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LIFETIME HOAN CORP
Form 8-K
October 30, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of the earliest event reported) October 30, 2003

Lifetime Hoan Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-19254
(Commission File Number)

11-2682486
(IRS Employer Identification No.)

One Merrick Avenue, Westbury, New York
(Address of principal executive offices)

11590
(Zip Code)

Registrant's telephone number, including area code: (516) 683-6000

N/A
(Former name or former address, if changed since last report)

Item 7. Financial Statements and Exhibits

c) Exhibits

99 - Press Release, dated October 30, 2003

Item 12. Results of Operation and Financial Condition

On October 30, 2003, Lifetime Hoan Corporation ("the Company") issued a press release setting forth the Company's third-quarter 2003 earnings. A copy of the Company's press release is attached hereto as Exhibit 99 and hereby incorporated by reference.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

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Lifetime Hoan Corporation

By: /s/ Robert McNally
Robert McNally
Vice President of Finance and
Chief Financial Officer

Date: October 30, 2003

EXHIBIT 99

LIFETIME HOAN CONTINUES STRONG GROWTH IN SALES AND EARNINGS IN THIRD QUARTER 2003

WESTBURY, N.Y., October 30, 2003 -- LIFETIME HOAN CORPORATION (NASDAQ NM: LCUT), a leading marketer of housewares, today announced results for the third quarter ended September 30, 2003.

Net sales for the quarter increased 37% to a record \$44.1 million from \$32.2 million in the third quarter of 2002. Income from continuing operations increased 135% to \$2.9 million from \$1.2 million for the same period in 2002. Earnings per diluted share from continuing operations more than doubled to \$0.27 per share from \$0.12 per share in last year's third quarter.

Jeffrey Siegel, president and chief executive officer, commented, "We are very pleased with the substantial growth in sales and net income Lifetime Hoan realized in the third quarter. As we expected, the combination of exciting new products and significant additional placements produced very positive results in our lines of kitchen tools and gadgets, bakeware and Kamenstein pantryware. Our new S'mores Maker, which became widely available at many of our major retail customers at the end of August, has been just as popular as we predicted.

"Lifetime's recent acquisition of the business and certain assets of :USER - Tools for Civilizationr, a company that creates contemporary lifestyle products for the home, is an exciting step forward for us. Its reputation for design excellence in decorative hardware, mirrors and lighting for the bath, as well as decorative window accessories, is the perfect complement to our existing expertise and will help us expand our product line beyond the kitchen, as well as enabling us to gain distribution in the strong 'do-it-yourself' category."

Mr. Siegel continued, "With the completion of the third quarter, we are updating our earnings guidance for 2003. We now expect Lifetime's net sales for the year to total approximately \$155 to \$160 million. Earnings per share are estimated to total approximately \$0.75 to \$0.80."

As announced in 2002, Lifetime sold its 51% interest in the businesses of each of Prestige Italiana, Spa. and Prestige Haushaltswaren GmbH (together, the "Prestige Companies"). The loss from the Prestige Companies' operations for the third quarter of 2002 is reflected as discontinued operations on the Company's income statements.

Separately, the Company announced that its Board of Directors declared a regular quarterly cash dividend of \$0.0625 per share, payable on November 20, 2003 to shareholders of record on November 4, 2003.

Lifetime Hoan has scheduled a conference call Thursday, October 30 at 11:30 a.m. Eastern Time to discuss third-quarter 2003 results and additional

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matters. The dial-in number for the call is (706) 634-1218. A replay of the call will also be available through Thursday, November 6, and can be accessed by dialing (706) 645-9291, conference ID #3393554. A live webcast of the call will be broadcast at the Company's web site, www.lifetime.hoan.com. For those who cannot listen to the live broadcast, an audio replay of the call will also be available on the site.

