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 16, 2016

VOXX INTERNATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**0-28839** (Commission File Number)

13-1964841
(IRS Employer Identification No.)

2351 J. Lawson Boulevard, Orlando, Florida (Address of principal executive offices)	**32824** (Zip Code)

Registrant's telephone number, including area code (800) 645-7750

180 Marcus Boulevard
Hauppauge, NY 11788

(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 file 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(e))

Item 2.02 Results of Operations and Financial Condition.

On May 16, 2016, Voxx International Corporation (the “Company”) issued a press release announcing its earnings for the quarter and year ended February 29, 2016. A copy of the release is furnished herewith as Exhibit 99.1.

Item 8.01 Other Events.

On May 17, 2016, the Company held a conference call to discuss its financial results for the quarter and year ended February 29, 2016. The Company has prepared a transcript of that conference call, a copy of which is annexed hereto as Exhibit 99.2.

The information furnished under Items 2.02 and 8.01, including Exhibits 99.1 and 99.2, shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be incorporated by reference into any registration statement filed under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated May 16, 2016, relating to VOXX International Corporation's earnings release for the quarter and year ended February 29, 2016 (filed herewith).
99.2	Transcript of conference call held on May 17, 2016 at 10:00 am (filed herewith).

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 thereunto duly authorized.

VOXX INTERNATIONAL CORPORATION (Registrant)

Date: May 20, 2016

BY: /s/ Charles M. Stoehr
Charles M. Stoehr
Senior Vice President and
Chief Financial Officer

FOR IMMEDIATE RELEASE

VOXX INTERNATIONAL CORPORATION REPORTS ITS FISCAL 2016 FOURTH QUARTER AND YEAR-END FINANCIAL RESULTS

HAUPPAUGE, NY - May 16, 2016 - VOXX International Corporation (NASDAQ: VOXX), today announced financial results for its Fiscal 2016 fourth quarter and year-ended February 29, 2016.

Pat Lavelle, President and CEO of VOXX International, commented, "Our top-line results in the fourth quarter came in mostly as anticipated, with the majority of product categories performing as planned. Excluding the Euro impact, our net sales were up approximately 2.4%. Our expenses were up with the inclusion of EyeLock, though when factoring out EyeLock and related expenses, as well as the non-cash impairment charges, our core overhead declined by $2.9 million. We continue to look for additional savings, while supporting increased R&D investments to drive innovation and to support anticipated growth across each of our business segments in Fiscal 2017."

Fiscal Fourth Quarter Results Comparisons (for the three-months ended February 29, 2016 and February 28, 2015

Net sales for the Fiscal 2016 fourth quarter were $169.7 million compared to $169.9 million reported in the comparable year-ago period. The average Euro for both periods, respectively, was 1.09 as compared to 1.18, a decline of 7.6%, which impacted net sales by approximately $4.3 million. Excluding the impact of the Euro conversion, net sales were up $4.1 million or 2.4%.

	Q4 2016	Q4 2015	Year-over-Year $ Change	Q4 2016 vs. Q4 2015 (Euro impact)
Total Net Sales	$169.7	$169.9	($0.2)	($4.3)
Automotive	$84.8	$90.9	($6.1)	($2.9)
Consumer Accessories	$48.6	$41.5	$7.1	($0.7)
Premium Audio	$36.2	$37.3	($1.1)	($0.7)
Corporate	$0.1	$0.2	($0.1)	0

- Automotive segment sales were primarily impacted by declines in the aftermarket, as a result of the Company's sale and subsequent licensing of its Jensen 12-volt business in Fiscal 2015, as well as phased out product lines and declines in satellite radio product sales. Sales to OEM customers were up for the comparable periods by approximately $1.7 million, excluding the impact of the Euro conversion.
- Consumer Accessories segment sales, excluding the impact of the Euro conversion, were up $7.7 million. This increase was primarily related to stronger sales of wireless and Bluetooth speakers, reception products, and 360Fly® action cameras.
- Premium Audio segment sales were down approximately $0.4 million, when excluding the Euro conversion impact. Newer product lines, including wireless home theater systems, WiSA-enabled speaker systems, streaming audio and wireless Bluetooth speakers helped drive domestic sales, which offset declines related to discontinued business with certain retailers from the prior year.

The gross margin for the Fiscal 2016 fourth quarter came in at 27.6% as compared to 29.1% for the same period last year, a decline of 150 basis points ("bps"). The decline in gross profit margin was primarily due to a change in product mix within the Automotive and Consumer Accessories segments, offset by improvements in tooling, obsolescence and warranty expenses.

Operating expenses for the Fiscal 2016 fourth quarter were $54.3 million, a $4.2 million increase as compared to $50.2 in the Fiscal 2015 fourth quarter. Excluding the addition of operating expenses associated with EyeLock, LLC ("EyeLock"), the Company's majority owned subsidiary and most recent acquisition, operating expenses were flat for the comparable periods. Additionally, during the Fiscal 2016 fourth quarter, the Company incurred non-cash asset impairment charges of $2.9 million, partially offset by $1.1 million in restructuring charges in the Fiscal 2015 fourth quarter that did not recur in Fiscal 2016.

