

Smallcaps

Investment Research

Acme United Corp. (ACU)

Company Report – May 10, 2014

Acme United Corporation is a worldwide supplier of cutting devices, measuring instruments and safety products for school, home, office, industrial and hardware use.

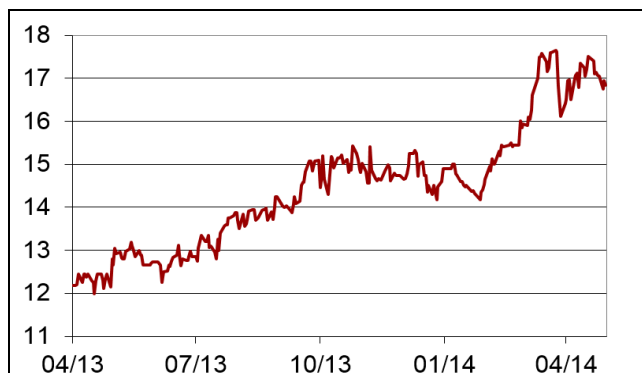
The Company started the year on the right foot. First quarter sales and earnings showed strong growth. And more is expected for the coming quarters as many new products such as Camillus hunting, fixed blades and folding knives are ready to launch later this year.

During the first quarter earnings conference call, Walter C. Johnsen, the Company's Chairman and CEO, confirmed the 2014 sales and earnings guidance. Sales are expected to reach between \$97 and \$102 million, an increase of between 8 and 14 percent. At the same time, the Company foresees earnings of between \$4.3 million and \$4.6 million in 2014, or earnings per share of between \$1.26 and \$1.33, an increase of between 3% and 9% respectively.

Based on these numbers, we reiterate our buy recommendation for Acme United Corp. with a price target of \$24.44, which is 45% above today's stock price.



- Acme's balance sheet is strong. Its current loan agreement provides for borrowings of up to \$40 million, while its long term debt is slightly over \$17 million. Leaving plenty of room for acquisitions. Mr. Johnsen mentioned that the Company could handle an acquisition with revenues between \$15 and \$20 million.
- During the first quarter, Acme successfully completed the consolidation of its U.S. warehousing operations into the new Rocky Mount, North Carolina facility. The lease on one former warehouse has been terminated and a second warehouse was sold for \$850,000. The move to Rocky Mount generates operating and freight efficiencies.
- Acme United's growth story is supported by an 8 cents quarterly dividend, which is an excellent way to show confidence in the business and the market.



Market Data

Price	\$16.75
Sector	Office Supplies
52-Week Price Range	\$10.52 - \$19.47
Shares Issued (m)	3.44
Market Cap (m)	\$57.67
Listings	ACU (NYSE Mkt)
Website	http://www.acmeunited.com

THE COMPANY

Acme United Corporation is a supplier of cutting, measuring and safety products for the school, home, office, craft, hardware & industrial markets. Its principal products are scissors, shears, rulers, pencil sharpeners, knives, first aid kits and other cutting tools.

The Company's products are organized under five global brands: Westcott, Clauss, Camillus, PhysiciansCare and Pac-Kit. Both the number of products offered under these brands, as well as the number of physical and online stores where these products are available, continue to grow.

Acme United's sales during the three months ended March 31, 2014, reached \$19.2 million, up 9% compared with sales of \$17.7 million in the first quarter of 2013. Net income in the first quarter of 2014 rose by 19 percent to \$368,000, or \$0.11 per diluted share, versus \$309,000, or \$0.10 per diluted share, in the comparable quarter last year.

The revenue increase can especially be attributed to initial sales of the Clauss lawn and gardening tools to Sam's Club and Wal-Mart. In addition, strong sales growth was noted by Pac-Kit and PhysiciansCare first aid products, where traditional office supply customers, like Office Depot and OfficeMax, look to offer products outside their core office supplies.



Westcott scissors and iPoint pencil sharpeners contributed nicely to first quarter results.

Acme United succeeds in re-inventing everyday products like scissors, knives and school and office items by applying new and

improved materials to them. For example, many of the Company's products have a titanium carbonitride coating, making the knives and scissors blades more than 3 times harder than stainless steel.

