

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (date of earliest event reported) April 25, 2003

Commission file number Q4823

ACME UNITED CORPORATION
(Exact name of registrant as specified in its charter)

CONNECTICUT
(State or other jurisdiction
of incorporation or organization)

1931 BLACK ROCK TURNPIKE, Fairfield, Connecticut
(Address of principal executive offices)

06-0236700
(I.R.S. Employer
Identification No.)

06825
(Zip Code)

Registrant's telephone number, including area code: (203) 332-7330

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 period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes | X | No | |

Registrant had 3,373,251 shares outstanding as of April 25, 2003 of its \$2.50 par value Common Stock.

(1)

ACME UNITED CORPORATION

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ACME UNITED CORPORATION

Item 9. Regulation FD Disclosure - This disclosure is being furnished under Item 12, "Disclosure of Results of Operations and Financial Condition"

ACME UNITED CORPORATION ANNOUNCES FIRST QUARTER EARNINGS

FAIRFIELD, CONN. - April 25, 2003 - Acme United Corporation (ASE:ACU) today announced net income of \$78,000 or \$.02 per diluted share for the first quarter ending March 31, 2003 compared to \$122,000 or \$.03 per share for the comparable period last year.

Net sales for the quarter ending March 31, 2003 were \$7.2 million compared to \$6.8 million in 2002, an increase of 6%. Net sales in the U.S. increased 13% due to the successful launch of new products. International sales decreased by 10% due to discontinued product lines in the UK and Germany.

Gross margins increased to 40% in the first quarter of 2003 versus 32% in the comparable period last year due to new product sales and improved productivity.

Income before income taxes was \$352,000 in the first quarter of 2003 compared with \$137,000 in the first quarter of 2002, an increase of \$215,000. Pretax income for North America was \$730,000 compared to \$312,000 in 2002. The European operations lost \$378,000 including a one-time expense of \$175,000 for settlement of a lawsuit in April 2003. The pretax loss in Europe for the first quarter of 2002 was \$175,000.

Income tax expense for the first quarter 2003 was \$274,000 compared to \$15,000 in the first quarter of 2002, a \$259,000 increase. In 2002 the Company recognized a significant one-time income tax benefit associated with liquidating its UK business. Consolidated income before taxes for the first quarter 2003 included the losses in Europe, which has resulted in a high effective income tax rate.

The Company's balance sheet on March 31, 2003 was stronger than at the same time last year. Total inventory was reduced to \$7.2 million from \$8.3 million. Total debt less cash was \$4.7 million compared to \$6.7 million on March 31, 2002.

Walter C. Johnsen, President and CEO said, "The first quarter of 2003 showed good business progress. Our net sales and gross margin increases were the result of investments made during the past several years to develop patented new products. Acme has a three-year pipeline of innovative cutting, measuring, and safety items in various stages of planning and development, and we anticipate seeing their impact during the coming months and years.

"The improved balance sheet provides flexibility to take advantage of market and competitive opportunities. Total net debt declined \$2.0 million from the first quarter 2002, which represents a reduction of \$.57 per share in the past 12 months. We expect to continue to generate free cash flow during the year."

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ACME UNITED CORPORATION is a specialized supplier of cutting devices, measuring instruments, and safety products for school, home, and office use.

Forward-looking statements in this report, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties including without limitation the following: (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company's plans and results of operations will be affected by the Company's ability to manage its growth, and (iii) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission.

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ACME UNITED CORPORATION
CONSOLIDATED STATEMENT OF INCOME
FIRST QUARTER REPORT 2003

| Amounts in \$000's except per share data | Quarter Ended March 31, 2003 (Unaudited) | Quarter Ended March 31, 2002 (Unaudited) |
|--|--|--|
| Net Sales | \$ 7,189 | \$ 6,755 |
| Pre-Tax Income | 352 | 137 |

By /s/ PAUL G. DRISCOLL

Paul G. Driscoll
Vice President and
Chief Financial Officer

Dated: April 25, 2003

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