The Company reported an operating loss of $7.5 million as compared to an operating loss of $0.7 million in the Fiscal 2015 fourth quarter. Net loss was $7.0 million or a loss of $0.22 per diluted share as compared to a net loss of $14.4 million and a net loss per diluted share of $0.60 in the comparable prior year period. Net loss attributable to VOXX International for the comparable Fiscal 2016 and Fiscal 2015 fourth quarters was $5.4 million vs. $14.4 million, respectively.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") for the Fiscal 2016 fourth quarter was a loss of $1.0 million as compared to an EBITDA loss of $6.2 million reported in the Fiscal 2015 fourth quarter. Adjusted EBITDA was $2.0 million as compared to $5.2 million for the comparable Fiscal 2016 and 2015 fourth quarter periods.

FY16 vs. FY15 Comparisons (for the twelve-months ended February 29, 2016 and February 28, 2015)

Fiscal 2016 net sales were $680.7 million compared to $757.5 million reported in the comparable year-ago period, a decline of $76.8 million or 10.1%. Approximately $40.0 million of the decline was related solely to foreign exchange. The average Euro in Fiscal 2016 was 1.10 as compared to 1.29 in the comparable year-ago period, representing an approximate 15% decrease in value.

	FY 2016	FY 2015	YOY $ Change	FY16 vs. FY15 (Euro impact)
Total Net Sales	$680.7	$757.5	($76.8)	($39.9)
Automotive	$351.7	$396.4	($44.8)	($28.2)
Premium Audio	$140.5	$165.8	($25.3)	($6.0)
Consumer Accessories	$187.3	$194.1	($6.8)	($5.7)
Corporate	$1.3	$1.2	$0.1	0

- Automotive segment sales, excluding the impact of the Euro conversion declined by approximately $16.6 million. The Company's Automotive OEM business was up for the comparable periods, when factoring in the Euro conversion, and this growth was offset by lower domestic aftermarket sales. The remote start category in particular, was impacted by warmer winter weather conditions and timing associated with various programs, as well as lower sales of phased out product lines and satellite radio products. Additionally, the sale and subsequent licensing of the Jensen 12-volt business in FY15 adversely impacted revenues by $6.1 million.
- Premium Audio segment sales, excluding the impact of the Euro conversion, were down $19.3 million, driven by a phase-out of some older product lines and higher load-in's in Fiscal 2015. International sales, excluding the impact of the Euro conversion, were relatively flat for the comparable periods.
- Consumer Accessories segment sales, excluding the impact of the Euro conversion, were down $1.1 million, primarily related to lower sales in Mexico as a result of the Fiscal 2015 change in the Company's distribution strategy and sale of its inventory, as well as lower sales in select categories. Offsetting these declines were higher sales of wireless and Bluetooth speakers, and new sales associated with the 360Fly action camera.

The gross margin for the Fiscal 2016 twelve-month period was 28.7% as compared to 29.6% for the same period last year, a decline of 90 basis points. Automotive gross margins were 29.4% as compared to 30.4%; Premium Audio gross margins were 33.2% as compared to 31.9%; and Consumer Accessories gross margins were 24.3% as compared to 25.4%. Consolidated gross margins were primarily impacted by a change in product mix within the Automotive and Consumer Accessories segments, and a one-time duty refund in Fiscal 2015 which did not repeat in Fiscal 2016, partially offset by higher product margins within Premium Audio.

Operating expenses for both the Fiscal 2016 and Fiscal 2015 twelve-month periods were $207.3 million. Note however, that Fiscal 2016 includes $9.1 million in operating expenses associated with intangible and long-lived asset impairment charges and $0.8 million in acquisition related costs associated with EyeLock, offset by a restructuring expense of $1.1 million in Fiscal 2015, that did not recur in Fiscal 2016. Additionally, Fiscal 2016 includes operating expenses from the Company’s acquisition of a controlling interest in substantially all of the assets and certain liabilities of EyeLock, Inc. and EyeLock Corporation, which includes both overhead and R&D related expenses to drive future offerings and support customer programs.

The Company reported an operating loss of $11.6 million as compared to operating income of $16.6 million in the Fiscal 2015 twelve-month period. Intangible asset impairment charges and acquisition-related expenses totaled approximately $9.9 million in Fiscal 2016.

The Company reported a net loss for the Fiscal 2016 twelve-month period of $6.1 million as compared to a net loss of $0.9 million in Fiscal 2015. Net loss attributable to VOXX International Corporation was approximately $2.7 million in Fiscal 2016 or a loss per diluted share of $0.11 as compared to a net loss attributable to VOXX International Corporation of $0.9 million or a loss of $0.04 per diluted share in Fiscal 2015.

EBITDA for the Fiscal 2016 twelve-month period was $18.8 million as compared to EBITDA of $23.1 million reported in the comparable Fiscal 2015 period. Adjusted EBITDA was $24.8 million as compared to $41.5 million for both the Fiscal 2016 and Fiscal 2015 periods, respectively.