Or blades get a non-stick coating, which already existed on pots and pans, but Acme applied it on scissors and it became a big success. The Company expanded its non-stick application to its Westcott iPoint pencil sharpener. The impact was even bigger with the sharpener becoming Acme's best selling product, available at numerous chains. More recently, the new lines of Clauss lawn & garden products were also equipped with non-stick coated blades. (Also see Growth drivers)

These are only a few examples of how innovation has led to the improvement of many everyday products. Acme has an on-going goal of generating 30% of its sales from products developed in the last 3 years. Therefore, the Company works with new, often proprietary, materials and adds new user-friendly features to existing tools.

The Company's products are available at Staples, Office Depot, Office Max, United Stationers, SP Richards, W.B. Mason, Home Depot, Target, Wal-Mart, Walgreens, Grainger, McMaster Carr, Meijer, Fred Meyer, WH Smith, and many other major chains.

Acme United has been paying a quarterly dividend for many years and has increased the amount by 1 cent every 6 to 8 quarters. The last increase was in June 2013 when the quarterly dividend was increased from 7 to 8 cents per share.

BRANDS

Westcott, which began as a ruler company more than 140 years ago, sells between 60 and 80 million scissors, and between 15 and 18 million rulers annually, making it the leading scissors brand in the United States and one of the leading ruler brands in North America.

Westcott is also known for the iPoint electric pencil sharpener. Its trendy design* and ease of use have made the iPoint a phenomenal success. In 2012, the sharpener's revenues

reached about \$11 million, making it one of Acme United's best selling products.

* Both the original iPoint and its successor the iPoint Evolution won a GOOD DESIGN Award from the Chicago Athenaeum, Museum of Architecture and Design. This is one of the oldest and most prestigious design competitions worldwide. Each year, the Museum receives hundreds of submissions from the biggest and most famous brands like Apple, Hewlett Packard, BMW, Porsche, Microsoft, etc.

Other main Westcott products include TrimAir paper trimmers with a titanium coating and a proprietary blade change system for rotary and personal trimmers, Westcott Ultra Soft Handle scissors with anti-microbial protection and True Professional sewing shears.



Acme United's products are organized under five global brands: Westcott, Clauss, Camillus, PhysiciansCare and Pac-Kit.

In June of 2012, Acme purchased the inventory, tooling, brands, and other intellectual property of C-Thru Ruler Company for approximately \$1.47 million. After the acquisition, the C-Thru products were gradually integrated into the Westcott family. So, the identity of C-Thru in most cases has become Westcott.

Clauss has its roots dating back to 1877 as a scissors, razors and kitchen knives manufacturer. Today, Clauss offers a substantial line of quality cutting tools for professionals in the hardware & industrial, lawn & garden, food processing, sewing and housewares channels.

In just a few years, Clauss has gone through a complete transformation and has really become an established name in the industry. When the brand was re-introduced, some time after it was acquired by Acme in 2004, it was a simple scissors business, available in

only a handful of stores. Since then it has developed into a broad hardware line and is available at Lowe's, Home Depot, Sears, Granger, McMaster-Carr, etc.

Similar to Acme's other brands, Clauss applies its proprietary coatings to everyday tools, making them stronger and more convenient to work with.

Early 2013, Clauss launched a family of titanium bonded non-stick putty knives, which are quite unique in their category. First of all, thanks to the non-stick blades, the putty comes off very smoothly when it's being applied to walls. Second, it cleans up quickly, meaning if the putty dries, it's very easy to remove it from the blades. And third, the coating prevents rusting of the putty knives. Moreover, the blades are made out of stainless steel which is coated with titanium nitride, making them 5 times harder than regular steel to scrape any surface.

Camillus is one of the oldest and best known knife manufacturers in the United States. It has roots dating back to 1876 and has always been a synonym for the finest knives available. In 2007, Acme purchased the Camillus brand name and intellectual property rights and re-launched the brand in 2009. Since then, many new knives have been brought to the market.

Late 2011, Acme United signed an agreement to manufacture and sell Camillus survival knives and tools, co-designed and promoted by Les Stroud. The initial four knives under the Les Stroud Signature name were introduced in 2012 and immediately sold well. Last year, five additional Les Stroud knives, called the 'Les Stroud Elite Series', were introduced and had similar success. And this year three more tools are added to the family with more to come shortly.

