

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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): May 11, 2017

Koss Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other
Jurisdiction of
Incorporation)

0-3295
(Commission File
Number)

39-1168275
(IRS Employer
Identification No.)

4129 North Port Washington Avenue, Milwaukee, Wisconsin 53212
(Address of principal executive offices) (Zip code)

(414) 964-5000
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 11, 2017, Koss Corporation issued a press release announcing its financial results for the quarter ended March 31, 2017. A copy of the press release is being furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

The information in this report is being furnished pursuant to Item 2.02 Results of Operations and Financial Condition. In accordance with General Instruction B.2 of Form 8-K, the information in this report shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Number</u>	<u>Description</u>
Exhibit 99.1	Press release of Koss Corporation dated May 11, 2017.

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.

May 11, 2017

KOSS CORPORATION

By: /s/ Michael J. Koss

Michael J. Koss

Chairman and Chief Executive Officer



NEWS RELEASE

4129 NORTH PORT WASHINGTON AVENUE, MILWAUKEE, WI 53212 / 414 964-5000 / WWW.KOSS.COM

FOR IMMEDIATE RELEASE

May 11, 2017

CONTACT: Michael J. Koss
Chairman & CEO
(414) 964-5000
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Koss Corp Releases Third Quarter Results

Milwaukee, Wisconsin: Koss Corporation (NASDAQ SYMBOL: KOSS), the U.S. based high-fidelity headphone company, has reported its third quarter results for the quarter ended March 31, 2017.

Sales for the third quarter were \$4,773,915, which is a 20.5% decrease from sales of \$6,002,059 for the same three month period one year ago. The three month net loss was \$1,117,582, compared to net income of \$869,686 for the third quarter last year. Diluted and basic loss per common share for the quarter was \$0.15 compared to income per common share of \$0.12 for the three month period one year ago.

"Sales were weak in the quarter with continued decrease in orders from distributors in Asia and Scandinavia as well as lower demand for the OEM products in Asia. The lower order volume is driven by distributors working off inventory levels as well as the continued strength of the dollar," Michael J. Koss, Chairman and CEO, told employees here today. "Earnings were negatively impacted by the low export sales and a charge to earnings to write down the inventory value on a group of products."

In the three months ended March 31, 2017, a valuation allowance was established against deferred tax assets resulting in a charge of \$444,000 to income tax expense. The net income for the three months ended March 31, 2016 included the benefit of settling a lawsuit.

Sales for the nine months ended March 31, 2017, decreased by 5.1% to \$17,810,418 compared with \$18,762,662 for the same nine month period a year ago. Nine month net loss was \$893,259 compared to net income of \$1,155,513 for the same nine months last year. Diluted and basic loss per common share was \$0.12 for the nine months ended March 31, 2017, compared with income of \$0.16 for the same nine month period a year ago.

In the first nine months, sales to the OEM customer in Asia combined with improved sales to domestic distributors partially offset the decline in sales to distributors in Scandinavia, Asia and Africa. In the domestic market, Koss also had increased sales through on-line retail.

"While traditional brick and mortar retail continues to be a key component of our distribution, we are fully aware of the sweeping changes happening in traditional retail that will continue to have a negative impact on headphone offerings as more retail outlets close stores," Koss continued. "Our direct to consumer initiatives are designed to make our products easier to access than ever before by using the on-line channels that consumers around the world are choosing now more than ever."

...

Koss Corporation markets a complete line of high-fidelity headphones, wireless Bluetooth® speakers, computer headsets, telecommunications headsets, active noise canceling headphones, wireless headphones, and compact disc recordings of American Symphony Orchestras on the Koss Classics® label.

This press release contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "may," "will," "should," "forecasts," "predicts," "potential," "continue," or the negative of such terms and other comparable terminology. These statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Actual events or results may differ materially. In evaluating forward-looking statements, you should specifically consider various factors that may cause actual results to vary from those contained in the forward-looking statements, such as general economic conditions, in particular, consumer demand for the Company's and its customers' products, competitive and technological developments, foreign currency fluctuations, and costs of operations. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances or new information. In addition, such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission.

KOSS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended March 31		Nine Months Ended March 31	
	2017	2016	2017	2016
Net sales	\$ 4,773,915	\$ 6,002,059	\$ 17,810,418	\$ 18,762,662
Cost of goods sold	3,823,613	3,889,719	12,711,146	12,341,164
Gross profit	950,302	2,112,340	5,099,272	6,421,498
Selling, general and administrative expenses	1,965,698	2,105,740	5,728,860	5,860,601
Unauthorized transaction related costs (recoveries), net	39,663	(1,360,951)	73,759	(1,286,001)
Interest expense	—	—	964	6,075
(Loss) income before income tax provision	(1,055,059)	1,367,551	(704,311)	1,840,823
Income tax provision	62,523	497,865	188,948	685,310
Net (loss) income	<u>\$ (1,117,582)</u>	<u>\$ 869,686</u>	<u>\$ (893,259)</u>	<u>\$ 1,155,513</u>
(Loss) income per common share:				
Basic	<u>\$ (0.15)</u>	<u>\$ 0.12</u>	<u>\$ (0.12)</u>	<u>\$ 0.16</u>
Diluted	<u>\$ (0.15)</u>	<u>\$ 0.12</u>	<u>\$ (0.12)</u>	<u>\$ 0.16</u>