Lifetime Hoan Corporation is a leading designer, marketer and distributor of household cutlery, kitchenware, cutting boards, pantryware and bakeware, marketing its products under various trade names including Farberwarer and Hoffritzer. Through the use of various brand names, Lifetime Hoan's products are distributed through almost every major retailer in the U.S.

The information herein contains certain forward-looking statements including statements concerning the Company's future prospects. These statements involve risks and uncertainties, including risks relating to general economic conditions and risks relating to the Company's operations, such as the risk of loss of major customers and risks relating to changes in demand for the Company's products, as detailed from time to time in the Company's filings with the Securities and Exchange Commission.

Tables to follow

COMPANY CONTACT: Robert McNally Chief Financial Officer (516) 683-6000	INVESTOR RELATIONS: Harriet Fried Lippert/Heilshorn & Associates, Inc. (212) 838-3777 or hfried@lhai.com
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LIFETIME HOAN CORPORATION CONSOLIDATED INCOME STATEMENTS (in 000's, except per share data)

	Three Months Ended September 30, (Unaudited)		
	2003	2002	% Increase (Decrease)
Net Sales	\$44,068	\$32,235	36.7%
Cost of Sales	25,552	17,612	45.1%
Distribution Expenses	5,337	4,885	9.3%
SG&A	8,163	7,435	9.8%
Income from Operations	5,016	2,303	117.8%
Interest Expense	189	239	(20.9%)
Other (Income)	(16)	(18)	(11.1%)
Income Before Taxes	4,843	2,082	132.6%
Tax Provision	1,956	854	129.0%
Income from Continuing Operations	2,887	1,228	135.1%
Loss from Discontinued Operations	-	(685)	

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Net Income	\$2,887	\$543	
Diluted Earnings Per Share			
from Continuing Operations	\$0.27	\$0.12	125.0%
Weighted Average Shares	10,784	10,536	
Diluted Earnings Per Share	\$0.27	\$0.05	
Weighted Average Shares	10,784	10,536	

LIFETIME HOAN CORPORATION CONSOLIDATED INCOME STATEMENTS (in 000's, except per share data)

	Nine Months Ended September 30, (Unaudited)		
	2003	2002	% Increase (Decrease)
Net Sales	\$98,302	\$83,703	17.4%
Cost of Sales	55,982	45,199	23.9%
Distribution Expenses	14,103	15,543	(9.3%)
SG&A	22,742	21,085	7.9%
Income from Operations	5,475	1,876	191.8%
Interest Expense	480	687	(30.1%)
Other (Income)	(51)	(47)	8.5%
Income Before Taxes	5,046	1,236	308.3%
Tax Provision	2,038	471	332.7%
Income from Continuing Operations	3,008	765	293.2%
Loss from Discontinued Operations	-	(1,029)	
Net Income (Loss)	\$3,008	(\$264)	
Diluted Income Per Share			
from Continuing Operations	\$0.28	\$0.07	
Weighted Average Shares	10,660	10,534	
Diluted Income (Loss) Per Share	\$0.28	(\$0.03)	
Weighted Average Shares	10,660	10,534	

LIFETIME HOAN CORPORATION CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands)

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	September 30, 2003 (Unaudited)	September 30, 2002 (Unaudited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$213	\$25
Accounts receivable, net	28,114	18,440
Merchandise inventories	56,357	53,226
Prepaid expenses and other current assets	4,497	6,233
TOTAL CURRENT ASSETS	89,181	77,924
PROPERTY AND EQUIPMENT, net	19,985	21,059
INTANGIBLES, net	23,660	24,050
OTHER ASSETS	2,120	2,174
TOTAL ASSETS	\$134,946	\$125,207
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	\$26,500	\$27,600
Accounts payable and trade acceptances	7,482	5,833
Other current liabilities	20,822	15,507
TOTAL CURRENT LIABILITIES	54,804	48,940
STOCKHOLDERS' EQUITY	80,142	76,267
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$134,946	\$125,207