Lavelle continued, “We knew coming in to the year that it was a challenging environment, and we planned for it. We’ve been transitioning out of older product lines, while introducing new solutions in the Automotive, Premium Audio and Consumer Accessories segments; all of which, we believe, are positioned for organic growth in FY17. In the fourth quarter and in the roughly two months since year-end, our Automotive segment has been awarded over $300 million of new contract awards, and we’re continuing to build our pipeline. In Consumer Accessories, we expect to continue to drive growth in the wireless speaker and reception categories, and will have additional sales of 360Fly action cameras, with a new 4K model coming to market later this month. Our Premium Audio segment, excluding the Euro conversion impact, grew in the fourth quarter and while the first quarter may not show continued growth, new products coming to market in both the second and third fiscal quarters have us optimistic that the category will return to growth. All in all, we’re expecting better top- and bottom-line performance in the year ahead, and we continue to strengthen our balance sheet in support of our business.”

Non-GAAP Measures

Adjusted EBITDA and diluted adjusted earnings per common share are not financial measures recognized by GAAP. Adjusted EBITDA represents net income (loss), computed in accordance with GAAP, before interest expense and bank charges, taxes, depreciation and amortization, stock-based compensation expense, certain foreign currency remeasurements, relocation and restructuring charges and impairment charges. Depreciation, amortization, stock-based compensation, and impairment expenses are non-cash items.

Diluted adjusted earnings per common share represent the Company's diluted earnings per common share based on adjusted EBITDA.

We present adjusted EBITDA and diluted adjusted earnings per common share in this Form 10-Q because we consider them to be useful and appropriate supplemental measures of our performance. Adjusted EBITDA and diluted adjusted earnings per common share help us to evaluate our performance without the effects of certain GAAP calculations that may not have a direct cash impact on our current operating performance. In addition, the exclusion of costs relating to the Company's acquisitions, restructuring, relocations, remeasurements, impairments, stock-based compensation, settlements and recoveries allows for a more meaningful comparison of our results from period-to-period. These non-GAAP measures, as we define them, are not necessarily comparable to similarly entitled measures of other companies and may not be an appropriate measure for performance relative to other companies. Adjusted EBITDA should not be assessed in isolation from or construed as a substitute for EBITDA prepared in accordance with GAAP. Adjusted EBITDA and diluted adjusted earnings per common share are not intended to represent, and should not be considered to be more meaningful measures than, or alternatives to, measures of operating performance as determined in accordance with GAAP.

The Company will be hosting its conference call on Tuesday, May 17, 2016 at 10:00 a.m. ET. Interested parties can participate by visiting www.voxxintl.com, and clicking on the webcast in the Investor Relations section or via teleconference (toll-free number: 877-303-9079; international: 970-315-0461 / conference ID: 9357994). For those unable to join, a replay will be available approximately four hours after the call has been completed and will last for one week (replay number: 855-859-2056; international replay: 404-537-3406 / conference ID: 9357994).

About VOXX International Corporation

VOXX International Corporation (NASDAQ:VOXX) has grown into a worldwide leader in many automotive and consumer electronics and accessories categories, as well as premium high-end audio. Today, the Company has an extensive distribution network that includes power retailers, mass merchandisers, 12-volt specialists and most of the world's leading automotive manufacturers. The Company has an international footprint in Europe, Asia, Mexico and South America, and a growing portfolio, which now comprises over 30 trusted brands. Among the key domestic brands are Klipsch®, RCA®, Invision®, Jensen®, Audiovox®, Terk®, Acoustic Research®, Advent®, Code Alarm®, Car Connection®, 808®, AR for Her®, and Prestige®. International brands include Hirschmann Car Communication®, Klipsch®, Jamo®, Energy®, Mirage®, Mac Audio®, Magnat®, Heco®, Schwaiger®, Oehlbach® and Incaar™. For additional information, please visit our Web site at www.voxxintl.com.

Safe Harbor Statement

Except for historical information contained herein, statements made in this release that would constitute forward-looking statements may involve certain risks and uncertainties. All forward-looking statements made in this release are based on currently available information and the Company assumes no responsibility to update any such forward-looking statements. The following factors, among others, may cause actual results to differ materially from the results suggested in the forward-looking statements. The factors include, but are not limited to risks that may result from changes in the Company's business operations; our ability to keep pace with technological advances; significant competition in the automotive, premium audio and consumer accessories businesses; our relationships with key suppliers and customers; quality and consumer acceptance of newly introduced products; market volatility; non-availability of product; excess inventory; price and product competition; new product introductions; foreign currency fluctuations and concerns regarding the European debt crisis; restrictive debt covenants; the possibility that the review of our prior filings by the SEC may result in changes to our financial statements; and the possibility that stockholders or regulatory authorities may initiate proceedings against VOXX International Corporation and/or our officers and directors as a result of any restatements. Risk factors associated with our business, including some of the facts set forth herein, are detailed in the Company's Form 10-K for the fiscal year ended February 29, 2016.

