UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] Annual Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934
[No Fee Required]
For the fiscal year ended December 31, 2000
or
[ ] Transition Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934
[No Fee Required]

For the transition period from   to

Commission file number 1-19254

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

Delaware	11-2682486
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One Merrick Avenue, Westbury, New York	11590
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value $.01 per share
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes __   No X

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [ ].

The aggregate market value of 4,339,000 shares of the voting stock held by non-affiliates of the registrant as of February 28, 2001 was approximately $29,562,000. Directors, executive officers, and trusts controlled by said individuals are considered affiliates for the purpose of this calculation, and should not necessarily be considered affiliates for any other purpose.

The number of shares of Common Stock, par value $.01 per share, outstanding as of February 28, 2001 was 10,492,130.

DOCUMENTS INCORPORATED BY REFERENCE

See Part III hereof with respect to incorporation by reference from the registrant's definitive proxy statement to be filed pursuant to Regulation 14A under the Securities & Exchange Act of 1934 and the Exhibit Index hereto.

LIFETIME HOAN CORPORATION

FORM 10-K

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PART I

ITEM 1. BUSINESS

General

Forward Looking Statements: This Annual Report on Form 10-K contains certain forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including statements concerning the Company's future products, results of operations and prospects. These forward-looking statements involve risks and uncertainties, including risks relating to general economic and business conditions, including changes which could affect customer payment practices or consumer spending; industry trends; the loss of major customers; changes in demand for the Company's products; the timing of orders received from customers; cost and availability of raw materials; increases in costs relating to manufacturing and transportation of products; dependence on foreign sources of supply and foreign manufacturing; and the seasonal nature of the business as detailed elsewhere in this Annual Report on Form 10-K and from time to time in the Company's filings with the Securities and Exchange Commission. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements.

Lifetime Hoan Corporation designs, markets and distributes a broad range of household cutlery, kitchenware, cutting boards, pantryware and bakeware products. The Company has developed a strong consumer franchise by promoting and marketing innovative products under both owned and licensed trade names. Owned trade names include Hoffritzr, Prestiger, Tristarr, Old Homesteadr, Roshcor, Baker's Advantager, Kamensteinr and Hoanr. Licensed trade names include Farberwarer, KitchenAidr and various names under license from The Pillsbury Company. The Farberwarer trade name is used pursuant to a 200 year royalty-free license. As used herein, unless the context requires otherwise, the terms "Company" and "Lifetime" mean Lifetime Hoan Corporation and its subsidiaries.

Sales growth is stimulated by expanding product offerings and penetrating various channels of distribution, both domestically and internationally. In addition, the following acquisitions and agreements have been made which have had a favorable impact on the Company's business:

Hoffritzr

In September 1995, the Company acquired the Hoffritzr trademarks and brand name. The Company uses the name on various products including cutlery, scissors, personal care implements, kitchen tools, bakeware, barware and barbecue accessories. The Company believes that Hoffritzr is a well-known, respected name with a history of quality. The acquisition has enabled the Company to sell products at higher price points than the rest of the Company's products. Since acquiring the brand name, the Company has continuously designed and developed new items each year and currently sells approximately 300 types of items under the Hoffritz brand name. The Company markets these products primarily through major department stores and high end specialty stores nationwide.

Farberwarer

In April 1996, the Company entered into an agreement to acquire certain assets of Farberware, Inc. ("Farberware"). Under the terms of the acquisition agreement, and a joint venture agreed to by the Company and Syratech Corporation in connection therewith, the Company acquired a 200 year, royalty-free, exclusive right to use the Farberwarer name in connection with the product lines covered by its then existing license agreement, which included kitchen cutlery products (excluding flatware) and kitchen tools such as spatulas, barbecue forks and "gadgets" (but excluding appliances), plus certain limited additional products. This agreement enables the Company to market products under the Farberwarer name without paying additional royalties. The Company also acquired 50 Farberware outlet stores. In addition, rights to license the Farberwarer name for use by third parties in certain product categories are held by a joint venture, owned equally by the Company and a wholly-owned subsidiary of Syratech Corporation.

Microban

In April 1997, the Company entered into an agreement with the Microban Products Company whereby the Company secured exclusive rights to incorporate Microban antibacterial protection into plastic components of cutting boards, kitchen tools, kitchen gadgets, and cutlery.

Meyer Agreement

In 1997, the Company entered into an agreement with Meyer Corporation, regarding the operation of the Company's Farberware retail outlet stores. Pursuant to the agreement, the Company continues to own and operate the Farberware retail outlet stores, which the Company acquired in 1996, and Meyer Corporation, the licensed manufacturer of Farberware branded cookware products, assumes responsibility for merchandising and stocking cookware products in the stores. Meyer Corporation receives all revenue from sales of Farberware cookware, currently occupies 40% of the space in each store and reimburses the Company for 40% of the operating expenses of the stores.

Salton Agreement

Effective January 1, 2000, the Company entered into an agreement with Salton Inc., regarding the operation of the Company's Farberware retail outlet stores. Pursuant to the agreement, the Company continues to own and operate the Farberware retail outlet stores, which the Company acquired in 1996 and Salton Inc., the licensed manufacturer of Farberware branded electric products, assumes responsibility for merchandising and stocking electric products in the stores. Salton Inc. receives all revenue from sales of Farberware electric, occupies 20% of the space in each store and reimburses the Company for 20% of the operating expenses attributable to the stores.

Roshco Acquisition

In August 1998, the Company acquired all of the outstanding common stock of Roshco, Inc. ("Roshco"), a privately-held bakeware and baking-related products distributor, located in Chicago, Illinois. Roshco markets its bakeware and baking-related products under the Roshco and Baker's Advantage trade names. The purchase price consisted of an initial cash payment of $5.0 million and notes payable of $1.5 million. In 1999 and 2000, the Company paid $500,000 each year towards the notes payable. The Company was also obligated to make additional payments based on annual sales volume for bakeware and baking-related products for a period of two years. In 1999 and 2000, the Company paid approximately $416,000 and $543,000, respectively, to fulfill its obligation of additional payments due related to the acquisition. The Company also assumed bank debt of $2.6 million that was paid on the acquisition date.

Revere Agreement

In October 1998, the Company entered into a licensing agreement with Corning Consumer Products Company. This agreement allowed the Company to design and market cutlery and cutting boards under the Reverer trademark in the United States and Canada. Shipments of products under the Reverer trade name began in the second quarter of 1999.

During 2000, the Company terminated the agreement with Corning Consumer Products. Revenue from Reverer branded products for the years ended 2000 and 1999 were not material.

Prestige Acquisition

In September 1999, the Company acquired 51% of the capital stock of Prestige Italiana, Spa. ("Prestige Italy") and Prestige Haushaltswaren GmbH ("Prestige Germany") (together, the "Prestige Companies") for approximately $1.3 million in cash.
Meyer Corporation will continue to own 49% of the Prestige Companies.

The Prestige Companies market and distribute kitchen tools, gadgets, cutlery and bakeware under the Prestiger trade name in Italy and Germany.

Salton Agreement

In January 2000, the Company entered into an agreement with Salton Inc., regarding the operation of the Company's Farberware retail outlet stores. Pursuant to the agreement, the Company continues to own and operate the Farberware retail outlet stores, which the Company acquired in 1996, and Salton Inc., the licensed manufacturer of Farberware branded electric products, assumes responsibility for merchandising and stocking electric products in the stores. Salton Inc. receives all revenue from sales of Farberware electric products, occupies 20% of the space in each store and reimburses the Company for 20% of the operating expenses attributable to the stores.

Kamenstein Acquisition

Effective September 1, 2000, the Company acquired the assets and certain liabilities of M. Kamenstein, Inc. ("Kamenstein"), a privately-held 107-year old housewares company whose products include pantryware, teakettles, and home organization accessories. Kamenstein's revenues were approximately $21.0 million for the twelve month period ended August 31, 2000. In acquiring Kamenstein, the Company assumed bank debt and other indebtedness of approximately $10.0 million. The Company is obligated to make contingent payments based on annual gross profit dollars earned on sales of the business for a period of 3 years. Kamenstein contributed $7.6 million in sales to the Company's total net sales for the four-month period ended December 31, 2000.

KitchenAid Agreement

On October 16, 2000, the Company entered into a licensing agreement with KitchenAid, a division of the Whirlpool Corporation. This agreement allows the Company to design, manufacture and market an extensive range of kitchen utensils, barbecue items and pantryware products under the KitchenAidr brand name. Shipments of products under the KitchenAidr name are expected to begin late in the second quarter of 2001.

Products

The Company designs, markets and distributes a broad range of household cutlery, kitchenware, cutting boards, pantryware and bakeware, marketing its products under various trade names including Farberwarer, Hoffritzr, Prestiger, Kamensteinr, KitchenAidr, Hoanr and Bakers Advantager.

Cutlery

The Company markets and distributes household cutlery under a variety of trade names including Farberwarer, Hoffritzr, and Tristarr. Cutlery is sold individually, in blister packages, boxed sets and in sets fitted into wooden counter blocks, resin carousels and stainless carousels.

