



MSA Announces Record Second Quarter Results; Global Safety Equipment Manufacturer Continues Strong Performance

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PITTSBURGH, Aug. 6 /PRNewswire-FirstCall/ -- Continuing strong demand for respiratory protection products in North American markets and the acquisition of CGF Gallet in Europe resulted in record second quarter earnings for Mine Safety Appliances Company (Amex: MSA).

Net sales for the second quarter of 2002 were \$150,719,000, compared with \$134,781,000 for the second quarter of 2001. Net income for the second quarter was \$9,484,000, or 78 cents per share, compared with \$6,974,000, or 59 cents per share, for the same period last year.

Net sales for the six months ended June 30, 2002 were \$284,804,000, compared with \$268,376,000 in the first half of 2001. Net income for the six months ended June 30, 2002 was \$17,468,000, or \$1.44 per share, compared with \$14,821,000, or \$1.25 per share, for the same period last year.

Second quarter 2002 sales were higher in North America and Europe and steady in other international markets. North American sales benefited from substantially higher shipments of respiratory protection products, including gas masks, respirators and self-contained breathing apparatus, to the homeland security and fire service markets. These sales gains were partially offset by somewhat lower sales of both portable and permanent instruments, primarily due to continuing sluggishness in industrial markets and weakness in capital spending in North America. Specialty chemical sales improved in the current quarter. U.S. exports were disappointing, affected by economic disturbances in key export country markets, particularly in South America and, until recently, by the formerly strong U.S. dollar.

In Europe, higher second quarter 2002 sales also benefited from May and June activity for MSA Gallet. MSA Gallet is the leading European manufacturer of protective helmets for the fire service, as well as head protection for the police and military. There were significant shipments of Gallet helmets on military contracts in Canada and the U.S.

Net income for the second quarter of 2002 was 36 percent higher than in the second quarter 2001. The increase reflects sales and operational improvements and includes a gain on the sale of development real estate in Pittsburgh and favorable currency exchange effects, primarily related to the stronger Euro. Year-to-date results in Argentina were significantly hurt by the major devaluations and economic disruption.

"I am pleased to report record second quarter results, continuing a series of strong quarterly earnings that began in fourth quarter 2000," said John T. Ryan III, Chairman and CEO. "These results reflect continued strength in the company's meeting the needs of major markets, particularly homeland security and the fire service, which more than offset the disappointing general industrial economy in recent months." Most recently MSA gained orders for self-contained breathing apparatus from major metropolitan fire departments in Jacksonville, Florida and Minneapolis, Minnesota. Mr. Ryan added that the company's performance in Europe continues to improve and has benefited from the acquisition of MSA Gallet during the quarter, while performance in other international markets was mixed.

"The results for the quarter and the first half of the year are in line with our targets. With new products and initiatives, I see good opportunities for MSA in a number of areas for the remainder of the year. Future funding levels in the fire service and homeland security markets will be important," Mr. Ryan said. "We must overcome setbacks in the industrial business confidence level in the United States and economic problems and political risks in South America. I am optimistic that we will continue to show progress, but this will be challenging," concluded Mr. Ryan.

Certain statements contained in this release may constitute "forward- looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from expectations contained in such statements. Factors that may materially affect financial condition and future results include: global economic conditions; the threat of terrorism and its potential consequences; the timely and successful introduction of new products; the availability of funding in the fire service and homeland security markets; the ability of third party suppliers to provide raw materials and components; liquidity; and interest and currency exchange rates.

The results from operations for the three-month and six-month periods ended June 30 are as follows.

(Note: Amounts in thousands, except earnings per share and shares outstanding)

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2002	2001	2002	2001
Net sales	\$150,719	\$134,781	\$284,804	\$268,376
Other income	2,312	72	2,175	493
Cost of products sold	94,719	82,917	176,131	163,445
Selling and administrative costs	37,026	32,211	68,127	65,006
Depreciation and amortization	6,298	6,501	12,313	12,867
Interest	1,397	1,403	2,725	3,030
Currency exchange (gains) losses	(1,075)	387	(552)	385

Income before income				
taxes	14,666	11,434	28,235	24,136
Taxes on income	5,182	4,460	10,767	9,315
Net income	9,484	6,974	17,468	14,821
Basic earnings per share	\$.78	\$.59	\$1.44	\$1.25
Diluted earnings per				
share	\$.77	\$.58	\$1.42	\$1.24
Average number of common				
shares outstanding				
(Basic)	12,173,976	11,840,846	12,141,506	11,838,143

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SOURCE Mine Safety Appliances Company
CONTACT: Mark Deasy of Ketchum, +1-412-456-3843, for MSA; or Dennis L. Zeitler of MSA, +1-412-967-3047
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