Company Contact:

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- Tables to Follow -

VOXX International Corporation and Subsidiaries
Consolidated Balance Sheets
February 29, 2016 and February 28, 2015
(In thousands, except share data)

	February 29, 2016	February 28, 2015
Assets		
Current assets:		
Cash and cash equivalents	$ 11,767	$ 8,448
Accounts receivable, net	87,055	102,766
Inventory, net	144,028	156,649
Receivables from vendors	2,519	3,622
Investment securities, current	—	275
Prepaid expenses and other current assets	17,256	26,370
Income tax receivable	1,426	1,862
Deferred income taxes	—	1,723
Total current assets	264,051	301,715
Investment securities	10,206	12,413
Equity investments	21,949	21,648
Property, plant and equipment, net	79,422	69,783
Goodwill	104,349	105,874
Intangible assets, net	185,022	158,455
Deferred income taxes	23	717
Other assets	4,690	6,908
Total assets	$ 669,712	$ 677,513
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 55,790	$ 71,403
Accrued expenses and other current liabilities	50,748	51,744
Income taxes payable	4,081	3,067
Accrued sales incentives	12,439	14,097
Deferred income taxes	—	1,060
Current portion of long-term debt	8,826	6,032
Total current liabilities	131,884	147,403
Long-term debt	90,691	79,455
Capital lease obligation	1,381	733
Deferred compensation	4,011	4,650
Other tax liabilities	4,997	5,157
Deferred tax liabilities	30,374	34,327
Other long-term liabilities	10,480	9,648
Total liabilities	273,818	281,373
Commitments and contingencies		
Stockholders' equity:		
Preferred stock:		
No shares issued or outstanding (see Note 9)	—	—
Common stock:		
Class A, $.01 par value; 60,000,000 shares authorized, 24,067,444 and 24,003,240 shares issued, 21,899,370 and 21,873,790 shares outstanding at February 29, 2016 and February 28, 2015, respectively	256	255
Class B Convertible, $.01 par value, 10,000,000 authorized, 2,260,954 shares issued and outstanding	22	22
Paid-in capital	294,038	292,427
Retained earnings	154,947	157,629

Non-controlling interest	8,524	—
Accumulated other comprehensive loss	(40,717)	(33,235)
Treasury stock, at cost, 2,168,074 and 2,129,450 shares of Class A Common Stock at February 29, 2016 and February 28, 2015, respectively	(21,176)	(20,958)
Total stockholders' equity	395,894	396,140
Total liabilities and stockholders' equity	$ 669,712	$ 677,513

VOXX International Corporation and Subsidiaries
Consolidated Statements of Operations and Comprehensive Income
(In thousands, except share and per share data)
(unaudited)

	Three Months Ended February 29, 2016	Three Months Ended February 28, 2015	Year Ended February 29, 2016	Year Ended February 28, 2015
Net sales	$ 169,683	$ 169,900	$ 680,746	$ 757,498
Cost of sales	122,859	120,444	485,061	533,628
Gross profit	46,824	49,456	195,685	223,870
Operating expenses:				
Selling	12,331	12,907	48,513	54,136
General and administrative	27,852	26,559	111,382	114,849
Engineering and technical support	11,300	9,578	37,490	37,157
Intangible asset impairment charges	2,860	—	9,070	—
Acquisition costs	—	—	800	—
Restructuring expense	—	1,134	—	1,134
Total operating expenses	54,343	50,178	207,255	207,276
Operating (loss) income	(7,519)	(722)	(11,570)	16,594
Other income (expense):				
Interest and bank charges	(3,111)	(1,841)	(8,075)	(6,851)
Equity in income of equity investees	1,536	1,235	6,538	5,866
Venezuela currency devaluation, net	—	(872)	(2)	(7,104)
Impairment of Venezuela investment properties	—	(9,304)	—	(9,304)
Gain on bargain purchase	—	—	4,679	—
Other, net	(473)	79	632	1,495
Total other (expense) income, net	(2,048)	(10,703)	3,772	(15,898)
(Loss) income before income taxes	(9,567)	(11,425)	(7,798)	696
Income tax (benefit) expense	(2,526)	2,946	(1,735)	1,638
Net loss	$ (7,041)	$ (14,371)	$ (6,063)	$ (942)
Less: net loss attributable to non-controlling interest	(1,691)	—	(3,381)	—
Net loss attributable to Voxx International Corporation	$ (5,351)	$ (14,371)	$ (2,682)	$ (942)
Other comprehensive income (loss):				
Foreign currency translation adjustments	3,324	(17,387)	(5,702)	(33,170))
Derivatives designated for hedging	(767)	1,729	(2,440)	3,258
Pension plan adjustments	486	(1,547)	640	(1,423)
Unrealized holding loss on available-for-sale investment securities arising during the period, net of tax	19	(34)	20	(27)
Other comprehensive income (loss), net of tax	3,062	(17,239)	(7,482)	(31,362))
Comprehensive loss attributable to Voxx International Corporation	$ (2,289)	$ (31,610)	$ (10,164))	$ (32,304))
Net loss per common share attributable to Voxx International Corporation (basic)	$ (0.22)	$ (0.6)	$ (0.11)	$ (0.04)
Net loss per common share attributable to Voxx International Corporation (diluted)	$ (0.22)	$ (0.6)	$ (0.11)	$ (0.04)
Weighted-average common shares outstanding (basic)	24,159,419	24,126,781	24,172,710	24,330,361
Weighted-average common shares outstanding (diluted)	24,159,419	24,126,781	24,172,710	24,330,361