Cutlery is generally shipped as individual pieces from overseas manufacturers to the Company's warehouse facilities in central New Jersey. This permits the Company to configure the quantity, style and contents of cutlery sets to meet customer requirements as to product mix and pricing. The sets are then assembled and packaged for shipment to customers.

Kitchenware

The Company sells over 3,400 kitchenware items under various trade names including Farberwarer, Hoffritzr, KitchenAidr, Hoanr, Prestiger, Smart Choice and Pillsbury. The kitchenware items are manufactured to the Company's specifications outside the United States and are generally shipped fully assembled. These items are typically packaged on a card which can be mounted for sale on racks at the retailers' premises for maximum display visibility. Products include the following:

Kitchen Tools and Gadgets

Food preparation and serving tools such as metal, plastic and wooden spoons, spatulas, serving forks, graters, strainers, ladles, shears, vegetable and fruit knives, juicers, pizza cutters, pie servers, and slicers;

Barbecue accessories, in sets and individual pieces, featuring such items as spatulas, tongs, forks, skewers, hamburger and fish grills, brushes, corn holders, food umbrellas, and nut and lobster crackers.

Impulse Purchase Products

J-Hook and Clip Strip merchandising systems which enable the Company to create additional selling space in the stores. The line consists of a variety of quality, novelty items designed to trigger impulse buying. This line is targeted towards supermarkets and mass merchants.

Cutting Boards

The Company designs and markets a full range of cutting boards made of polyethylene, wood, glass and acrylic. These products are distributed under several trade names including Farberwarer and Hoffritzr. All cutting boards are imported. Boards are also packaged with cutlery items and kitchen gadgets.

Bakeware

The Company designs, markets and distributes a variety of bakeware and baking related products. Trade names that these products are sold under include Hoffritzr, Bakers Advantager, Roshcor and under a license from Pillsbury, one of America's best known brands of baking accessories, featuring the Poppin-FreshT logo on such items as pastry brushes, spatulas, whisks, spoon and cup sets, cookie cutters, mixing spoons and magnets.

This product line includes baking, measuring, and rangetop products such as cookie sheets, muffin, cake and pie pans, drip pans, bake, roast and loaf pans, scraper sets, whisks, cutters, rolling pins, baking shells, baking cups, measuring devices, thermometers, timers, pizza stones, fondues, woks, ceramics and coasters. These items are manufactured to the Company's specifications outside the United States and are generally shipped fully assembled.

Pantryware

In September 2000 with the acquisition of Kamenstein, the Company began to design, market and distribute pantryware, teakettles, spice racks and home organization accessories. Products are distributed under the trade names Kamensteinr, MKIr, Warren Kimbler, Claire Murrayr and Debbie Mummr.

These product lines include bread boxes, mug holders, paper towel dispensers, spice carousels, mail caddy's, enamel teakettles, steel teakettles and hardwood message centers. These items are manufactured to the Company's specifications outside the United States and are generally shipped fully assembled. The spices in the spice carousels are filled domestically in Kamenstein's Massachusetts warehouse.

New Products

The Company has a design and development department consisting of 14 employees who create new products, packaging and merchandising concepts. In excess of 400 items were developed or remodeled in 2000, including the following:

Hoffritz: Introduction of a new line of stainless steel and nylon kitchen tools.in 1999.

Cutlery: Introduction of Farberwarer Millenium forged cutlery block sets and additional walnut block sets.

Gadgets: Introduction of 60 new kitchen tools and gadgets to extend the Farberware Classic and Farberware Pro product lines, and themed product display units for retailers.

Bakeware: Introduction of Farberwarer and Roshcor cookie press with 20 discs and 6 decorating tips and the expansion of the Farberwarer and Roshcor fondue lines.

Kamenstein: Introduction of Warren Kimbler and Claire Murrayr hardwood pantryware, numerous Snap It and FlatRackr storage and organization products and additional World of Motionr teakettles.

Sources of Supply

The Company sources its products from approximately 46 manufacturers located primarily in the Far East, including the People's Republic of China and Malaysia, and to a smaller extent in the United States, Korea, France, Indonesia, Taiwan, Thailand and Italy. A majority of its cutlery was purchased from four suppliers in 2000 who accounted for 32%, 25%, 22% and 11% of the total purchases, respectively, and from three suppliers in 1999 who accounted for 47%, 26% and 17% of the total purchases, respectively. A majority of its pantryware was purchased from two suppliers in 2000 who accounted for 59% and 11%, respectively, of the total purchases. An interruption of supply from any of these manufacturers could have an adverse impact on the Company's ability to fill orders on a timely basis. However, the Company believes other manufacturers with whom the Company does business would be able to increase production to fulfill the Company's requirements.

The Company's policy is to maintain a large inventory base and, accordingly, it orders products substantially in advance of anticipated time of sale to its customers. While the Company does not have any long-term formal arrangements with any of its suppliers, in certain instances, particularly in the manufacture of cutlery, the Company places firm commitments for products up to twelve months in advance of receipt of firm orders from customers. Lifetime's arrangements with most manufacturers allow for flexibility in modifying the quantity, composition and delivery dates of each order. Excluding the Prestige Companies, all purchase orders are in United States dollars. The Prestige Companies purchase orders are in their local currency.

Marketing

The Company markets its product lines directly through its own sales force and through a network of independent sales representatives. The Company's products are sold primarily in the United States to approximately 1,100 customers including national retailers, department store chains, mass merchant retail and discount stores, supermarket chains, warehouse clubs, direct marketing companies, specialty chains and through other channels of distribution. During the years ended December 31, 2000, 1999 and 1998, Walmart accounted for approximately 11%, 14% and 17% of net sales, respectively. No other customer accounted for 10% or more of the Company's net sales during 2000, 1999 and 1998.

Competition

The markets for household cutlery, kitchenware, cutting boards, pantryware and bakeware are highly competitive and include numerous domestic and foreign competitors, some of which are larger than the Company. The primary competitive factors in selling such products to retailers are consumer brand name recognition, quality, packaging, breadth of product line, distribution capability, prompt delivery and price to the consumer.

Patents and Trademarks

The Company uses a number of owned trademarks, primarily Hoffritzr, Bakers Advantager, Roshcor, Kamensteinr, Tristarr and Hoanr, as well as Farberwarer which is licensed under a 200 year royalty-free agreement, which the Company considers significant to its competitive position. Some of these trademarks are registered in the United States and others have become distinctive marks as to which the Company has acquired common law rights. The

Company also has licensed trademarks from The Pillsbury Company and KitchenAid, a division of the Whirlpool Corporation, which the Company uses in its business. The Company also owns several design and utility patents expiring from 2001 to 2017 on the overall design of some of its products. The Company also acquired patents, trademarks and copyrights as part of the Hoffritzr, Roshco and Kamenstein acquisitions that expire from 2001 to 2022. The Company believes that the expiration of any of its patents would not have a material adverse effect on its business.

Seasonality

Although the Company sells its products throughout the year, the Company has traditionally had higher net sales during its third and fourth quarters. During 1999, the Company experienced problems with the installation of a new warehouse management system that negatively impacted its ability to make shipments primarily in the first and third quarters which impacted the normal seasonality of quarterly shipments. The following table sets forth the quarterly net sales for the years ended December 31, 2000, 1999 and 1998:

Net Sales (in thousands)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2000	$27,600	$25,500	$33,500	$42,800
1999	17,800	26,900	23,000	39,100
1998	21,900	24,200	31,300	39,400

Backlog

The Company receives projections on a seasonal basis from its principal customers; however, firm purchase orders are most frequently placed on an as needed basis. The Company's experience has been that while there may be some modifications of customers' projections, the Company is able, with some degree of certainty, to predict its product needs.

The Company's backlog at December 31, 2000 and 1999 was $7,341,000 and $9,802,000, respectively. The Company expects to fill the 2000 backlog during 2001. The Company does not believe that backlog is indicative of its future results of operations or prospects. Although the Company seeks commitments from customers well in advance of shipment dates, actual confirmed orders are typically not received until close to the required shipment dates.

Employees

As of December 31, 2000, Lifetime had 685 819 full-time employees, of whom 5 were employed in an executive capacity, 66 in sales, marketing, design or product development, 63 in financial, administrative or clerical capacities, 370 in warehouse or distribution capacities and 269 were outlet store personnel. Prestige Italy had 19 employees and Prestige Germany had 27 employees. None of the Company's employees are represented by a labor union. The Company considers its employee relations to be good.