During the 36th Shot Show, held earlier this year in Las Vegas, Camillus announced that knives designed by G&G Hawk and WZD Knives will soon hit retail stores. Additionally, Camillus launched its new collaborative-designed "Camillus by Tops" knives. These new knives are manufactured in the USA by Tops knives. Camillus will soon launch more knives from the joint-collaboration.

Camillus' distribution continues to rapidly increase. The knives are available at several mass market retailers like Wal-Mart and many major sporting goods chains like Cabellas, Academy Sports and Bass Pro. Additionally, more distributors are being attracted worldwide. (Also see Growth Drivers)

PhysiciansCare offers a wide assortment of first aid kits, emergency and disaster kits, kit refills, hearing, eye, and head protection, and ergonomic supports and braces. PhysiciansCare also carries a successful branded line of over-the-counter medications, including the active ingredients aspirin, acetaminophen and Ibuprofen, etc. PhysiciansCare's products are sold at Staples, Office Depot, United Stationers, Office Max and many more.

Pac-Kit sells first aid kits, industrial stations and refills, emergency medical travel and recreational kits for the industrial, safety, transportation and marine markets. The brand has a long and vivid history dating back to the 19th century. Its early first aid kits were chosen by global explorers like Captain Robert Scott, Admiral Peary and Theodore Roosevelt on their expeditions.

Although Pac-Kit's products are somewhat similar to PhysiciansCare's, Pac-Kit is especially known for tailoring its products to meet user requirements and for rapid turnaround.

Soon after Acme acquired Pac-Kit, in February of 2011, it landed one of the largest do-it-yourself chains in North America with a first aid kit, which was soon followed with a hurricane preparedness kit. As a result, Pac-Kit's revenues rapidly increased and the brand started contributing nicely to Acme's bottom line. Since then, both the number of first aid products under the Pac-Kit name and their distribution has broadened.

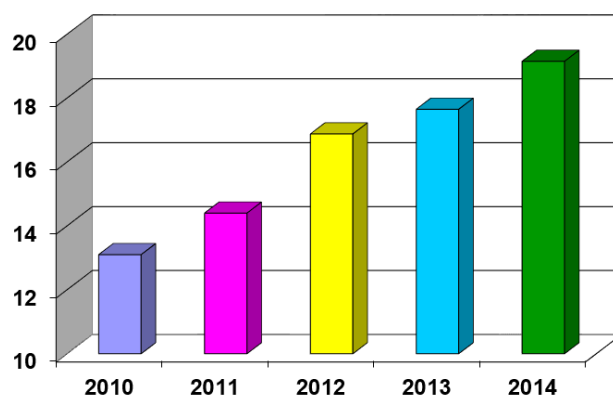
The first aid business, under the Pac-Kit and PhysiciansCare brands, has shown strong growth in recent quarters in the office channel, and industrial safety market. Several kits are available for office, home and outdoor use. Pac-Kit, for example, sells about twelve different first aid kits to a large industrial tool distributor, offered under this retailer's house

brand, which are all targeted at different industries such as welding, construction, mining, etc.

FINANCIALS

First Quarter 2014 Results

Acme United's sales during the three months ended March 31, 2014, reached \$19.2 million, up 9% compared with sales of \$17.7 million in the first quarter of 2013. Net income in the first quarter of 2014 rose by 19 percent to \$368,000, or \$0.11 per diluted share, versus \$309,000, or \$0.10 per diluted share, in the comparable quarter last year.



Acme United's first quarter revenue growth since 2010. (in millions USD).

The revenue increase can especially be attributed to initial sales of the Clauss lawn and gardening tools to Sam's Club and Wal-Mart. These tools are sold under the Scotts and MiracleGro brands. In addition, strong sales growth was noted by Pac-Kit and PhysiciansCare first aid products, where traditional office supply customers, like Office Depot and OfficeMax, look to offer products outside their core office supplies.