Reconciliation of GAAP Net (Loss) Income to Adjusted EBITDA

	Three Months Ended February 29, 2016	Three Months Ended February 29, 2015	Year Ended February 29, 2016	Year Ended February 28, 2015
Net income (loss)	$ (5,351)	$ (14,371)	$ (2,682)	$ (942)
Adjustments:				
Interest expense and bank charges (1)	2,996	1,841	7,960	6,851
Depreciation and amortization (1)	3,872	4,209	15,228	15,565
Income tax expense (benefit)	(2,526)	2,946	(1,735)	1,638
EBITDA	(1,009)	(5,375)	18,771	23,112
Stock-based compensation (1)	173	230	859	521
Venezuela bond remeasurement	0	694	0	7,396
Impairment of Venezuela investment properties	0	9,304	0	9,304
Restructuring charges	0	1,134	0	1,134
Intangible asset impairment charges	2,860	0	9,070	0
Gain on bargain purchase	0	0	(4,679)	0
Acquisition costs	0	0	800	0
Adjusted EBITDA	$ 2,025	$ 5,987	$ 24,821	$ 41,467
Diluted earnings (loss) per common share	$ (0.22)	$ (0.60)	$ (0.11)	$ (0.04)
Diluted adjusted EBITDA per common share	$ 0.08	$ 0.25	$ 1.03	$ 1.70

VOXX

Moderator: Glenn Wiener
May 19, 2016
12:00 p.m. ET

CID: 9357994

Operator: This is conference # 9357994.

Operator: Good day, ladies and gentlemen and welcome to the VOXX International Year-end Conference Call. At this time, all participants are in a listen-only mode. [Operator Instructions] Later, we will conduct a question-and-answer session and instructions will follow at that time. As a reminder, today's conference may be recorded.

I'd now like to introduce your host for today's conference Mr. Glenn Wiener. Sir, please go ahead.

Glenn Wiener: Thank you, Liz, and good morning, everyone. Welcome to VOXX International's fiscal 2016 results conference call. The call today is being webcast on the Web site, www.voxxintl.com and can be accessed in the Investor Relations section. We also have a replay available for those who are unable to join us this morning.

We filed our Form 10-K with the Securities and Exchange Commission and issued our press release over PR Newswire yesterday. Both copies can be found on our Web site in the IR section under SEC Filings and News Releases, respectively.

Speaking for management this morning will be Pat Lavelle, our President and Chief Executive Officer; and Michael Stoehr, our Senior Vice President and Chief Financial Officer, both of whom will be available for questions after our prepared remarks. Before I turn the call over to Mike, I'd like to remind everyone that except for historical information contained herein, statements made on today's call and Webcast that would constitute forward-looking statements are based on currently available information. The Company assumes no responsibility to update any such forward-looking statements. Risk factors associated with our business are detailed in our Form 10-K for 2016 period ended February 29, 2016.

At this time, I'd like to turn the call over to our CEO, Pat Lavelle.

Pat Lavelle: Good morning everyone and I think this time on this call we were going to report the numbers first and I'd have Mike go through that and then I'll follow-up with some thoughts on the 2017 fiscal where we see opportunities, where we see growth within the categories that we're in. So, we will start this morning with Mike. So, Mike.

Michael Stoehr: OK, Pat. Thank you. Good morning everyone. I'll begin today with a review of our financial results and balance sheet. And as Pat said, he'll cover the business segments in our outlook.

Net sales for both the fourth quarter of fiscal 2016 and fiscal 2015 were approximately $170 million. The euro averaged 1.09 versus 1.18, down 7.6% and when you exclude the euro conversion impact net sales were up approximately 2.4%.

Within our business segments, before adjusting for the euro, our automotive segment was down $6.1 million, but roughly half of that decline was attributable to the euro conversion.

Our aftermarket sales were down $3.9 million for the quarter, principally as a result of licensing our Jensen business, which approximated $3.2 million. When adjusting for the euro, our OEM business was up.

Premium Audio sales declined by $400,000, and again adjusting for the euro newly introduced products are having a positive impact on our performance. And as you can see from our results in the second half of the year, declines have been reduced significantly.

We have strong growth this quarter and our consumer accessories segment which was up approximately $7.8 million. Again, excluding the euro, and up $7.1 million overall. This was primarily due to the higher sales of wireless and Bluetooth speakers and 360Fly action cameras.

Gross margins came in at 27.6%, down 150 basis points. The principal cause of this was a shift in product mix within our consumer accessories and automotive business segments. Regarding automotive, margins declined as we are nearing the end of certain OEM programs and we would expect margins to increase as new programs begin this fiscal year.

Additionally, in quarter four of fiscal '16 we had two one-time events that adversely affected gross margins by 80 basis points and which will not repeat in fiscal '17. Without them gross margins would have been 28.4%. The decline in our margin was partially offset by improvements in tooling, obsolescence, and warranty.

Operating expenses were $54.3 million, or up $4.2 million, all of which was a result of the EyeLock transaction. I'd like to point out that almost 60% of our total R&D expenses are EyeLock driven as we continue to invest in building out the next generation of iris authentication products.

Also during the quarter we had a non-cash impairment charge of approximately $2.9 million. When looking at the pure overhead of the Company, without EyeLock and related expenses, and the impairment core overhead was down $2.9 million as we continue to institute cost control measures throughout our global footprint.