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TEM 2. PROPERTIES

The following table describes the facilities at which the Company operates its business:

Description/Use of Property	Location	Approximate Square Footage	Owned Or Leased	Lease Expiration Date
Corporate headquarters and outlet store	Westbury, New York	47,000	Owned	N/A
Warehouse and distribution facility	Dayton, New Jersey	305,000	Leased	1/31/02
Warehouse and distribution facility	Dayton, New Jersey	136,000	Leased	1/31/02
Warehouse and distribution facility	Cranberry, New Jersey	152,000	Leased	6/30/04
Showroom	Bentonville, Arkansas	1,000	Leased	3/31/02
Sales office	Chicago, Illinois	1,000	Leased	12/31/03
Prestige Italy office, warehouse and distribution facility	Milan, Italy	26,000	Owned	N/A
Prestige Germany office, warehouse and distribution facility	Solingen, Germany	24,000	Leased	3/31/01
Showroom	Tsim Sha Tsui, Hong Kong	1,700	Leased	12/31/01
Kamenstein corporate headquarters	Elmsford, New York	7,000	Leased	1/31/04
Kamenstein warehouse and distribution facility	Winchendon, Massachusetts	169,000	Owned	N/A

Aside from the properties listed above, the Company's Outlet Store subsidiary leases approximately 53 stores in retail outlet centers located in 22 states throughout the United States. The square footage of the stores range from approximately 2,000 square feet to 5,000 square feet. The terms of these leases range from three to five years with expiration dates beginning in January 2001 and extending through August 2004.

The Company has signed a lease for a new build-to-suit 550,000 square foot warehouse and distribution center in Robinnsville, New Jersey. The term of the lease is 15 years from the commencement date, which is anticipated to be in the 3rd quarter of 2001.

ITEM 3. LEGAL PROCEEDINGS

The Company is, from time to time, a party to litigation arising in the normal course of its business. The Company believes that there are currently no material legal proceedings the outcome of which would have a material adverse effect on the Company's financial position or its results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

The Company's Common Stock is traded under the symbol "LCUT" on The Nasdaq National Market ("Nasdaq") and has been since its initial public offering in June 1991. In 2000, the Board of Directors increased the authorized amount of Common Stock that could be bought back from 1,000,000 common shares to 3,000,000 common shares. Through December 31, 2000, 2,113,500 common shares were repurchased and through February 28, 2001, an aggregate of 2,123,000 common shares were repurchased.

The following table sets forth the high and low sales prices for the Common Stock of the Company for the fiscal periods indicated as reported by Nasdaq.

	2000		1999	
	High	Low	High	Low
First Quarter	$7.75	$5.31	$10.88	$9.38
Second Quarter	$8.70	$6.75	$10.38	$7.25
Third Quarter	$8.13	$6.19	$10.13	$7.25
Fourth Quarter	$7.94	$6.50	$7.38	$4.78

At December 31, 2000, the Company estimates that there were approximately 800 beneficial holders of the Common Stock of the Company.

The Company paid quarterly cash dividends of $0.0625 per share or a total annual cash dividend of $0.25 per share on its Common Stock in each of 2000 and 1999. The Board of Directors currently intends to maintain quarterly cash dividends of $0.0625 per share of Common Stock for the foreseeable future, although the Board may in its discretion determine to modify or eliminate such dividend at any time.

ITEM 6. SELECTED FINANCIAL DATA

The selected financial data set forth below for the five years in the period ended December 31, 2000 have been derived from the audited financial statements of the Company. The data for 1998 through 2000 should be read in conjunction with "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited financial statements and related notes thereto included elsewhere herein.

(in thousands except per share data)

	Year Ended December 31,				
	2000	1999	1998	1997	1996
INCOME STATEMENT DATA:					
Net sales	$129,375	$106,761	$116,746	$100,021	$98,426
Cost of sales	75,001	57,979	60,507	51,419	50,528
Gross profit	54,374	48,782	56,239	48,602	47,898
Selling, general and administrative expenses	47,903	42,250	35,306	33,114	31,915
Income from operations	6,471	6,532	20,933	15,488	15,983
Interest expense	913	281	203	76	671
Other income, net	(693)	(532)	(200)	(149)	(100)
Income before income taxes	6,251	6,783	20,930	15,561	15,412
Income taxes	2,817	2,822	8,372	6,000	6,060
Net income	$3,434	$3,961	$12,558	$9,561	$9,352
Basic earnings per common share	$0.31	$0.32	$1.00	$0.77	$0.75
Weighted average shares - basic	10,995	12,572	12,570	12,459	12,395
Diluted earnings per common share	$0.31	$0.31	$0.98	$0.75	$0.74
Weighted average shares - diluted	11,079	12,671	12,843	12,720	12,676
Cash dividends paid per common share	$0.25	$0.25	$0.25	$0.06	$ -

	December 31,				
	2000	1999	1998	1997	1996
BALANCE SHEET DATA:					
Current assets	$72,092	$82,304	$72,265	$69,709	$61,884
Current liabilities	34,074	27,688	13,925	12,051	13,213
Working capital	38,018	54,616	58,340	57,658	48,671
Total assets	112,119	116,384	105,072	92,957	84,772

Borrowings	10,746	8,073	-	-	1,000
Stockholders' equity	77,517	87,808	91,147	80,906	71,559

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following table sets forth income statement data of the Company as a percentage of net sales for the periods indicated below.

	Year Ended December 31,		
	2000	1999	1998
Net sales	100.0 %	100.0 %	100.0 %
Cost of sales	58.0	54.3	51.8
Gross profit	42.0	45.7	48.2
Selling, general and adm. Expenses	37.0	39.6	30.2
Income from operations	5.0	6.1	18.0
Interest expense	0.7	0.3	0.2
Other income, net	(0.5)	(0.5)	(0.2)
Income before income taxes	4.8	6.3	18.0
Income taxes	2.2	2.6	7.2
Net income	2.6 %	3.7 %	10.8 %

2000 COMPARED TO 1999

Net Sales

Net sales in 2000 were $129.4 million, an increase of approximately $22.6 million, or 21.2% higher than 1999. Approximately $13.8 million of the sales increase was attributable to acquisitions; the Prestige Companies acquired in September 1999 and the Kamenstein business acquired in September 2000. The remaining increase in net sales reflects the positive impact of the Company's return to normalized shipping rates and turnaround times for customer orders during 2000. In 1999, net sales were severely impacted as problems arose from the installation of a new warehouse management system which hampered the Company's ability to ship merchandise to its customers.

Gross Profit

Gross profit for 2000 was $54.4 million, an increase of approximately $5.6 million or 11.5%. Gross profit as a percentage of net sales decreased to 42.0% from 45.7%. The decline in gross profit margin was primarily the result of an inventory shortfall revealed during the 2000 year-end physical inventory. Consequently, the Company has recorded a charge of approximately $4.0 million (which reduced earnings by $0.23 and $0.22 basic and diluted per common share for the fourth quarter and year ended December 31, 2000, respectively), which is included in cost of goods sold for 2000. The Company investigated the shortfall; however, the ultimate cause could not be finally determined. Accordingly, the associated charge was reported in the fourth quarter of 2000. The Company is reviewing its procedures and operating and financial controls and, based upon such review, where appropriate, will implement enhanced procedures and controls.

Gross profit margin also decreased as a result of certain efforts to clean up and reduce inventory in preparation for the move to the new warehouse in 2001.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for 2000 were $47.9 million, an increase of $5.7 million, or 13.4%, over 1999. The increase in selling, general and administrative expenses was primarily attributable to the expenses related to the Kamenstein business that was acquired in September 2000 and to the Prestige Companies which were acquired in September 1999. Excluding the expenses relating to the Kamenstein business and the Prestige Companies, selling general and administrative expenses increased by approximately $200,000.

As a percentage of net sales, selling, general and administrative expenses decreased to 37.0% from 39.6%.

Interest Expense

Interest expense for 2000 was $913,000, an increase of $632,000 from 1999. This increase was due attributable to a higher level of borrowings throughout 2000 under the Company's lines of credit.

1999 COMPARED TO 1998

Net Sales

Net sales in 1999 were $106.8 million, a decrease of approximately $10.0 million, or 8.6% below 1998. The decrease in sales was attributable to problems issues experienced in our warehouse operations that resulted from the installation of a new warehouse management system in January 1999. The problems issues with the new warehouse management system negatively impacted the Company's ability to ship merchandise to its customers and which in turn caused inventory to increase well beyond the warehouse's efficient capacity. The Company believes that appropriate measures were taken to rectify these problems and that the system properly functioned at acceptable levels during the fourth quarter.

Gross Profit

Gross profit for 1999 was $48.8 million, 13.3% lower than 1998. Gross profit as a percentage of net sales decreased to 45.7% in 1999 as compared to 48.2% in 1998. This decrease was primarily attributable to an increase in reserves for slow moving and discontinued inventory and to an increase in accruals for sales returns and allowances.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for 1999 were $42.3 million, an increase of $6.9 million, or 19.7%, over 1998. The increase in selling, general and administrative expenses was primarily attributable to increased warehouse personnel expenses and warehouse operating expenses, incremental selling, general and administrative expenses related to the Prestige Companies acquired in September 1999, increased software consulting expenses and accruals for customer chargebacks related to the problems issues associated with the installation of the new warehouse management system.

Interest Expense

Interest expense for 1999 was $281,000, an increase of $78,000 over 1998. This increase was due attributable to increased borrowings under the Company's line of credit during 1999, primarily due to lower sales and earnings in the first three quarters of 1999 as compared to 1998.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2000, the Company had cash and cash equivalents of $1.3 million, a decrease of $200,000 from the prior year, working capital was $38.0 million, a decrease of $16.6 million from 1999, and the current ratio was 2.1 to 1.