During the earnings conference call, following the publication of the results, Walter C. Johnsen, the Company's Chairman and CEO, confirmed the 2014 sales and earnings guidance. Sales are expected to reach between \$97 and \$102 million, an increase of between 8 and 14 percent. Earnings are expected between \$4.3 million and \$4.6 million in 2014, an increase of between 3% and 9% respectively.

Gross margins were 36% in the both the first quarters of 2014 and 2013.

Amounts in \$000's	03/31/14	03/31/13
Net Sales	19,152	17,651
Cost of Goods Sold	12,274	11,224
S, G & A Expenses	6,253	5,914
Income From Operations	625	513
Pre-Tax Income	523	441
Income Tax Expense	155	132
Net Income	368	309
Diluted Shares Outs.	3,443	3,213
Diluted EPS	0.11	0.10
Most important income statement data for the quarters ending March 31, 2014 and March 31, 2013. Source: Company Press Release		

Very Strong US Segment

Acme United reports financial information on three separate business segments: the United States (including Asia), Canada and Europe.

Exact revenues per segment for the first quarter will be available in the 10-Q, which will be filed mid-May. However, Acme announced for each segment the percentage by which revenues increased or decreased compared with last year. Based on those numbers, we can give a good indication.

Segment	03/31/14	03/31/13
U.S.	16,090	14,227
Canada	1,523	1,625
Europe	1,539	1,799
Sales by segment for the quarters ending March 31, 2014 and March 31, 2013. Source: Smallcaps Investment Research. (Amounts in \$000's)		

Net sales for the first quarter of 2014 in the U.S. segment increased 13% compared to the same period in 2013. This was achieved by another solid performance of the Westcott family of cutting and measuring products such as scissors and pencil sharpeners. Also first aid kits and the introduction of new lawn and garden products contributed to the success.

Net sales in Canada in the first quarter of 2014 decreased 7% in U.S. dollars but increased 2% in local currency compared to the same period in 2013. The Company is addressing this decline by introducing new

cutting and measuring tools in the office channel. It's also putting more emphasis on sales of hunting knives and survival tools. The launch of the Clauss/ScottsMiracle-Gro gardening tools should also benefit the Canadian division. Additionally, it will introduce first aid kits in the Canadian market, although this is tougher than it sounds because of many regulations that have to be taken into account.

European net sales decreased 15% in U.S. dollars and 21% in local currency in the first quarter of 2014 compared to the first quarter of 2013. The European sales peoples are working hard on mass market promotions for the second half of the year. They're expected to be comparable to last year. In addition, Camillus knives, which was re-introduced in Europe last year, receives strong interest from various distributors.

Balance Sheet As Of March 31, 2014

Acme's balance sheet is strong. Its bank debt less cash and cash equivalents on March 31, 2014 was \$13.9 million compared to \$15.5 million on March 31, 2013. A noteworthy achievement, knowing that during the 12 months ended March 31, 2014, Acme purchased a new distribution facility in North Carolina for \$2.8 million, expended \$1.3 million to upgrade the facility and its equipment, and paid \$1.0 million in dividends on its common stock.

Amounts in \$000's	03/31/14	03/31/13
Cash and Cash Eq.	3,367	8,941
Accounts Receivable	16,111	14,902
Inventories	28,977	30,450
Total Current Assets	50,210	56,212
Other Assets	1,081	1,119
Total Assets	61,781	65,494
Accounts Payable	4,312	4,842
Total Current Liabilities	9,179	9,178
Long Term Debt	17,286	24,452
Total Liabilities	26,741	34,592
Total Stockholder Equity	35,040	30,902
Most important balance sheet data for the periods ending March 31, 2014 and March 31, 2013. Source: Company Press Release		

In addition, during the 12 month period the Company generated \$5.7 million in cash flow from operations while reducing inventory by almost \$1.5 million despite its growth of both sales and number of available products.

Acme did a great job strengthening its balance sheet. Its current loan agreement provides for borrowings of up to \$40 million, while its long term debt is only slightly over \$17 million. Leaving plenty of room for acquisitions. Mr. Johnsen mentioned during the conference call that the Company could handle an acquisition with revenues between \$15 and \$20 million.

GROWTH DRIVERS

Camillus Distribution Increasing

As distribution and sales of Camillus knives continue to increase throughout the United States and Canada, Acme decided it was the right time to re-launch the brand in Europe. The fact that the Camillus name is still well recognized helped the European sales team to reintroduce the knives.