We reported an operating loss of $7.5 million versus a loss of $700,000 in last year's fourth quarter. Excluding the non-cash impairment and costs associated with EyeLock, which totaled $7 million combined, the operating loss would have been $500,000 from the core business.

Other expenses for fiscal 2016 fourth quarter totaled $2 million compared to $10.7 million in last year's fourth quarter. Interest and bank charges increased $1.3 million as a result of our amendment to the old loan agreement.

In the fourth quarter of fiscal '15 there was a lot of activity in Venezuela, which we've covered on prior calls were the expenses totaling $10 million, and our JV income related to ASA increased $300,000 for the quarter.

Based upon all of the above, this resulted in a net loss of $7 million inclusive of EyeLock or a net loss attributable to VOXX of $5.4 million in the fourth quarter of fiscal 2016 versus a net loss of $14.4 million for the comparable period in fiscal '15.

Lastly we reported EBITDA loss of $1 million versus an EBITDA loss of $6.2 million in the fourth quarter of last year. And adjusted EBITDA was $2 million versus $5.2 million for the comparable fourth quarter period.

Now for the fiscal year comparisons, but I'll keep my remarks brief. As information in our Form 10-K and the euro impact is broken out in our press release. Net sales of $680 million were down close to $77 million or roughly 10% with the euro conversion accounting for $40 million of the decline.

The automotive segment declines were primarily due to the euro conversion, lower sales of remote starts, our licensing of the Jensen brand, lower satellite radio products sales, and the continued phased out of all the product lines offset by increases in our OEM business.

Both the Consumer Accessories and Premium Audio segment changes were similar to what I discussed in our fourth quarter remarks. Gross margins of 28.7% were down 90 basis points. Again, the overall discussions in the fourth quarter for automotive and consumer accessories hold this true, and Premium Audio margins increased 130 basis points, again reflecting higher margins associated with our newer offerings.

The fourth quarter events impacted gross profit margins by 20 basis points. Total operating expenses were flat for both periods at approximately $207 million. We had $17.6 million of expenses related to EyeLock and non-cash impairment charges, offset by $12 million in lower expenses related to the euro in fiscal '16 and $1.1 million related to restructuring charges in fiscal '15.

Core overhead on an apples-to-apples basis declined roughly $4 million. You can refer to Form 10-K for information regarding other income expenses as the fourth quarter comments are consistent. The close to $19 million variance primarily relates to Venezuela as I discussed previously.

The effective tax rate in fiscal 2016 was an income tax benefit of 22.3%. Details can be found in our 10-K. As a result of all the transaction charges incurred, we reported net loss inclusive EyeLock of $6.1 million and a net loss attributable to VOXX of $2.7 million versus a loss of $900,000 last fiscal year.

On an EBITDA basis, we reported EBITDA of $18.8 million versus $23.1 million last year and adjusted EBITDA of $24.8 million versus $41.5 million in fiscal '15. Please refer to our press release and Form 10-K for the adjustments.

Moving on to the balance sheet, our cash position as of February 29 2016 was $11.8 million versus $8.4 million on February 28, 2015, an increase of $3.4 million. Accounts receivable reduced by $15.7 million and our inventory positions decreased by $12.6 million.

Our total debt as of year-end which includes mortgages and capital leases stood at $100.9 million compared $86.2 million at fiscal year ‘15 year-end. This includes financing for our Lake Nona OEM facility of $9.2 million and acquisition in support of EyeLock of $29.3 million. Exclusives of these events, our total debt would have declined by approximately $24 million.

Lastly, in April, the Company closed on a second amended and restated credit agreement, which provided a total facility of $155 million composed of a $140 million asset based loan and a $15 million four-year term loan. This facility which expires in 2021 was secured by certain assets real estate and trademarks of the Company. Details of which are in our Form 8-K.

This concludes my prepared remarks and I'll turn the call over to Pat. Pat?

Pat Lavelle: OK. Thank you, Mike. We knew coming into this year that it was a challenging environment and for most part we plan for it. The biggest impact came from a decline in premium audio sales due to ongoing product transitions throughout the year and products launch delays. However, moving into fiscal 2017, we have some encouraging signs.

Premium Audio is stabilizing, now that we have fully transitioned to the newer products that carry higher margins. Our OEM business performed well and we have a number of new contracts across all OEM product categories and sizable ones, which I’ll speak about momentarily.

We consolidated our aftermarket business and we believe this will help that group on a go forward basis. Consumer Accessories grew this past quarter and we should see better performance this year with the addition of EyeLock products, the new 360Fly 4K action cameras coming to market this month, and with expanded distribution. Additionally, we expect to see continued strength in wireless speakers and in reception products and our new project nursery cameras.

As for fiscal 2016, needless to say we are not pleased with the losses. As we move into the new fiscal year, in addition to our normal new product focus, we've also taken even more aggressive steps to align the organization and leverage resources more efficiently with an end goal of lowering our SG&A, while continuing to invest in technology.

I like to talk about our business segments, what we have in the works and what’s specifically is behind our optimism. Within our Automotive Group, VOXXHirschmann our OEM operation continues to build momentum. I discussed new contracts awarded in the third quarter valued at Û35 million on our last call.