Cash provided by operating activities was approximately $22.4 million, primarily the result of decreased merchandise inventories and net income. Cash used in investing activities was approximately $3.2 million, which was primarily the purchase of fixed assets. Cash used in financing activities was approximately $19.3 million, primarily used for the repurchase of common stock, the paydown of short term borrowings, including debt assumed in the Kamenstein acquistion and the payment of dividends.

Capital expenditures were $2.0 million in 2000 and $2.6 million in 1999. Total planned capital expenditures for 2001 are estimated at $13.0 million. These expenditures will be primarily for machinery, equipment, computer hardware and computer software for the new leased build-to-suit warehouse and distribution facility. These expenditures are expected to be funded from current operations, cash and cash equivalents and bank borrowings.

Effective September 1, 2000, the Company acquired the assets and certain liabilities of Kamenstein, a privately-held 107-year old housewares company whose products include pantryware, teakettles, and home organization accessories. Kamenstein's revenues were approximately $21.0 million for the twelve month period ended August 31, 2000. In acquiring Kamenstein, the Company assumed bank debt and other indebtedness of approximately $10.0 million. The Company is obligated to make contingent payments in the future based on annual gross profit dollars earned by the business for a 3-year period.

The Company has available anan unsecured $25,000,000 $25,000,000 line of credit with a bank (the "Line") which may be used for revolving credit loans or letters of credit. Borrowings made under the Line bear interest payable daily at a negotiated short term borrowing rate. The effective interest rate at December 31, 2000 was 8.125%. As of December 31, 2000, the Company had $4,200,000 of letters of credit and trade acceptances outstanding and $6,7007,700,000 of borrowings under the Line and, as a result, the availability under the Line was $13,033,000100,000. The Line is cancelable by either party at any time.

In addition to the Line, the Prestige Companies have three lines of credit with three separate banks providing a total available credit facility of approximately $3.3 million. As of December 31, 2000, the Prestige Companies had borrowings of approximately $3.0 million against these lines. Interest rates on these lines of credit ranged from 6.125% to 8.9%.

Products are sold to retailers primarily on 30-day credit terms, and to distributors primarily on 60-day credit terms. As of December 31, 2000, the Company had an aggregate of $1.3 million of accounts receivable outstanding in excess of 60 days or approximately 5.0% of gross receivables, and had inventory of $45.6 million.

The Company believes that its cash and cash equivalents plus internally generated funds and its credit arrangements will be sufficient to finance its operations for the next twelve months.

The results of operations of the Company for the periods discussed have not been significantly affected by inflation or foreign currency fluctuations. The Company negotiates predominantly all of its purchase orders with its foreign manufacturers in United States dollars. Thus, notwithstanding any fluctuations in foreign currencies, the Company's cost for a purchase order is generally not subject to change after the time the order is placed. However, the weakening of the United States dollar against local currencies could lead certain manufacturers to increase their United States dollar prices for products. The Company believes it would be able to compensate for any such price increase.

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TEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Financial Statements are included herein commencing on page F-1.

The following is a summary of the unaudited quarterly results of operations for the years ended December 31, 2000 and 1999.

	Three Months Ended			
	3/30	6/30	9/30	12/31
(in thousands, except per share data)				
2000				

Net sales	$27,609	$25,547	$33,505	$42,714
Cost of sales	14,517	13,252	17,585	29,647
Net income (loss)	1,373	1,163	2,279	(1,381)
Basic earnings per common share	$0.12	$0.10	$0.22	($0.13)
Diluted earnings per common share	$0.12	$0.10	$0.21	($0.13)

1999

Net sales	$17,817	$26,903	$22,950	$39,091
Cost of sales	9,164	13,525	12,254	23,036
Net income	257	2,664	393	647
Basic earnings per common share	$0.02	$0.21	$0.03	$0.05
Diluted earnings per common share	$0.02	$0.21	$0.03	$0.05

During the three month period ended December 31, 2000, the Company recorded a charge relating to an inventory shortfall of approximately $4.0 million (which reduced earnings by $0.23 and $0.22 per basic and diluted common share for fourth quarter and year ended December 31, 2000, respectively) which is included in cost of goods sold.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The following table sets forth certain information concerning the Executive Officers and Directors of the Company:

Name	Age	Position	Director or Executive Officer of Company or Its Predecessor Since
Milton L. Cohen	72	Chairman of the Board of Directors	1958
Jeffrey Siegel	58	Chief Executive Officer, President and Director	1967
Bruce Cohen	42	Executive Vice President	1998

		and Director	
Craig Phillips	51	Vice-President - Distribution, Secretary and Director	1973
Robert McNally	54	Vice-President - Finance, Finance, Treasurer and Treasurer	1997
Ronald Shiftan	56	Director	1991
Howard Bernstein	80	Director	1992
Leonard Florence	69	Director	2000

Mr. Milton L. Cohen has been continuously employed by the Company as its Chairman of the Board since 1958. Prior to 2000, Mr. Milton L. Cohen was also Chief Executive Officer of the Company since 1958.

Mr. Siegel has been continuously employed by the Company as its President since 1999. In 2000, Mr. Siegel became the Chief Executive Officer of the Company. Prior thereto Mr. Siegel was Executive Vice President of the Company since 1967.

Mr. Phillips has been continuously employed by the Company in his present capacity since 1981.

Mr. McNally has been continuously employed by the Company in his present capacity since October 1997. Mr. McNally, was formerly Senior Vice President - Finance for Cybex International, Inc., (formerly Lumex, Inc.), a manufacturer and distributor of healthcare products and fitness equipment. Mr. McNally held that position for 15 years prior to joining the Company.

Mr. Bruce Cohen was first elected a Director in 1998 and has been continuously employed by the Company in his present capacity since 1999. Prior thereto Mr. Bruce Cohen was a Vice President - National Sales Manager for the Company since 1991.

Mr. Shiftan has served as Deputy Executive Director of The Port Authority of New York & New Jersey since 1998. Prior to becoming Deputy Executive Director of the Port Authority of New York & New Jersey, he had, since 1996, been Chairman of Patriot Group, LLC, a financial advisory firm. Prior thereto, Mr. Shiftan held executive management positions in venture capital, investment banking and financial advisory firms.

Mr. Bernstein has been a member of the Certified Public Accounting firm, Cole, Samsel & Bernstein LLC (and its predecessors), for approximately forty-nine years.

Mr. Florence has been Chairman of the Board, Chief Executive Officer and President of Syratech, Inc., a consumer products company, since 1986.

Milton L. Cohen is the father of Bruce Cohen.

Jeffrey Siegel and Craig Phillips are cousins.

The Board of Directors has an audit committee, whose three members are independent directors.

The directors and officers of the Company are elected annually by the stockholders and Board of Directors of the Company, respectively. Directors serve until the next annual meeting of the stockholders or until their successors have been elected and qualified or until their earlier resignation or removal. Officers are elected at the first Board of Directors meeting following the annual stockholders meeting and serve at the pleasure of the Board of Directors.

Directors who are not employees of the Company receive a retainer of $5,000 per year, an additional fee of $1,000 for each Board meeting attended, plus reimbursement of reasonable out-of-pocket expenses. Directors who are employees of the Company do not receive compensation for serving as directors or attending meetings. The Company has entered into indemnification agreements with the directors and officers of the Company.

ITEM 11. EXECUTIVE COMPENSATION

There is hereby incorporated by reference the information to appear under the caption "Executive Compensation" in the Company's definitive Proxy Statement for its 2001 Annual Meeting of Stockholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

There is hereby incorporated by reference the information to appear under the caption "Principal Stockholders" in the Company's definitive Proxy Statement for its 2001 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

There is hereby incorporated by reference the information to appear under the caption "Certain Transactions" in the Company's definitive Proxy Statement for its 2001 Annual Meeting of Stockholders.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)(1) and (2) - see list of Financial Statements and Financial Statement Schedule on F-1.

(b) Reports on Form 8-K in the fourth quarter of 2000.

None.

(c) Exhibits*:

Exhibit
No. Description

3.1 Restated Certificate of Incorporation of the Company (incorporated herein by reference to Exhibit 3[a] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

3.2 Amendment dated June 9, 1994 to the Restated Certificate of Incorporation of the Company (incorporated herein by reference to the December 31, 1994 Form 10-K [No. 1-19254] of Lifetime Hoan Corporation).

3.3 By-Laws of the Company (incorporated herein by reference to Exhibit 3[b] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

10.1 Loan Agreement dated as of May 11, 1988 with Bank of New York, as amended (incorporated by Reference to Exhibit 10[d] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

10.2 Amendment No. 6 dated as of March 5, 1992 between Lifetime Hoan Corporation and The Bank of New York (incorporated by reference to the December 31, 1991 Form 10-K [No. 1-19254] of Lifetime Hoan Corporation).

10.3 Stock Option Plan for key employees of Lifetime Hoan Corporation, as amended June 9, 1994 (incorporated by reference to the December 31, 1994 Form 10-K [No. 1-19254] of Lifetime Hoan Corporation).

