



LIFETIME HOAN REPORTS RECORD SALES AND STRONG EARNINGS  
GROWTH IN SECOND QUARTER 2003

New Products and Placements Produce Strong Outlook for  
Remainder of Year

WESTBURY, N.Y., July 31, 2003 -- LIFETIME HOAN CORPORATION (NASDAQ NM: LCUT), a leading marketer of housewares, today announced results for the second quarter ended June 30, 2003.

Net sales for the quarter were approximately \$30.0 million versus \$27.3 million in the second quarter of 2002. The Company reported income from continuing operations of \$724,000, or \$0.07 per diluted share, compared to income from continuing operations of \$617,000, or \$0.06 per diluted share, for the same period in 2002.

Jeffrey Siegel, president and chief executive officer, commented, "Lifetime Hoan's performance for the quarter was on track with our expectations. Despite the continued soft retail environment, we achieved a 10% growth in sales, primarily through increased sales of kitchen tools and gadgets and Kamensteinr pantryware."

"We recently began shipping products from our new CasaModa(R) line, which is focused on the growing market for casual home entertainment. These items include our S'mores Maker, a new, patent-pending, home entertaining product. Based on initial shipments, this product, which is designed for both indoor and outdoor use, has been an instant success at retail, outpacing our expectations and even making one of our major customers' "best seller" list. We expect the S'mores Maker to be widely available at many of our major retail customers by the end of August. We have also developed a number of variations of this product for introduction in 2004."

Mr. Siegel continued, "The combination of exciting new products and significant additional placements of our core lines has produced a very positive outlook for Lifetime for the balance of 2003. We are therefore updating our earnings guidance, reflecting our increased confidence in our performance for the remainder of the year. We now expect Lifetime's net sales in 2003 to total approximately \$148 million to \$155 million. Earnings per share are estimated to total approximately \$0.75 to \$0.85 for the year."

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

Separately, the Company announced that its Board of Directors declared a regular quarterly cash dividend of \$0.0625 per share, payable on August 19, 2003 to shareholders of record on August 5, 2003.

Lifetime Hoan has scheduled a conference call Thursday, July 31 at 11:00 a.m. Eastern Time to discuss second-quarter 2003 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 Friday, August 1, and can be accessed by dialing (706) 645-9291, conference ID #1745424. A live webcast of the call will be broadcast at the Company's web site, [www.lifetime.hoan.com](http://www.lifetime.hoan.com). For those who cannot listen to the live broadcast, an audio replay of the call will also be available on the site.

Lifetime Hoan Corporation is a leading designer, marketer and distributor of household cutlery, kitchenware, cutting boards, pantryware and bakeware, marketing its products under various trade names including Farberware(R) and Hoffritz(R). Through the use of various brand names, Lifetime Hoan's products are distributed through almost every major

retailer in the U.S.

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

Tables to follow

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

Three Months Ended June 30, (Unaudited)	
% Increase <del>2003</del> 2002 (Decrease)	
Net Sales	
<del>\$29,950</del>	\$27,281
9.8% Cost of Sales	
<del>17,003</del>	14,461
17.6%	
Distribution Expenses	
<del>4,302</del> 4,888	
(12.0%)	
SG&A 7,268	
<del>6,752</del> 7.6%	
Income from Operations	
<del>1,377</del> 1,180	
16.7%	
Interest Expense 180	
<del>221</del> (18.6%)	
Other Income (18)	
(7) Income Before Taxes 1,215	
<del>966</del> 25.8%	
Tax Provision	
<del>491</del> 349	
40.7%	
Income from Continuing Operations	
<del>724</del> 617	
17.3% Loss from Discontinued Operations	
<del>(227)</del> Net Income \$724	
<del>\$390</del> 85.6%	
Diluted Earnings Per Share from	