Acme first concentrated on the Scandinavian countries, where outdoor is still part of people's daily life. It attracted a good Swedish distributor for the Camillus range in Sweden and Norway. Only a few weeks later, it signed a contract with a leading knife distributor for German speaking countries.

Camillus has an exciting new array of hunting, fixed blade knives and folding knives. The Company intends to again expand its number of distributors in 2014 in Europe, Canada, the U.S., but also in places like Australia, South Africa and the Philippines.

Clauss/ScottsMiracle-Gro Gardening Tools

In April of last year, Acme formed a partnership with The ScottsMiracle-Gro Company to market and sell two lines of lawn and gardening tools branded 'Scotts' and 'Miracle-Gro'. The tools are manufactured by Acme's Clauss brand and carry the 'powered by Clauss technology' label.

These are the first lawn and garden tools in ScottsMiracle-Gro's extensive line of products, which is known worldwide for its fertilizers and pesticides for professional and at-home use. Scotts will advertise the tools in their catalogues and at trade shows.

Miracle-Gro is a line of lawn and garden products such as pruners, snips, floral knives and spring assisted scissors suited for home gardeners. The blades are titanium bonded, making them 3 times harder than untreated stainless steel and corrosion resistant. In addition, the packaging and handles of the tools are made from recycled materials.

THE SCOTSMIRACLE-GRO COMPANY

The ScottsMiracle-Gro Company has its roots dating back to 1868 and has since grown into the world's largest marketer of branded consumer lawn and garden products with nearly \$3 billion in worldwide sales and more than 8,000 associates.

The Company owns some of the most recognized brands in the industry. In the U.S., the Company's Scotts, Miracle-Gro, and Ortho brands are market-leading in their categories, as is the consumer Roundup brand, which is marketed in North America and most of Europe. In the U.S. the Company operates Scotts LawnService, the second largest residential lawn care service business. In Europe, the Company's brands include Weedol, Pathclear, Evergreen, Levington, Miracle-Gro, KB, Fertiligene and Substral.

The Scotts line, on the other hand, aims at lawn care professionals and serious DIY'ers. It includes loppers, hedge shears, branch saws and grass and garden shears. The titanium-bonded non-stick blades prevent saps and adhesives from sticking to the blades. The tools also feature Microban antibacterial treated blades and grips to protect the user as well as the plants themselves. The grips are engineered to reduce the impact and fatigue of cutting through branches, etc.

The first Scotts tools are now available at Wal-Mart and Sam's Stores. In Canada and Europe the sales teams are making presentations to potential buyers.

First Aid Offering and Distribution Increase

In the past few quarters, Acme's Pac-Kit/PhysiciansCare first aid business has accelerated as office supply customers, such as Office Depot and OfficeMax, have expanded their offering. These companies are seeking additional revenues now that sales from traditional office supply products are somewhat sluggish.



Pac-Kit and PhysiciansCare have grown considerably in the past quarters.

In the United States, Canada, the UK and the EU government institutions set guidelines or even obligate every employer to have adequate first aid supplies.

The size and quantity of first aid kits depends on how hazardous the work environment is and on the number of people who work there. For example, injuries in an office are generally less frequent and severe than those on a construction site.

The contents of a first aid kit also depends on the hazards that are specific to a particular workplace environment. If the first aid kit is for use in a canteen, for example, it should contain more burn dressings and blue plasters. Likewise, a kit destined for use on a production line would need more eye pads and dressings.

In addition, most first aid products have an expiry date printed on the packaging. To stay

compliant, an employer needs to regularly check and replace any out of date items.

First aid is an outstanding product family for Acme because it's non-seasonal and because it has the razor/razorblade sales model. When customers buy a first aid kit, they're bound to buy refills later as well.

RECENT EVENTS

New Rocky Mount Warehouse In Full Operation

Late August 2013, Acme United purchased a 340,000 square feet manufacturing and distribution center in Rocky Mount, North Carolina for \$2.8 million, which is very cheap knowing that replacing the building would probably cost around \$14 million.