During the fourth quarter, and in roughly 2.5 months since year-end, we were awarded new contracts totaling over $300 million. VOXXHirschmann Germany received awards of $99.6 million, VOXXHirschmann Solutions of $44 million, and VOXXHirschmann in North America of $168.4 million. Some are completely new and others are new awards, but replaced existing contracts. They’re all multiyear awards and the biggest impact will be in fiscal ‘18 through fiscal ‘21.

Some of the highlights are, new antenna and tuner contracts with multiple OEM partners, a trend we believe will continue as more and more wireless technologies move into the vehicle. New asset tracking contracts within the transportation industry. A new contract from (M’s de Mexico) for rear seat entertainment, and other contracts with GM for our new EVO base system we debuted at CES, new contracts for a minimum of eight vehicle models with one OE customer for our wireless entry keypad accessory which we also debuted at CES and will launch in July.

We also received several contracts with Subaru and Ford for our new 900 megahertz ultra range remote start system with programs that should run several years. Our pipeline is building and we have now received in excess of $800 million in new awards since we acquired Hirschmann and across all OEM operations.

As you know the lead time within the new OE -- within OE business is long, but I'm pleased to say that many of the awards that we won in fiscal ‘15 and ‘16 are now shipping and more will begin during fiscal ‘17. We expect OEM to continue to grow this year and well into the next several years.

In the aftermarket, we expect to see modest declines as we are continuing to phased out end-of-life products and we will not repeat approximately 6 months of Jensen sales as we license this business in August of 2015.

And aftermarket satellite radio sales continue to be affected by the increasing trend for these products to the standard on more and more vehicles. Additionally, we will be shipping our new CarLink Bluetooth Solution later this month, which could help offset some of the aftermarket softness.

Turing to Premium Audio, the new Klipsch products that we launched in our fiscal third quarter are beginning to reverse the declining sales trend I spoke about on our last call. New Bluetooth in-ear monitors, Bluetooth headphones, Dolby Atmos speaker systems and new streaming music systems are all placed well at retail. We have delivered the new hi-res WiSA theater system and our new DTS Play-Fi multi-room systems will be coming to market soon which would positively affect the top line in our second fiscal quarter. Our new product offerings are resonating at retail and with media.

In the last few months, we've gotten great reviews in trade, consumer, and business publications. And you can read more on these and other reviews and ratings on the Klipsch Web site, but there is a key takeaway here. The new products launched by Klipsch will have a positive impact and we believe fiscal ‘17 will show a return to growth in this category.

Consumer Accessories should continue to grow this year, we believe building on the 46% increase across our outdoor lifestyle speaker lines in fiscal Ô16 and our number one market share position in this category. Our 808 portable Bluetooth speakers launched only three years ago also showed double-digit growth and now rank number six by volume according to NPD.

The antenna category where we maintain our number one unit share position is slated for growth due to a number of promotions at major retailers for cord cutters and cord nevers. These are people who choose an over-the-air HD antenna and a Wi-Fi connection for free Internet TV and programming, eliminating costly cable.

We also have some new products. In July, Project Nursery which we debuted at CES, will launch a new line of monitors and a Sight & Sound Projector target at the lucrative baby infant market, which is a first for us. The new 360Fly 4K action camera ships later this month. This higher-end product features 4K higher resolution still pictures, live streaming, and has double the memory capacity to 64 gig. We’ve opened up distribution and have added independent sports marketing retailers and national retailers with more coming on throughout the year.

Turning to EyeLock, we believe our investment in EyeLock will be a strong value generator for our Company and our shareholders. Biometrics is [indiscernible] day. Its forecast to be a $30 billion market within the next four years. Now we know there will be multiple form factors, but in EyeLock we’re confident we have the best iris authentication solution in the industry with close to 80 patents or patents pending. Since we acquired our majority interest in them, we have allocated more resources to support R&D innovation. We are already working on next generation algorithms for all elements of the iris process including advance concepts that have pushed the limits of what's possible with optics, computer vision and machine learning techniques.

EyeLock technology currently resides natively on the four largest access control computer systems representing approximately 80% of the access control market. In addition to Stanley and Tyco, EyeLock now has a nationwide rep network and has expanded distribution with the additions of Anixter, ADI, PSA network, some of the largest value added resellers in the security market.

In addition we anticipate delivering a fourth generation iris module that is faster, cheaper and smaller than anything on the market today and we see limitless applications for the smart mobile, automotive, computation and financial service industries. Next month the embedded products group will be moving into their new location establishing their IoT Center of Excellence in Austin, Texas, where they will be working to embed technology into CE device networks, network appliances, automobiles and other IoT endpoints.

Over the past six months, EyeLock has doubled their pipeline and they remain in advanced discussions on several large multi-year contract opportunities. However much like the OEM relationships, these programs have long development cycles and take time to come to market with launch timing largely controlled by our partners and potential customers. With that said, based on recent conversations we believe several of these opportunities will materialize in the coming quarters, as we convert our pipeline into revenue.

Now while we still have some global economic headwinds, normal product transitions and there can always be so many unexpected events, we have every reason to believe that fiscal ‘17 will show organic growth on a dollar-to-dollar basis. We believe margins will hold. And we continue to take cost out of our business through refined procedural programs that increase productivity on a lower cost basis. Overall we expect to show significant improvements in operating income, net income and adjusted EBITDA and be in a position to generate positive cash flow while reducing our debt.