10.4 Promissory notes dated December 17, 1985 of Milton L. Cohen, Jeffrey Siegel, Craig Phillips and Robert Phillips, as amended (incorporated by reference to Exhibit 10[f] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

10.5 Lease to Dayton, New Jersey premises dated August 20, 1987 and amendment between the Company and Isaac Heller (incorporated by reference to Exhibit 10[h] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

10.6 License Agreement dated December 14, 1989 between the Company and Farberware, Inc. (incorporated by reference to Exhibit 10[j] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

10.7 License Agreement dated as of April 19, 1991 between the Company and The Pillsbury Company (incorporated by reference to Exhibit 10[m] to Form S-1 [No. 33-40154] of Lifetime Hoan Corporation).

10.8 Real Estate Sales Agreement dated October 28, 1993 between the Company and The Olsten Corporation (incorporated by reference to the December 31, 1993 Form 10-K [No. 1-19254] of Lifetime Hoan Corporation).

10.9 Amendment to the Real Estate Sales Agreement dated September 26, 1994 between the Company and The Olsten Corporation. (incorporated by reference to the December 31, 1995 Form 10-K [No. 1-19254] of Lifetime Hoan Corporation).

10.10 Lease to additional Dayton, New Jersey premises dated December 7, 1994. (incorporated by reference to the December 31, 1995 Form 10-K [No. 1-19254] of Lifetime Hoan Corporation).

10.11 License Agreement dated December 21, 1995 between the Company and The Walt Disney Company.

10.12 Memorandum of purchase dated September 18, 1995 between the Company and Alco Capital Group, Inc. (incorporated by reference to the September 30, 1995 Form 10-Q [No. 1-19254] of Lifetime Hoan Corporation).

10.13 Registration Rights Agreement dated September 18, 1995 between the Company and Alco Capital Group, Inc. (incorporated by reference to the September 30, 1995 Form 10-Q [No. 1-19254] of Lifetime Hoan Corporation).

10.14 Amendment No. 1 dated September 26, 1995 to the Lease for the additional Dayton, New Jersey premises. (incorporated by reference to the September 30, 1995 Form 10-Q [No. 1-19254] of Lifetime Hoan Corporation).

10.15 Form of Extension Agreement dated as of December 15, 1995 between Milton L. Cohen and Lifetime Hoan Corporation (incorporated by reference to the January 8, 1996 Form 8-K [No. 1-19254] of Lifetime Hoan Corporation).

10.16 Form of Extension Agreement dated as of December 15, 1995 between Jeffrey Siegel and Lifetime Hoan Corporation (incorporated by reference to the January 8, 1996 Form 8-K [No. 1-19254] of Lifetime Hoan Corporation).

10.17 Form of Extension Agreement dated as of December 15, 1995 between Craig Phillips and Lifetime Hoan Corporation (incorporated by reference to the January 8, 1996 Form 8-K [No. 1-19254] of Lifetime Hoan Corporation).

10.18 Asset Purchase Agreement by and between Farberware, Inc., Far-b Acquisition Corp., Syratech Corporation and Lifetime Hoan Corporation, dated February 2, 1996.

10.19 Joint Venture Agreement by and among Syratech Corporation, Lifetime Hoan Corporation and Far-b Acquisition Corp., dated February 2, 1996.

10.20 Employment Agreement dated April 7, 1996 with Milton L. Cohen (incorporated by reference to the March 31, 1996 10-Q).

10.21 Employment Agreement dated April 7, 1996 with Jeffrey Siegel (incorporated by reference to the March 31, 1996 10-Q).

10.22 Employment Agreement dated April 7, 1996 with Craig Phillips (incorporated by reference to the March 31, 1996 10-Q).

10.23 Lifetime Hoan 1996 Incentive Stock Option Plan (incorporated by reference to the March 31, 1996 10-Q).

10.24 Lifetime Hoan 1996 Incentive Bonus Compensation Plan (incorporated by reference to the March 31, 1996 10-Q).

10.25 Meyer Operating Agreement dated July 1, 1997 between Lifetime Hoan Corporation and Meyer Corporation and Amendment to Agreement dated July 1, 1998.

10.26 Jeffrey Siegel Employment Agreement Amendment

No. 1, dated June 6, 1997
10.27 Milton L. Cohen Employment Agreement Amendment No. 1, dated June 6, 1997

10.28 Stock Purchase Agreement between Lifetime Hoan Corporation and Roshco, Inc. dated August 10, 1998.

10.29 Stock Purchase Agreement between Lifetime Hoan Corporation and Meyer International Holdings Limited and Prestige Italiana, SPA dated September 2, 1999.

10.30 Stock Purchase Agreement between Lifetime Hoan Corporation and Meyer International Holdings Limited and Prestige Haushaltswaren GmbH, dated September 2, 1999.

10.31 Asset Purchase Agreement between MK Acquisition Corp., a wholly owned subsidiary of Lifetime Hoan Corporation, and M. Kamenstein, Inc., dated September 28, 2000.

21 Subsidiaries of the registrant

23 Consent of Ernst & Young LLP.

*The Company will furnish a copy of any of the exhibits listed above upon payment of $5.00 per exhibit to cover the cost of the Company furnishing the exhibits.

(d) Financial Statement Schedules - the response to this portion of Item 14 is submitted as a separate section of this report.

FORM 10-K -- ITEM 14(a)(1) and (2)
LIFETIME HOAN CORPORATION

INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE

The following Financial Statements and Schedule of Lifetime Hoan Corporation are included in Item 8.

The following financial statement schedule of Lifetime Hoan Corporation is included in Item 14 (d);

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

REPORT OF INDEPENDENT AUDITORS

Stockholders and Board of Directors
Lifetime Hoan Corporation

We have audited the accompanying consolidated balance sheets of Lifetime Hoan Corporation as of December 31, 2000 and 1999 and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedule listed in the Index at Item 14(a). These consolidated financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Lifetime Hoan Corporation at December 31, 2000 and 1999, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Ernst & Young LLP

Melville, New York
February 1815, 2001

LIFETIME HOAN CORPORATION

CONSOLIDATED BALANCE SHEETS

(in thousands - except per share data)

	December 31, 2000	1999
ASSETS		

CURRENT ASSETS		
Cash and cash equivalents	$1,325	$1,563
Accounts Receivable, less allowances of $3,582 In 2000 and $2,609 in 1999	18,158	22,443
Merchandise inventories	45,595	54,046
Prepaid expenses	3,477	2,641
Deferred income taxes	870	1,257
Other current assets	2,667	354
TOTAL CURRENT ASSETS	72,092	82,304
PROPERTY AND EQUIPMENT, net	13,085	12,597
EXCESS OF COST OVER NET ASSETS ACQUIRED, net	15,906	10,756
OTHER INTANGIBLES, net	9,780	9,554
OTHER ASSETS	1,256	1,173
TOTAL ASSETS	$112,119	$116,384
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short- term borrowings	$10,746	$8,073
Accounts payable and trade acceptances	6,709	5,553
Accrued expenses	16,619	13,691
Income taxes	-	371
TOTAL CURRENT LIABILITIES	34,074	27,688
MINORITY INTEREST	528	888
STOCKHOLDERS' EQUITY		
Common stock, $.01 par value, shares authorized: 25,000,000; shares issued and outstanding: 10,501,630 in 2000 and 11,817,646 in 1999	105	118
Paid-in capital	61,155	71,957
Retained Earnings	17,359	16,671
Notes receivable for shares issued to stockholders	(908)	(908)
Deferred compensation	(14)	(30)
Accumulated other comprehensive Loss	(180)	-
TOTAL STOCKHOLDERS' EQUITY	77,517	87,808
TOTAL LIABLILITIES AND STOCKHOLDER'S EQUITY	$112,119	$116,384

LIFETIME HOAN CORPORATION

CONSOLIDATED STATEMENTS OF INCOME
(in thousands - except per share data)

	Year Ended December 31,		
	2000	1999	1998
Net Sales	$129,375	$106,761	$116,746
Cost of Sales	75,001	57,979	60,507
Gross Profit	54,374	48,782	56,239
Selling, General & Admin. Expenses...............	47,903	42,250	35,306
Income from Operations	6,471	6,532	20,933
Interest Expense................	913	281	203
Other (Income), net................	(693)	(532)	(200)
Income Before Income Taxes	6,251	6,783	20,930

Income Taxes...............	2,817	2,822	8,372
NET INCOME	$3,434	$3,961	$12,558
BASIC EARNINGS PER COMMON SHARE	$0.31	$0.32	$1.00
DILUTED EARNINGS PER COMMON SHARE	$0.31	$0.31	$0.98

See notes to consolidated financial statements.