During the first quarter, Acme successfully completed the consolidation of its U.S. warehousing operations into the new facility. Before that, the Company had two distribution centers, which, combined, were only half the size of the new one.

The lease for one warehouse has now been terminated. And the second warehouse, in Fremont, NC, was sold by Acme on April 7, 2014 for \$850,000. The Company will record a gain of approximately \$200,000 in the second quarter of 2014 related to this sale.

Because the Rocky Mount facility is very large, it provides lots of space for additional growth at almost zero extra cost. For example, if it hadn't been for Rocky Mount, Acme would likely have been forced to lease another building to store the new lawn and gardening tools, which would cost a couple hundred thousand dollars each year. Now, they can easily be added to the new warehouse.

Even more operating leverage is expected later this year when the production of Pac-Kit first aid kits, which is currently handled in a leased facility in Norwalk, Connecticut, is moved to Rocky Mount. The annual savings goal there is over \$300,000.

In addition, the Company is in negotiations with officials of the State of North Carolina about an incentive package to create jobs in the new facility. More news is expected about this when the Pac-Kit operation is moved.



An image from inside the Rocky Mount warehouse shows how enormous the new facility is.

Looking at the entire picture, the move to Rocky Mount generates operating and freight efficiencies, making it an excellent purchase.

OUTLOOK & VALUATION

Acme United started the year on the right foot. First quarter sales and earnings showed strong growth. And more is expected for the coming quarters as many new products are ready to launch later this year.

Camillus has an exciting new array of hunting, fixed blade knives and folding knives. The Company intends to again expand its number of distributors in 2014 in Europe, Canada, the U.S., but also in places like Australia, South Africa and the Philippines.

For 2014, Acme estimates it can increase its revenues to around \$100 million, which would be a significant milestone in the Company's history. As for its earnings in 2014, the Company gave an estimate of between \$4.3 million and \$4.6 million, or earnings per share between \$1.26 and \$1.33.

With many new products, such as Camillus knives and first aid kits, lined up to enter stores, we're confident the Company's guidance will again be achieved in 2014.

Results Becoming Less Seasonal

The trend of Acme United's results becoming less seasonal is starting to show more and more. Traditionally the Company's sales relied heavily on the office products and back-to-school markets, for which sales peaked in the second and third quarter.

Although the second quarter remains Acme's strongest, the other quarters are showing more growth. For example, sales for the fourth quarter in 2010 were \$13.4 million, while they were \$21.4 million in the fourth quarter of 2013, an increase of 60%. In the full year 2010, sales were \$63.1 million versus \$89.5 million last year, an increase of 42.8%. While this is an impressive growth rate for the full year, it indicates that fourth quarter sales have risen even stronger.

This is because Acme brought in other products such as the lawn and garden tools in partnership with ScottsMiracle-Gro. These are typical fourth and first quarter products as they have to be on the shelves early spring.

Similar with the Clauss non-stick putty knives, which are being tested at a major retailer. This is an all year round product, but it certainly has to be available in the spring when the renovation and remodeling season commences.

And finally Camillus knives, which are often used for hunting in the fall and they are also typical Christmas and holiday gifts.

Peer Comparison

Acme United competes with many other companies in each market and geographic area. For example, the major competitor in the cutting and gardening category is Fiskars Corporation, the major competitor in the measuring category is Helix International Ltd and the major competitor in the safety and first aid category is Johnson and Johnson.

It's hard to identify a peer group of companies, because there's no other Company in exactly the same line of business as Acme United. Moreover, some of these other companies that engage in the

Company's line-of-business do so through divisions or subsidiaries that are not publicly-traded.

For reason of comparison, we have placed the Company in the Housewares & Accessories industry. The average P/E ratio for a Company in that industry is 22.20x, down 3.4% from 23.00x in our previous report. Because we feel that the markets may still be somewhat overvalued at the moment, and because we want to remain conservative in our estimates, we are going to apply a 15% discount to the average P/E ratio.

Taking the discount into account, we end up with an average P/E ratio of 18.87x for the Housewares & Accessories industry.

Valuation

When Acme's second quarter numbers are public, we'll undoubtedly have a much clearer picture of how the Company's results develop this year. Until then, we'll use the average of the Company's own sales and earnings projections in our valuation.