Continuing  
 Operations  
~~\$0.07~~ ~~\$0.06~~  
~~16.7%~~  
 Weighted  
 Average  
 Shares  
~~10,637~~  
~~10,574~~  
 Diluted  
 Earnings  
 Per Share  
~~\$0.07~~ ~~\$0.04~~  
~~75.0%~~  
 Weighted  
 Average  
 Shares  
~~10,637~~  
~~10,574~~

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

Six Months  
 Ended June  
 30,  
 (Unaudited)  
~~% 2003~~ ~~2002~~  
 Increase  
 (Decrease)  
 Net Sales  
~~\$54,234~~  
~~\$51,468~~  
~~5.4%~~ Cost  
 of Sales  
~~30,430~~  
~~27,587~~  
~~10.3%~~  
 Distribution  
 Expenses  
~~8,756~~  
~~10,658~~  
~~(17.8%)~~  
 SG&A ~~14,589~~  
~~13,650~~ ~~6.9%~~  
 Income  
 (Loss) from  
 Operations  
~~459~~ ~~(427)~~  
 Interest  
 Expense ~~292~~  
~~448~~ ~~(34.8%)~~  
 Other  
 Income ~~(35)~~  
~~(29)~~ ~~20.7%~~  
 Income  
 (Loss)  
 Before  
 Taxes ~~202~~  
~~(846)~~ Tax  
 Provision  
 (Benefit)  
~~82~~ ~~(383)~~  
 Income  
 (Loss) from  
 Continuing  
 Operations  
~~120~~ ~~(463)~~  
 Loss from  
 Discontinued  
 Operations  
~~—~~ ~~(344)~~ Net  
 Income  
 (Loss) ~~\$120~~  
~~(\$807)~~  
 Diluted  
 Earnings  
 (Loss) Per  
 Share from

Continuing  
 Operations  
~~\$0.01~~  
~~(\$0.04)~~  
 Weighted  
 Average  
 Shares  
 10,599  
 10,495  
 Diluted  
 Earnings  
 (Loss) Per  
 Share ~~\$0.01~~  
~~(\$0.08)~~  
 Weighted  
 Average  
 Shares  
 10,599  
 10,495

LIFETIME HOAN CORPORATION  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (in thousands)

~~June 30,~~  
~~June 30,~~  
~~2003 2002~~  
 (Unaudited)  
 (Unaudited)  
 ASSETS  
 CURRENT  
 ASSETS Cash  
 and cash  
 equivalents  
~~\$ 132~~ \$ 266  
 Accounts  
 receivable,  
 net 17,512  
 13,213  
 Merchandise  
 inventories  
 46,564  
 46,036  
 Prepaid  
 expenses and  
 other  
 current  
 assets 4,243  
 5,593  
 Current  
 assets of  
 discontinued  
 operations —  
 6,438 TOTAL  
 CURRENT  
 ASSETS  
 68,451  
 71,546  
 PROPERTY AND  
 EQUIPMENT,  
 net 19,939  
 21,613  
 INTANGIBLES,  
 net 23,757  
 24,148 OTHER  
 ASSETS 2,090  
 2,045 OTHER  
 ASSETS OF  
 DISCONTINUED  
 OPERATIONS —  
 826 TOTAL  
 ASSETS \$  
 114,237 \$  
 120,178  
 LIABILITIES  
 AND  
 STOCKHOLDERS'  
 EQUITY  
 CURRENT

LIABILITIES  
Short-term  
borrowings \$  
15,500 \$  
22,094  
Accounts  
payable and  
trade  
acceptances  
6,331 6,080  
Accrued  
expenses and  
other  
current  
liabilities  
15,241  
12,354  
Current  
liabilities  
of  
discontinued  
operations —  
3,113 TOTAL  
CURRENT  
LIABILITIES  
37,072  
43,641  
MINORITY  
INTEREST —  
240  
STOCKHOLDERS'  
EQUITY  
77,165  
76,297 TOTAL  
LIABILITIES  
AND  
STOCKHOLDERS'  
EQUITY \$  
114,237 \$  
120,178