LIFETIME HOAN CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Common Stock Shares	Amount	Paid-in Capital	Retained Earn-ings	Notes Rec. able from Stock-holders	De-ferred Compen sation	Accumul ated other Compre hensive Loss	Total	Compre hensive Income
Bal. at Dec 31, 1997	12,522	125	75,307	6,443	($908)	($61)		$80,906	
Net income For 1998				12,558				12,558	$12,558
Exercise of stock options	66	1	458					459	
Grant of stock options			350					350	
Amortization of deferred compenstion						16		16	
Comprehensive income									12,558
Cash dividends				(3,142)				(3,142)	
Balance at Dec. 31, 1998	12,588	126	76,115	15,859	(908)	(45)		91,147	
Net income for 1999				3,961				3,961	3,961
Exercise of stock stock options	12		92					92	
Repurchase and retirement of Common stock	(782)	(8)	(4,250)					(4,258)	
Amortization of deferred compensation						15		15	
Comprehensive income									$3,961
Cash dividends				(3,149)				(3,149)	
Bal at Dec 31, 1999	11,818	118	71,957	16,671	(908)	(30)		87,808	

Net income for 2000				3,434				3,434	3,434
Exercise of stock options	15		74					74	
Repurchase and retirement of common stock	(1,331)	(13)	(10,876)					(10,889)	
Amortization of deferred compensation						16		16	
Foreign currency translation adjustment							($180)	(180)	(180)
Comprehensive income									$3,254
Cash dividends				(2,746)				(2,746)	
Balance at Dec. 31, 2000	$10,502	$105		17,359	(908)	(14)	(180)	$77,517	

See notes to consolidated financial statements.

LIFETIME HOAN CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Year Ended December 31, 2000	1999	1998
OPERATING ACTIVITIES			
Net income	$3,434	$3,961	$12,558
Adjustments to reconcile net income To net cash (used in)provided by operating activities:			
Depreciation and amortization	3,461	2,815	2,480
Deferred income taxes	387	(860)	42
Provision for losses on accounts rec	1,077	640	444
Reserve for sales returns & allowances	5,859	5,838	3,683
Minority interest	(360)	162	-
Changes in operating assets and liabilities,excluding the effects of the Kamenstein, Roshco and Prestige acquisitions:			
Accounts receivable	500	(11,742)	(2,916)
Merchandise inventories	11,753	(7,203)	2,268
Prepaid expenses, other current assets and other assets..........	(2,797)	1,142	1,985
Accounts payable, trade acceptances and accrued expenses............	(483)	3,633	(5,067)
Income taxes	(392)	(518)	417
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	22,439	(2,132)	15,894
INVESTING ACTIVITIES			
Purchases of property and equipment, net..................	(2,025)	(2,552)	(3,777)
Proceeds (purchases) of marketable securities......................	15	(25)	(256)
Acquisition of Roshco, Inc.	(1,043)	(916)	(4,926)
Acquisition of Prestige Companies	-	(1,338)	-
Acquisition of M. Kamenstein, Inc.	(125)	-	-
Payment of note payable of acquired business.......................	-	-	(2,587)
NET CASH (USED IN) INVESTING ACTIVITIES	(3,178)	(4,831)	(11,546)

FINANCING ACTIVITIES			
Repurchase of common stock	(10,889)	(4,258)	-
(Payments) proceeds of short term borrowings, net..................	(5,758)	6,403	-
Proceeds from the exercise of stock stock options....................	74	92	459
Cash dividends paid	(2,746)	(3,149)	(3,142)
NET CASH (USED IN) FINANCING ACTIVITIES	(19,319)	(912)	(2,683)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS..................	(180)	-	-
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS..................	(238)	(7,875)	1,665
Cash and cash equivalents at beginning of year.................	1,563	9,438	7,773
CASH AND CASH EQUIVALENTS AT END OF YEAR	$1,325	$1,563	$9,438

See notes to consolidated financial statements.

LIFETIME HOAN CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Organization and Business: The accompanying consolidated financial statements include the accounts of Lifetime Hoan Corporation ("Lifetime"), its wholly-owned subsidiaries, Outlet Retail Stores, Inc. ("Outlets"), Roshco, Inc. ("Roshco") and MK Acquisition Corp. ("Kamenstein") and its 51% owned and controlled subsidiaries, Prestige Italiana, Spa. ("Prestige Italy") and Prestige Haushaltswaren GmbH ("Prestige Germany") (together, the "Prestige Companies"), collectively, the "Company". Significant intercompany accounts and transactions have been eliminated in consolidation.

The Company is engaged in the design, marketing and distribution of household cutlery, kitchenware, cutting boards, pantryware and bakeware, marketing its products under a number of trade names, some of which are licensed. The Company sells its products primarily to retailers throughout the United States.

Revenue Recognition: Revenue is recognized upon the shipment of merchandise.

Inventories: Merchandise inventories, principally finished goods, are priced by the lower of cost (first-in, first-out basis) or market method.

Property and Equipment: Property and equipment is stated at cost. Property and equipment other than leasehold improvements is being depreciated by the straight-line method over the estimated useful lives of the assets. Building and improvements are being depreciated over 30 years and machinery, furniture, and equipment over 5 to 10 years. Leasehold improvements are amortized over the term of the lease or the estimated useful lives of the improvements, whichever is shorter.

Cash Equivalents: The Company considers highly liquid instruments with a maturity of three months or less when purchased to be cash equivalents.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amount reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Excess of Cost Over Net Assets Acquired and Other Intangibles: Excess of cost over net assets acquired pursuant to acquisitions is being amortized by the straight-line method over periods ranging from 30 to 40 years. Accumulated amortization at December 31, 2000 and 1999 was $1,795,000 and $1,333,000, respectively.

Other intangibles consist of a royalty-free license, trademarks and brand names acquired pursuant to two acquisitions and are being amortized by the straight-line method over 30 years. Accumulated amortization at December 31, 2000 and 1999 was $1,896,000 and $1,506,000, respectively.

Amortization expense for the year ended December 31, 2000 and December 31, 1999 was $868,000 and $735,000, respectively.

Long-Lived Assets: If there are indicators of impairment, the Company reviews the carrying value of its long-lived assets in determining the ultimate recoverability of their unamortized values using future undiscounted cash flow analyses.

Income Taxes: Income taxes have been provided using the liability method.

NOTE A - SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings Per Share: Basic earnings per share has been computed by dividing net income by the weighted average number of common shares outstanding of 10,995,000 in 2000, 12,572,000 in 1999, and 12,570,000 in 1998. Diluted earnings per share has been computed by dividing net income by the weighted average number of common shares outstanding, including the dilutive effects of stock options, of 11,079,000 in 2000, 12,671,000 in 1999, and 12,843,000 in 1998.

NOTE B - ACQUISITIONS AND LICENSES

Kamenstein Acquisition: In September 2000, the Company acquired the assets and certain liabilities of M. Kamenstein, Inc. ("Kamenstein"), a privately-held 107-year old housewares company whose products include pantryware, teakettles, and home organization accessories. Kamenstein's revenues were approximately $21.0 million for the twelve month period ended August 31, 2000. In acquiring Kamenstein, the Company assumed bank debt and other indebtedness of approximately $10.0 million. The Company is obligated to make contingent payments in the future based on annual gross profit dollars by the Kamenstein business for a 3 year period. Kamenstein contributed $7.6 million in sales to the Company's total net sales for the four month period ended December 31, 2000. This acquisition was accounted for using the purchase method and the Company recorded excess of cost over net assets acquired of $6,063,000.

The table below reflects unaudited pro forma combined results of the Company, Lifetime and Kamenstein as if the acquisition had taken place at the beginning of fiscal 2000 and 1999. The pro forma financial information is not necessarily indicative of the operating results that may occur in the future or that would have occurred had the acquisition of Kamenstein been affected on the dates indicated.

	2000	1999
Net sales (in thousands)	$142,296	$126,232
Net (loss) earnings(in thousands)	1,130	1,687
Basic (loss) earnings per common share	$0.10	$0.13
Diluted(loss) earnings per common share	$0.10	$0.13

Prestige Acquisition: In September 1999, the Company acquired 51% of the capital stock and controlling interest in each of Prestige Italy and Prestige Germany. The Company paid approximately $1.3 million for its majority interests in the Prestige Companies. This acquisition was accounted for using the purchase method and the Company recorded excess of cost over net assets acquired of $586,000.

Roshco Acquisition: In August 1998, the Company acquired all of the outstanding common stock of Roshco, Inc. ("Roshco"), a privately-held bakeware and baking-related products distributor. The purchase price consisted of an initial cash payment of $5.0 million and notes payable of $1.5 million. The Company paid $500,000 in each year of 1999 and 2000 towards the notes payable. The Company was also obligated to make additional payments based on annual sales volume of bakeware and baking-related products for a period of two years. In 1999 and 2000, the Company paid approximately $416,000 and $543,000, respectively, to fulfill its obligation for additional payments related to the acquisition. The Company also assumed bank debt of $2.6 million that was paid on the acquisition date. This acquisition was accounted for using the purchase method and the Company recorded excess of cost over net assets acquired of $8,208,000.

Pro forma results are not presented for the Prestige and Roshco acquisitions due to immateriality.

Operations of the acquired entities have been included since their respective dates of acquisition.

KitchenAid License Agreement: In October 2000, the Company entered into a licensing agreement with KitchenAid, a division of the Whirlpool Corporation. This agreement allows the Company to design, manufacture and market an extensive range of kitchen utensils, barbecue items and pantryware products under the KitchenAidr brand name. Shipments of products and related payments under the agreement are expected to begin late in the second quarter of 2001.