Therefore, our estimates for fiscal year 2014 are revenues of \$99.5 million and earnings of \$1.295 per share, or approximately \$4.45 million. This increase is certainly achievable as many new products are scheduled to enter the market shortly. Moreover, these estimates exclude any potential acquisition, which may happen as the Company's management is always looking to take over a brand or product that can easily be integrated.

Amounts in \$000's	2012	2013	2014E
Total Revenue	84,370	89,577	99,500
Net Income	3,549	4,003	4,450
Annual sales and earnings FY 2012 - 2014E.			
Source: Company Filings and Smallcaps Investment Research estimates			

Using the \$1.295 EPS projection for FY 2014 and applying the 18.87x P/E multiple from the peer group, we reach the following calculation: \$1.295 estimated EPS multiplied by 18.87 = \$24.44.

Based on these calculations, we reiterate our buy recommendation for Acme

United Corp. with a price target of \$24.44, which is 45% above today's stock price.

SHARE DATA & OWNERSHIP

As of March 31, 2014, there were approximately 3,443,000 fully diluted common shares of Acme United outstanding. The principal owners of the Company's common stock are North Star Investment Management Corporation (11.6%), Walter Johnsen (10.0%), First Wilshire Securities Management (8.5%), Bard Associates Inc. (5.0%) and Dimensional Fund Advisors (3.0%).

MANAGEMENT

WALTER JOHNSEN - CHAIRMAN AND CEO

Mr. Johnsen has served as director since 1995 and as Chairman and Chief Executive Officer since November 30, 1995. Before joining the Company he was Vice Chairman and a principal of Marshall Products, Inc., a medical supply distributor.

PAUL DRISCOLL - VICE PRESIDENT AND CFO, SECRETARY AND TREASURER

Mr. Driscoll has served as Vice President and Chief Financial Officer, Secretary and Treasurer since October 2, 2002. Mr. Driscoll joined Acme as Director International Finance on March 19, 2001. From 1997 to 2001 he was employed by Ernest and Julio Gallo Winery including two years in Japan as Director of Finance and Operations. Prior to Gallo he served in several increasingly responsible positions in Sterling Winthrop Inc. in New York City and Sanofi S.A. in France.

BRIAN OLSCHAN - PRESIDENT AND COO

Mr. Olschan served as Senior Vice President of Sales and Marketing from September 10, 1996 until January 22, 1999. Effective January 23, 1999, he was promoted to President and Chief Operating Officer. From 1984 to 1996, he was employed by General Cable Corporation in various executive positions.

ANNUAL INCOME STATEMENT FY 2011 – 3M 2014

All numbers in thousands

PERIOD ENDING	FY 2011	FY 2012	FY 2013	3M 2014
Total Revenue	73,302	84,370	89,577	19,152
Cost of Revenue	46,977	54,623	57,753	12,274
Gross Profit	26,325	29,747	31,824	6,878
Operating Expenses				
Research & Development	-	-	-	-
Selling, General and Administrative	22,040	24,386	25,945	6,253
Non Recurring	-	-	-	-
Others	-	-	-	-
Total Operating Expenses	22,040	24,386	25,945	6,253
Operating Income or Loss	4,285	5,361	5,879	625
Income from Continuing Operations				
Total Other Income (Expenses) Net	145	80	35	19
Earnings Before Interest And Taxes	4,430	5,441	5,844	606
Interest Expense	404	444	350	83
Income Before Tax	4,026	4,997	5,494	523
Income Tax Expense	1,215	1,448	1,491	155
Minority Interest	-	-	-	-
Net Income From Continuing Ops	2,811	3,549	4,003	368
Non-recurring Events				
Discontinued Operations	-	-	-	-
Extraordinary Items	-	-	-	-
Effect Of Accounting Changes	-	-	-	-
Other Items	-	-	-	-
Net Income	2,811	3,549	4,003	368
Preferred Stock And Other Adjustments	-	-	-	-
Net Income Applicable To Common Shares	\$2,811	\$3,549	\$4,003	\$368

Annual Income Statement FY 2011 – 3M 2014. Source: Company Filings



Acme United Corporation

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