. Operating profit improved slightly as gains in the Hospital Supply product line more than compensated for unfavorable product mix in the Surgical Devices product line. Medical represents 22% of total corporate revenues.

Aerospace Segment sales declined 7% in the quarter reflecting ongoing weakness in both the commercial aerospace and the industrial gas turbine markets. Sales were down in all four product lines, as demand from OEM and aftermarket customers continued to be soft. Operating profit fell sharply as a result of pricing pressure and the lower sales volume.

In accordance with the adoption of SFAS 142, Teleflex stopped amortizing goodwill as of December 31, 2001. Excluding goodwill amortization in the third quarter of 2001, net income improved 7% compared to the third quarter of last year and diluted earnings per share increased 6%. 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 third quarter of 2001 was $3.2 million pre-tax, or 6 cents per share after tax. The pre-tax impact on third quarter 2001 operating earnings by segment is as follows: Commercial $740,000; Medical $2,142,000; Aerospace $347,000.

As previously announced, Teleflex will comment on third quarter 2002 results on a conference call to be held Thursday, October 17th, at 11:15 a.m. (ET). The call can be accessed by dialing (888) 634-9566, or by logging on to the company's website at www.teleflex.com. The figures are as follows:

COMPARATIVE SUMMARY OF REVENUES AND EARNINGS
(Unaudited)

Three Months Ended	September 29, 2002	September 30, 2001	Percent Change
Sales			
Commercial Products	$262,116,000	$218,253,000	20%
Medical Products	112,223,000	104,537,000	7%
Aerospace Products	133,899,000	143,224,000	(7%)
Total	$508,238,000	$466,014,000	9%
Operating Profit			
Commercial Products	$18,742,000	$14,788,000	27%
Medical Products	17,617,000	17,380,000	1%
Aerospace Products	7,954,000	15,396,000	(48%)
Total	$44,313,000	$47,564,000(1)	(7%)
Less:			
Interest expense	6,280,000	7,263,000	(14%)
Corporate expenses	4,893,000	4,807,000	2%
Goodwill amortization	---	3,229,000(1)	--
Income before taxes	33,140,000	32,265,000	3%
Taxes on income	6,860,000	10,163,000	(33%)
Net income	$26,280,000	$22,102,000	19%
Earnings per share			

Basic	$.67	$.57	18%
Diluted	$.66	$.56	18%
Average shares outstanding			
Basic	39,341,000	38,847,000	
Diluted	39,820,000	39,379,000	

Nine Months Ended	September 29, 2002	September 30, 2001	Percent Change
Sales			
Commercial Products	$819,516,000	$687,669,000	19%
Medical Products	332,999,000	318,307,000	5%
Aerospace Products	410,425,000	433,776,000	(5%)
Total	$1,562,940,000	$1,439,752,000	9%
Operating Profit			
Commercial Products	$74,130,000	$66,496,000	11%
Medical Products	53,378,000	52,113,000	2%
Aerospace Products	30,271,000	48,267,000	(37%)
Total	$157,779,000	$166,876,000(1)	(5%)
Less:			
Interest expense	18,555,000	21,352,000	(13%)
Corporate expenses	14,076,000	14,100,000	--
Goodwill amortization	---	9,657,000(1)	--
Income before taxes	125,148,000	121,767,000	3%
Taxes on income	34,914,000	38,623,000	(10%)
Net income	$90,234,000	$83,144,000	9%
Earnings per share			
Basic	$2.30	$2.15	7%
Diluted	$2.27	$2.12	7%
Average shares outstanding			
Basic	39,207,000	38,700,000	
Diluted	39,809,000	39,258,000	

(1) 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
(Unaudited)

	September 29, 2002	December 30, 2001
Assets		
Current assets		
Cash and cash equivalents	$54,429,000	$46,900,000
Accounts receivable, net	398,411,000	363,674,000
Inventories	363,006,000	308,775,000
Prepaid expenses	25,121,000	28,128,000
	840,967,000	747,477,000
Property, plant and equipment, net	591,465,000	565,695,000
Goodwill	249,130,000	223,911,000
Intangibles and other assets	69,378,000	56,444,000
Investments in affiliates	44,758,000	41,493,000
	$1,795,698,000	$1,635,020,000

Liabilities and shareholders' equity		
Current liabilities		
Current borrowings	$232,855,000	$212,122,000
Accounts payable and accrued expenses	274,830,000	251,805,000
Income taxes payable	45,917,000	31,499,000
	553,602,000	495,426,000
Long-term borrowings	220,414,000	228,180,000
Deferred income taxes and other	145,735,000	133,271,000
	919,751,000	856,877,000
Shareholders' equity	875,947,000	778,143,000
	$1,795,698,000	$1,635,020,000

Teleflex At A Glance:

Teleflex is a diversified industrial company with annual revenues of approximately $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 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 may 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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