NOTE C - LINE OF CREDIT

The Company has available an unsecured $25,000,000 line of credit with a bank (the "Line") which may be used for revolving credit loans or letters of credit. Borrowings made under the Line bear interest payable daily at a negotiated short-term borrowing rate. The effective interest rate at December 31, 2000 was 8.125%. As of December 31, 2000, the Company had approximately $4,200,000 of letters of credit and trade acceptances outstanding and $7,700,000 of borrowings under the Line and, as a result, the availability under the Line was $13,100,000. The Line is cancelable by either party at any time. Commitment fees approximated $66,000 and $63,000 for the years ended December 31, 2000 and 1999, respectively.

In addition to the Line above, the Prestige Companies have three lines of credit with three separate banks for a total available credit facility of approximately $3.3 million. As of December 31, 2000, the Prestige Companies had borrowings of approximately $3.0 million against these lines. Interest rates on these lines of credits range from 6.125% to 8.9%.

The Company paid interest of approximately $913,000, $281,000 and $203,000 during the years ended December 31, 2000, 1999 and 1998, respectively.

NOTE D - CAPITAL STOCK

Cash Dividends: The Company paid regular quarterly cash dividends of $0.0625 per share on its Common Stock, or a total annual cash dividend of $0.25, in 2000, 1999 and 1998. The Board of Directors currently intends to maintain a quarterly cash dividend of $0.0625 per share of Common Stock for the foreseeable future, although the Board may in its discretion determine to modify or eliminate such dividend at any time.

Common Stock Repurchase and Retirement: In December 1999, the Board of Directors of the Company authorized a repurchase of up to 1,000,000 of its outstanding common shares in the open market. In 2000, the Board of Directors increased the authorized amount of Common Stock that could be bought back from 1,000,000 common shares to 3,000,000 common shares. Through December 31, 2000, 2,113,500 common shares were repurchased for approximately $15,147,000.

Stock Option Plans: In June 2000, the stockholders of the Company approved the adoption of a Stock Option Plan (the "Plan"), which replaced all other Company stock option plans, whereby options to purchase up to 1,750,000 shares of common stock may be granted to key employees of the Company, including directors and officers. The Plan authorizes the Board of Directors of the Company to issue incentive stock options as defined in Section 422A (b) of the Internal Revenue Code and stock options that do not conform to the requirements of that Section of the Code. All options expire on the tenth anniversary of the date of grant and vest over a range of up to five years, from the date of grant.

As of December 31, 2000, approximately 497,000 shares were available for grant under the Company's stock option plans.

NOTE D - CAPITAL STOCK (continued)

The Company grants stock options for a fixed number of shares to employees with an exercise price equal to the fair value of the shares at the date of grant. The Company accounts for stock option grants in accordance with APB Opinion No. 25, "Accounting for Stock Issued to Employees" and related Interpretations because the Company believes the alternative fair value accounting provided for under FASB Statement No. 123, "Accounting for Stock-Based Compensation" requires use of option valuation models that were not developed for use in valuing employee stock options. Under APB 25, because the exercise price of the Company's employee stock options equals the market price of the underlying stock on the date of grant, no compensation expense is recognized.

Pro forma information regarding net income and earnings per share is required by Statement No. 123, and has been determined as if the Company has accounted for its employee stock options under the fair value method of that Statement. The fair value for these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions: risk-free interest rates of 6.01%, 5.88% and 6.62% for 2000, 1999 and 1998, respectively; 3.67% dividend yield in 2000, 4.68% dividend yield in 1999 and 2.50% dividend yield in 1998; volatility factor of the expected market price of the Company's common stock of 0.45 in 2000, 0.07 in 1999 and 0.39 in 1998; and a weighted-average expected life of the options of 5.0, 5.1 and 5.7years in 2000, 1999 and 1998, respectively.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options.

For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting period. The Company's pro forma information is as follows:

	Year Ended December 31,		
	2000	1999	1998
Pro forma net income (in thousands)	$3,224	$3,720	$12,148
Pro forma basic earnings per common share	$0.29	$0.30	$0.97
Pro forma diluted earnings per common share	$0.29	$0.29	$0.95

NOTE D - CAPITAL STOCK (continued)

A summary of the Company's stock option activity and related information for the years ended December 31 follows:

	2000		1999		1998	
	Options	Weighted-Ave. Exercise price	Options	Weighted Ave. Exercise price	Options	Weighted Ave. Exercise price
Bal.-Jan 1,	1,209,165	$7.49	1,041,545	$7.81	906,942	$6.95
Grants	109,500	$ 7.17	188,500	$5.71	222,000	$10.39

Exerciesd	(14,984)	$4.91	(11,882)	$6.70	(66,018)	$4.93
Canceled	(58,346)	$9.16	(8,998)	$8.07	(21,379)	$7.38
Bal-Dec 31,1999	1,245,335	$7.39	1,209,165	$7.49	1,041,545	$7.81

The weighted average fair values of options granted during the years ended December 31, 2000, 1999 and 1998 were $0.64, $0.44 and $3.77, respectively.

The following table summarizes information about employees' stock options outstanding at December 31, 2000:

Options Price	Options Outstanding	Options Exercisable	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price - Options Outstanding	Weighted Average Exercise Price- Options Exercisable
$4.14-$5.51	366,058	241,183	4.8 years	$5.02	$4.77
$6.25 -$8.41	430,062	299,215	5.1 years	$6.89	$6.80
$8.64 -$10.87	449,215	324,841	4.4 years	$9.86	$9.94
	1,245,335	865,239	4.8 years	$7.39	$7.39

In connection with the grant of certain options, the Company recorded, and is amortizing, deferred compensation.

In connection with the exercise of options under a stock option plan which has since expired, the Company received cash of $255,968 and notes in the amount of $908,064. The notes bear interest at 9% and are due no later than December 31, 2005.

NOTE E - INCOME TAXES

Pre-tax income for the years ended December 31, 2000, 1999 and 1998 were comprised of domestic income of $6,850,000, $6,794,000 and $20,930,000, respectively and foreign loss of $599,000, $11,000 and $0, respectively.

The provision for income taxes consists of (in thousands):

	Year Ended December 31, 2000	1999	1998
Current:			
Federal	$1,918	$2,941	$6,957
State and local	481	662	1,373
Foreign - Prestige Companies	31	79	
Deferred	387	(860)	42
Income tax provision	$2,817	$2,822	$8,372

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred tax assets are as follows (in thousands):

	December 31, 2000	1999
Merchandise inventories	$1,257	$1,533
Accounts receivable allowances	801	767
Depreciation and amortization	(1,188)	(1,043)
Foreign affiliates net Operating losses	204	-
Total deferred tax assets	1,074	1,257
Valuation allowance	(204)	-
Net deferred tax assets	$870	$1,257

While management believes that the Company's deferred tax asset will be realized based on its generation of taxable income in recent years and its future projected taxable income, the substantial restrictions on and time periods required to realize certain of the Company's NOL's make it appropriate to record a valuation allowance against a portion of those NOL's. A valuation allowance has been provided against all of the Company's foreign net operating loss carryforwards. Accordingly, the Company has provided a total valuation allowance of $204,000 as of December 31, 2000. There can be no assurance that the Company will generate sufficient taxable earnings in future years to fully realize recorded tax benefits.

The provision for income taxes differs from the amounts computed by applying the applicable federal statutory rates as follows (in thousands):

	Year Ended December 31, 2000	1999	1998
Provision for Federal income taxes At the statutory rate	$2,125	$2,306	$7,116
Increases (decreases):			
State and local income taxes, net of Federal income tax benefit	318	437	906
Change in valuation allowance	204	-	-
Other	139	-	350
Foreign taxes - Prestige Companies	31	79	-
Provision for income taxes	$2,817	$2,822	$8,372

The Company paid income taxes (net of refunds) of approximately $4,970,000, $4,178,000 and $7,809,000 during the years ended December 2000, 1999, and 1998, respectively.

NOTE F - COMMITMENTS

Operating Leases: The Company has lease agreements for its warehouses, showroom facilities, sales offices and outlet stores which expire through June 30, 2016. These leases provide for, among other matters, annual base rent escalations and additional rent for real estate taxes and other costs.

Future minimum payments under non cancelable operating leases are as follows (in thousands):

Year ended December 31:	
2001	$7,453
2002	5,554
2003	3,787
2004	2,676
2005	2,282
Thereafter	28,779
	$50,531

Under agreements with Meyer Corporation and Salton, Inc., the Company is reimbursed for use of floor space in its outlet stores. Meyer Corporation reimbursed the Company 40.0% (as amended from 52.0% in January 2000) of the operating lease expenses of the outlet stores in 2000, which is not a sublease commitment. In 2000, 1999 and 1998, Meyer Corporation reimbursed approximately $1,463,000, $1,856,000 and $1,710,000, respectively, for operating lease expense to the Company. Salton Inc. reimbursed the Company 20.0% of the operating lease expense of the outlet stores in 2000, which is also not a sublease commitment. In 2000, Salton Inc. reimbursed approximately $731,000 for operating lease expense to the Company.

Rental and related expenses on the operating leases were approximately $5,916,000, $5,554,000 and $4,715,000 for the years ended December 31, 2000, 1999 and 1998, respectively. Amounts for 2000, 1999 and 1998 are prior to the Meyer Corporation and Salton Inc. reimbursements described above.

