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

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FORM 8-K

#### CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (date of earliest event reported): July 21, 2005

## ACME UNITED CORPORATION

(Exact name of registrant as specified in its charter)

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| Connecticut                          | 001-07698    | 06-0236700                     |
|--------------------------------------|--------------|--------------------------------|
| (State or other jurisdiction of      | (Commission  | (I.R.S. Employer               |
| incorporation or organization)       | file number) | <pre>Identification No.)</pre> |
|                                      |              |                                |
| 1931 Black Rock Turnpike, Fairfield, | Connecticut  | 06825                          |

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

(Zip Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

| [_] | Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)                  |  |  |
|-----|--|--|--|
| [_] | Soliciting material pursuant to Rule $14a-12$ under the Exchange Act (17 CFR $240.14a-12$ )            |  |  |
| [_] | Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)) |  |  |
| [_] | Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)) |  |  |

## ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On July 21, 2005, Acme United Corporation (the "Company") issued a press release announcing its financial results for the three and six months ended June 30, 2005. A copy of the press release is attached as Exhibit 99.1 to this current report.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(Address of principal executive offices)

### (c) Exhibits

| Exhibit Number | Description                        |
|----------------|------------------------------------|
|                |                                    |
| 99.1           | Press release dated July 21, 2005. |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACME UNITED CORPORATION

By /s/ WALTER C. JOHNSEN

Walter C. Johnsen
President and
Chief Executive Officer

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Dated: July 21, 2005

By /s/ PAUL G. DRISCOLL

Paul G. Driscoll
Vice President and
Chief Financial Officer

Dated: July 21, 2005

EXHIBIT INDEX

Exhibit Number Description

99.1 Press release dated July 21, 2005.

ACME UNITED CORPORATION

NEWS RELEASE

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CONTACT: Paul G. Driscoll
Acme United Corporation
1931 Black Rock Turnpike Fairfield, CT 06825
Phone: (203) 332-7330 FAX: (203) 576-1547

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FOR IMMEDIATE RELEASE July 21, 2005

ACME UNITED CORPORATION REPORTS 21% NET SALES INCREASE AND A 22% INCREASE IN NET INCOME FOR ITS SECOND QUARTER

FAIRFIELD, CONN. - July 21, 2005 - Acme United Corporation (AMEX:ACU) today announced net income of \$1,314,000 or \$.34 per diluted share for the second quarter ended June 30, 2005 compared to \$1,075,000 or \$.29 per diluted share for the comparable period last year. Net income for the six months ended June 30, 2005 was \$1,964,000, or \$.52 per diluted share compared to \$1,468,000, or \$.40 per diluted share in the comparable period last year, a 34% increase.

Net sales for the quarter ended June 30, 2005 were \$14.9 million compared to \$12.3 million in the same period in 2004, an increase of 21% (20% at constant currency). Net sales for the six months ended June 30, 2005 were \$25.5 million compared to \$20.9 million in the same period in 2004, an increase of 22% (20% at constant currency). Net sales in the U.S. increased 25% due to the sale of new products, market share gains and the Clauss business acquired on June 1, 2004. International sales increased by 14%, and 7% in local currency.

Gross margins were 45.2% in the second quarter of 2005 versus 44.9% in the comparable period last year. For the first six months of 2005 gross margins were 45.5% compared to 44.3% in the same period in 2004. The improvement is primarily due to the sale of new products and product rationalization efforts in Europe. These positive impacts were partially offset by mainly higher raw material costs.

Walter C. Johnsen, President and CEO, said, "Acme United continues to plan and invest for future growth. We are finalizing new products for introduction in the fall, and upgrading our systems and customer support. We are very pleased with our continued strong performance."

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the Company repurchased 146,000 shares of its common stock at a cost of \$2.2 million and paid dividends in the total amount of \$146,000.

On June 28, 2005 the Company announced a 50% increase in the quarterly cash dividend to 3 cents per share.

ACME UNITED CORPORATION is a specialized supplier of cutting devices, measuring instruments, and safety products for school, home, office and industrial 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 SECOND QUARTER REPORT 2005

| Amounts in \$000's except per share data      | (Unaudited)                  | June 30, 2004<br>(Unaudited) |
|---|------------------------------|------------------------------|
| Net Sales                                     | \$ 14,904                    | \$ 12,298                    |
| Gross Profit                                  | 6,731                        | 5,519                        |
| Selling, General, and Administrative Expenses | 4,577                        | 3,579                        |
| Other Expense                                 | 140                          | 120                          |
| Pre-Tax Income                                | 2,014                        | 1,820                        |
| Income Tax Expense                            | 700                          | 745                          |
| Net Income                                    | 1,314                        | 1,075                        |
| Earnings Per Share Basic                      | 0.37                         | 0.32                         |
| Earnings Per Share Diluted                    | 0.34                         | 0.29                         |
| Amounts in \$000's except per share data      | June 30, 2005<br>(Unaudited) |                              |
| Net Sales                                     | \$ 25,487                    | \$ 20,865                    |
| Gross Profit                                  | 11,592                       | 9,239                        |
| Selling, General, and Administrative Expenses | 8,296                        | 6,550                        |
| Other Expense                                 | 202                          | 159                          |
| Pre-Tax Income                                | 3,094                        | 2,530                        |
| Income Tax Expense                            | 1,130                        | 1,062                        |
| Net Income                                    | 1,964                        | 1,468                        |
| Earnings Per Share Basic                      | 0.56                         | 0.44                         |
| Earnings Per Share Diluted                    | 0.52                         | 0.40                         |
|   |                              |                              |

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ACME UNITED CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
SECOND QUARTER REPORT 2005
(Unaudited)

Amounts in \$000's June 30, 2005 June 30, 2004

Assets: Current Assets: Cash

| Accounts Receivable, Net<br>Inventories                      | 12,625<br>11,141 | 11,869<br>8,259 |
|--|------------------|-----------------|
| Prepaid and Other current Assets                             | 818              | 771             |
| Total Current Assets   | 25,186           | 21,311          |
| Property and Equipment, Net                                  | 2,203            | 2,225           |
| Other Assets   | 809              | 681             |
| Total Assets   | \$ 28,198        | \$ 24,217       |
| Liabilities and Stockholders' Equity:<br>Current Liabilities |                  |                 |
| Accounts Payable<br>Other Current Liabilities                | 3,770<br>4,559   | 2,203<br>4,358  |
| Current Portion of Long Term Debt                            | 4,559            | 4,338<br>2,481  |
| Total Current Liabilities                                    | 13,297           | 9,042           |
| Long-Term debt   | 54               | 2,533           |
| Other Non Current Liabilities                                | 541              | 809             |
|  | 13,892           | 12,384          |
| Total Stockholders' Equity                                   | 14,306           | 11,833          |
| Total Liabilities and Stockholders' Equity                   | \$ 28,198        | \$ 24,217       |