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LIFETIME HOAN CORP
Form 8-K
May 05, 2005

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) May 5, 2005

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 2.02. Results of Operation and Financial Condition

On May 5, 2005, Lifetime Hoan Corporation ("the Company") issued a press release setting forth the Company's first-quarter 2005 earnings. A copy of the Company's press release is attached hereto as Exhibit 99 and hereby incorporated by reference.

Item 9.01. Financial Statements and Exhibits

c) Exhibits

99 - Press Release, dated May 5, 2005

Signature

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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.

Lifetime Hoan Corporation

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

Date: May 5, 2005

EXHIBIT 99

LIFETIME HOAN REPORTS FIRST-QUARTER NET SALES OF \$43.1
MILLION; NET INCOME RISES TO \$1.0 MILLION

Company Plans to Change its Name to Lifetime Brands, Inc.

WESTBURY, N.Y., May 5, 2005 -- LIFETIME HOAN CORPORATION (NASDAQ NM: LCUT), a leading designer, marketer and distributor of nationally branded consumer products for the home, today announced results for the first quarter ended March 31, 2005.

For the first quarter of 2005, net sales increased 16% to \$43.1 million from \$37.1 million for the same period of 2004. Net sales in the quarter attributable to the Excel business Lifetime acquired in July 2004 were approximately \$1.8 million. The Company reported net income of \$1.0 million compared to \$345,000 for the first quarter of 2004. On a diluted per share basis, net income rose to \$.09 per share from \$.03 per share for the same period last year.

Jeffrey Siegel, Chairman, President and Chief Executive Officer, commented, "Lifetime Hoan's solid first-quarter performance is attributable to several factors, including the successful introduction of our new lines of KitchenAid(R) cutlery, expanded shelf space at several major retailers and increased sales of our Kamenstein(R) pantryware products.

"We are pleased that many of the growth initiatives we implemented in 2004 have already begun to produce positive results. Last year we broadened our portfolio of powerful brands, enhanced our product development and design capabilities, strengthened our overseas sourcing organization, and expanded the Company's infrastructure. As a result, we expect net sales to total approximately \$220 million to \$230 million in 2005, and earnings per share to total approximately \$0.95 to \$1.15."

Mr. Siegel added, "We recently proposed to change the name of our Company from Lifetime Hoan Corporation to Lifetime Brands, Inc. We believe this new name will more accurately express one of our Company's most important attributes and

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key competitive strengths."

The Company's shareholders will vote on the proposed name change at the annual meeting to be held on June 7, 2005.

Lifetime has scheduled a conference call Thursday, May 5, at 11:00 a.m. Eastern time to discuss first-quarter 2005 results and additional matters. The dial-in number for the call is (706) 634-1218. A replay of the call will also be available through Thursday, May 12, and can be accessed by dialing (706) 645-9291, conference ID #5739583. 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 is a leading designer, marketer and distributor of kitchenware, cutlery & cutting boards, bakeware & cookware, pantryware & spices, tabletop and bath accessories, marketing its products under various trade names, including Farberware(R), KitchenAid(R), Cuisinart(R), Hoffritz(R), Sabatier(R), DBK - Daniel Boulud Kitchen (TM), Joseph Abboud Environments(R), Roshco(R), Baker's Advantage(R), Kamenstein(R), CasaModa(TM), Hoan(R), Gemco(R) and :USE(R). Lifetime's products are distributed through almost every major retailer in the United States.

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

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

	Three Months Ended March 31, (Unaudited)		
	2005	2004	% Increase
Net Sales	\$43,116	\$37,129	16.1%
Cost of Sales	24,899	21,689	14.8%
Distribution Expenses	6,115	5,647	8.3%

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SG&A	10,298	9,108	13.1%
Income from Operations	1,804	685	163.4%
Interest Expense	199	127	
Other (Income)	(13)	(15)	
Income Before Taxes	1,618	573	182.4%
Tax Provision	615	228	169.7%
Net Income	\$1,003	\$345	190.7%
Diluted Earnings Per Share from Net Income	\$0.09	\$0.03	
Weighted Average Shares	11,266	11,141	

LIFETIME HOAN CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

	March 31, 2005 (Unaudited)	March 31, 2004 (Unaudited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 431	\$ 719
Accounts receivable, net	22,876	22,579
Merchandise inventories	60,317	48,564
Prepaid expenses and other current assets	9,761	8,064
TOTAL CURRENT ASSETS	93,385	79,926
PROPERTY AND EQUIPMENT, net	20,118	20,200
INTANGIBLES, net	31,388	25,543
OTHER ASSETS	2,510	2,093
TOTAL ASSETS	\$ 147,401	\$ 127,762
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	\$ 10,700	\$ 13,000
Accounts payable and trade acceptances	9,920	6,859
Other current liabilities	22,072	16,281
TOTAL CURRENT LIABILITIES	42,692	36,140
DEFERRED RENT & OTHER LONG TERM LIABILITIES	2,007	1,639
DEFERRED INCOME TAX LIABILITIES	4,446	3,835
LONG TERM DEBT	5,000	--
STOCKHOLDERS' EQUITY	93,256	86,148
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 147,401	\$ 127,762