Royalties: The company has royalty licensing agreements which expire through December 31, 2005. Future minimum royalties payable are as follows (in thousands):

Year ended December 31:	
2001	$1,000
2002	1,349
2003	502
2004	750
2005	1,000
	$4,601

NOTE F - COMMITMENTS (continued)

Legal Proceedings: The Company is, from time to time, a party to litigation arising in the normal course of its business. The Company believes that there are currently no material legal proceedings that the outcome of which would have a material adverse effect on the Company's financial position or results of operations.

Employment Agreements: In April 1996, as amended in June 1997, the Company entered into employment agreements with its then President and Executive Vice President, providing for annual salaries of $700,000 and $400,000, respectively, and for the payment of bonuses pursuant to the Company's 1996 Incentive Bonus Compensation Plan (the "Bonus Plan") (see below). The employment agreements continue through April 2000 and thereafter for additional periods of one year each unless terminated by either the Company or the executive.

Incentive Bonus Compensation Plan: In April 1996, the Board of Directors adopted and in June 1996, the stockholders approved an incentive bonus compensation plan ("1996 Bonus Plan"). The 1996 Bonus Plan provided for the award of a bonus, with respect to each of the ten fiscal years of the Company beginning with the 1996 fiscal year, to each of the then President and the Executive Vice President of the Company. The bonus payable to each executive is an amount equal to 3.5% of pretax income, before any provision for executive compensation, stock options exercised during the year under the Company's stock option plans and extraordinary items. In June 2000, the stockholders of the Company approved the adoption of an incentive bonus compensation plan ("2000 Bonus Plan"), which replaced the 1996 Bonus Plan. The 2000 Bonus Plan provides for the award of a bonus, to designated Senior Executive Officers based on a predetermined financial performance measurement. For 2000, the bonus payable to the then Chief Executive Officer and President was the amount equal to 3.5% of pretax income, before any provision for executive compensation, stock options exercised during the year under the Company's stock option plan and extraordinary items. During the years ended December 31, 2000, 1999 and 1998, the Company recorded annual compensation expense of approximately $600,000, $600,000 and $1.7 million, respectively, pursuant to the bonus plans.

In February 2001, the Board of Directors declared a special bonus for the above executives aggregating approximately $850,000 related to year ended December 31, 2000.

NOTE G - RELATED PARTY TRANSACTIONS

In connection with the Roshco acquisition (see note B), a director of the Company was paid $200,000 and received options to purchase 100,000 shares of common stock (at an exercise price of $10.63) as a financial advisory fee. The fair value of the options granted, which vested immediately, are was approximately $350,000. The $550,000 was included in excess of cost over net assets acquired.

NOTE H - RETIREMENT PLAN

The Company maintains a defined contribution retirement plan ("the Plan") for eligible employees under Section 401(k) of the Internal Revenue Code. Participants can make voluntary contributions up to a maximum of 15% of their salary. The Company made matching contributions to the Plan of approximately $50,000 in 2000 and no contributions to the Plan in 1999 and 1998.

NOTE I - CONCENTRATION OF CREDIT RISK

The Company maintains cash and cash equivalents with various financial institutions.

Concentrations of credit risk with respect to trade accounts receivable are limited due to the large number of entities comprising the Company's customer base and their dispersion across the United States. The Company's accounts receivable are not collateralized. The Company periodically reviews the status of its accounts receivable and, accordingly, where considered necessary, establishes an allowance for doubtful accounts.

During the years ended December 31, 2000, 1999 and 1998, one customer accounted for approximately 11%, 14% and 17% of net sales, respectively.

NOTE J - OTHER

Property and Equipment:

Property and equipment consist of (in thousands):

	December 31, 2000	1999
Land	$942	$842
Building and improvements.........	7,119	6,381
Machinery, furniture and equipment	14,123	12,127
Leasehold improvements	71	34
	22,255	19,384
Less: accumulated depreciation and and amortization..................	9,170	6,787
	$13,085	$12,597

Depreciation expense for the year ended December 31, 2000 and December 31, 1999 was $2,593,000 and $2,080,000, respectively.

Accrued Expenses:

Accrued expenses consist of (in thousands):

	December 31, 2000	1999
Commissions..........................	$708	$910
Accrued customer allowances and rebates	3,214	3,889
Obligation to Meyer Corporation........	2,171	1,277
Due to Roshco (See Note B)............	500	1,378
Due to M. Kamenstein, Inc.............	666	-
Officer and employee bonuses...........	1,444	604
Accrued health insurance..............	718	128
Accrued salaries, vacation and temporary............................	1,295	1,330
Other.................................	5,903	4,175
	$16,619	$13,691

NOTE J - OTHER (Continued)

Sources of Supply: The Company sources its products from approximately 46 manufacturers located primarily in the Far East, including the People's Republic of China and Malaysia, and to a smaller extent in the United States, Korea, France, Indonesia, Taiwan, Thailand and Italy. A majority of its cutlery was purchased from four suppliers in 2000 who accounted for 32%, 25%, 22% and 11% of the total purchases, respectively, and from three suppliers in 1999 who accounted for 47%, 26% and 17% of the total purchases, respectively. A majority of its pantryware was purchased from two suppliers in 2000 who accounted for 59% and 11% of the total purchases, respectively. An interruption of supply from any of these manufacturers could have an adverse impact on the Company's ability to fill orders on a timely basis. However, the Company believes other manufacturers with whom the Company does business would be able to increase production to fulfill the Company's requirements.

Inventory: During the three month period ended December 31, 2000, the Company recorded a charge relating to an inventory shortfall of approximately $4.0 million (which reduced earning by $0.23 and $0.22 per basic and diluted per common share for fourth quarter and year ended December 31, 2000, respectively) which is included in cost of goods sold.

Minority Interest: The Company has recorded income of approximately $605,000 relating to minority interest in operations of its consolidated subsidiary in the caption other (income), net in the accompanying consolidated financial statements of income for year ended December 31, 2000.

LIFETIME HOAN CORPORATION

Schedule II - Valuation and Qualifying Accounts

Lifetime Hoan Corporation

(in thousands)

COL. A	COL. B	COL. C	COL. D	COL.E
	Balance at	Additions Charged to		Balance at

Description	Beginning of Period	Costs and Expenses	Deductions (Describe)	End of Period
Year ended December 31,2000				
Deducted from asset accounts				
Accounts:				
Allowance for				
doubtful accounts....	$85	$1,077	$777 (a)	$385
Reserve for sales				
Returns&allowances ..	2,524	5,859 (c)	5,186 (b)	3,197
	$2,609	$6,936	$5,963	$3,582
Year ended December 31, 1999				
Deducted from asset				
Accounts:				
Allowance for				
doubtful accounts..	$420	$640	$975 (a)	$85
Reserve for sales	1,107	5,838 (c)	4,421 (b)	2,524
Returns & allowance	$1,527	$6,478	$5,396	$2,609
Year ended December 31, 1998				
Deducted from asset				
Accounts:				
Allowance for				
doubtful accounts	$75	$444	$99 (a)	$420
Reserve for sales	776	3,683 (c)	3,352 (b)	1,107
Returns & allowances	$851	$4,127	$3,451	$1,527

(a) Uncollectible accounts written off, net of recoveries.
(b) Allowances granted.
(c) Charged to net sales.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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

/s/ Jeffrey Siegel
Jeffrey Siegel
Chief Executive Officer, President and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Milton Cohen Milton L. Cohen	Chairman of the Board of Directors	March 30, 2001
/s/ Jeffrey Siegel Jeffrey Siegel	Chief Executive Officer, President	March 30, 2001

and Director

/s/ Craig Phillips
Craig Phillips Vice-President - Distribution,
March 30, 2001
Secretary and Director

/s/ Robert McNally
Robert McNally Vice-President - Finance
March 30, 2001
and Treasurer
(Principal Financial and
Accounting Officer)

/s/ Bruce Cohen
Bruce Cohen Executive Vice-President
March 30, 2001
and Director

/s/ Ronald Shiftan
Ronald Shiftan Director
March 30, 2001

/s/ Howard Bernstein
Howard Bernstein Director
March 30, 2001

/s/ Leonard Florence
Leonard Florence Director
March 30, 2001

Exhibit 21. Subsidiaries of the Registrant

Outlet Retail Stores, Inc.
Incorporated in the state of Delaware

Roshco, Inc.
Incorporated in the state of Illinois

Prestige Italiana, Spa.
Incorporated in the country of Italy

Prestige Haushaltswaren GmbH
Incorporated in the country of Germany

MK Acquisition Corp.
Incorporated in the state of Delaware

Exhibit 23. Consent of Ernst & Young LLPIndependent Auditors

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 33-51774) of Lifetime Hoan Corporation pertaining to the 1991 Stock Option Plan, of our report dated February 15, 2001, with respect to the consolidated financial statements and schedule of Lifetime Hoan Corporation included in the Annual Report (Form 10-K) for the year ended December 31, 2000.

Ernst & Young LLP

Melville, New York
March 30, 2001