We do however have approximately $16 million to $18 million of annualized expenses for EyeLock that are geared towards R&D and innovation as we believe business with that group. We are encouraged and excited by the inbound interest we have received for licensing or acquiring the EyeLock technology.

As in years past, our first quarter is not projected to be our strongest as programs particularly in automotive have a bigger impact in the second and third quarter and load-ins with premium audio and consumer accessories are also planned for those periods.

We look forward to updating you on our progress, and at this time we will open the call up for questions.

Operator: Our first question comes from the line of James Medvedeff with Cowen and Company. Your line is now open.

James Medvedeff: Hi, good morning.

Pat Lavelle: Good morning.

James Medvedeff: I have a couple of questions here, one kind of jumps out at me, you say newer products sort of up and coming in the consumer accessories segment, and you let the mix somehow lowered the gross margin. So can you reconcile that?

Pat Lavelle: Well, we had some onetime adjustments; the adjustments that Mike was talking about affected the accessory group primarily on those onetime adjustments. And that was 80 basis points for the overall in the quarter. The 360 action camera is a lower margin than what we would normally do within the accessory space, primarily because we are not responsible for all the expenses within that category because we work with 360Fly. So as far as the bottom line, we think the bottom line is consistent with what we have within the accessory group.

James Medvedeff: So just digging into that a little bit further, can you say how much 360 degree fly contributed in the quarter?

Pat Lavelle: We would normally not report. We're only reporting on the top line numbers.

James Medvedeff: And can you give a little more detail on those, those one-time items that -- I guess, more total gross margin by 80 basis points, but significantly more amount for [technical difficulty] what would gross margins have been in the segment without those charges and what were they?

Pat Lavelle: One was a duty payment the other was a royalty adjustment and settlement. Those are one-times that won't repeat. I'd have to have -- I'd have to get back to you on exactly what the impact is for the accessory group.

James Medvedeff: OK. And sort of in the same vein, the automotive gross margins were also lower and so that's a mix issue between aftermarket and original equipment, is that right?

Pat Lavelle: Yes, one of the impacts that we've had there is that we had an amortization program where we were amortizing expenses to the end of a particular contract, the manufacturer had taken more than what was projected, so the amortization ended earlier and therefore the margin on that product dropped and that impacted us for the quarter. Now that program will eventually be replaced by a newer program where what happens is you reestablish your margins. But that and then the lower sales in the aftermarket of our remote start due to a warm winter, that's what was the majority of what affected the margins within the automotive group.

James Medvedeff: So we should expect those to recover, is that one contract now finished completely sun-setted?

Pat Lavelle: No, we're still shipping on it. It should finish later this year.

James Medvedeff: OK. So excluding that sort of thing we should be back a couple -- 100 basis points or so higher on gross margin by the end of the year?

Pat Lavelle: Again I would have to look at it. There are some other things that maybe affecting it as we start some of the newer programs. We have new programs that will be starting; we have the accessory program that starts in July of this year that should have a positive impact on it. And then again, I couldn't tell you right now how long the program that's set to sunset goes into 2017; I can check that for you.

James Medvedeff: OK. And I just want to make sure I've got the expense, sort of the right contract than expenses. SG&A you are going to try to keep flat year-over-year even including EyeLock?

Pat Lavelle: Yes, we had a lot of onetime expenses in the year that will not repeat. So we think that those expenses could go a long way in covering the expense, the added expense we have from EyeLock. Now that being said, as EyeLock gets closer and closer to launch of some programs, we may see an uptick in overhead in EyeLock as we may have to rush to meet launch date set by the customer, which means bringing on some more software engineers and things like that.

James Medvedeff: OK. And final question then overall I guess on the -- I have two more, on EyeLock when do you expect to launch those products?

Pat Lavelle: We have won the RFQs at one of the major financial institutions. They are in the process of getting their systems ready for it. We check with them every month. Tyco is the integrator, so it's really up to them. They've indicated that we would see it within the next few quarters, but it's largely up to how well they do in getting ready for a total revamp of their security system of which we're part of it and that's what the major holdup there is. With one of the big government agencies we have delivered on the three part authentication process that they've been asking us to build, they are in their approval process and that is again something that is largely controlled by them. But we have delivered on what they've asked us to build for them.

James Medvedeff: OK. And then my final question kind of returning to expenses is, how should we think about expenses in fiscal ‘17 relative to fiscal ‘16, higher, lower? The total expenses including EyeLock all in higher or lower?

Pat Lavelle: Well I can tell you we had about $9 million in onetime expenses that had come in through non-cash impairment charges. So I would say that -- we are looking at EyeLock $16 million, $18 million somewhere around there that we’d see somewhere around $215 million, $216 million in overall expenses for the year.

James Medvedeff: Perfect. Thank you very much.

Pat Lavelle: You are welcome. Liz, we’d like to thank you. And for all participating, if you have any follow-ups by all means please feel free to contact my office, and we do appreciate the support and look forward to better days ahead. And with that Liz, we will conclude today's call.

Operator: Ladies and gentlemen, thank you for your participation in today's conference. This concludes the program, and you may now disconnect. Everyone have a great day.

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