

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 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): June 3, 2003

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

DELAWARE (State or other jurisdiction of Incorporation)	1-9532 (Commission File Number)	13-1964841 (IRS Employer Identification Number)
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150 Marcus Boulevard, Hauppauge, New York (Address of principal executive offices)	11788 (Zip Code)
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Registrant's telephone number, including area code: (631) 231-7750

NONE  
(Former name or former address, if changed since last report)

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ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE.

On June 3, 2003, Audiovox Corporation (the "Company") issued a press release reporting that the United States Bankruptcy Court for the Southern District of New York accepted the bid by one of the Company's wholly owned subsidiaries for the audio assets of Recoton Corporation. A copy of the press release is attached hereto as Exhibit 99.1, and is incorporated by reference in its entirety.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) Exhibits.

Exhibit No.	Description
99.1	Press Release, dated June 3, 2003
99.2	Press Release, dated June 3, 2003

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On June 3, 2003, Audiovox Corporation issued a press release reporting fourth quarter and fiscal year end 2002 results. A copy of the press release is attached hereto as Exhibit 99.2, and is incorporated by reference in its entirety.



SIGNATURES

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

AUDIOVOX CORPORATION

Dated: June 4, 2003

By: s/Charles M. Stoehr

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Charles M. Stoehr  
Senior Vice President and  
Chief Financial Officer

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EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated June 3, 2003, announcing acceptance of bid to purchase certain assets of Recoton Corporation
99.2	Press Release, dated June 3, 2003, announcing fourth quarter and fiscal year end 2002 results.

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AUDIOVOX CORPORATION TO PURCHASE  
AUDIO BRANDS FROM RECOTON FOR \$40 MILLION

Well-known Jensen, Advent and Acoustic Research  
brands are at the center of the deal

Hauppauge, NY, June 3, 2003 . . . Audiovox Corporation (Nasdaq: VOXXE) today announced that the US Bankruptcy Court for the Southern District of New York has accepted the bid by one of the Company's wholly owned subsidiaries for the assets of Recoton (OTC: RCOTQ), which include the US audio operation as well as a German company. Under the terms of the purchase Audiovox will pay \$40.0 million and assume a \$5 million debt on the German company to acquire Recoton's U.S. audio operation, which includes well known brands Jensen, Advent and Acoustic Research as well as the purchase of the shares of Recoton German Holdings GmbH, a wholly owned subsidiary with 2002 sales of \$70 million.

The proposed transaction will create one of the largest U.S. audio suppliers of mobile entertainment products, adding to the company's existing portfolio of high quality mobile entertainment products marketed under three existing brands: Audiovox, Prestige and Rampage.

The purchase price was reached through an auction bidding process conducted pursuant to an order issued by the U.S. Bankruptcy Court for the Southern District of New York. Recoton Corporation filed a voluntary petition to reorganize under Chapter 11 of the U.S. Bankruptcy Code on April 8, 2003 in the Southern District of New York

John J. Shalam Chairman of Audiovox Corp. said, "Our strong balance sheet allows us to consider the growth opportunities that acquisitions like this one can provide. Our bank lines are extensive and are presently barely being utilized. I expect this acquisition will create minimal financial pressure on our operation since our cash position combined with our credit facilities will more than cover the transaction. The deal made sense because of the synergies that exist in our product lines, customer base and business practices and we expect it to be accretive from the onset and to generate additional revenue of between \$70 and \$100 million in the first year of our ownership."

Shalam continued, "Recoton's U.S. audio business will be assimilated into our wholly owned subsidiary Audiovox Electronics Corp. (AEC). The German company will allow us additional growth opportunities as we begin to promote our consumer electronics and mobile products through the already established Recoton distribution network in Western Europe."

Patrick Lavelle, president and CEO of AEC also commented on the acquisition, "We expect to blend

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Audiovox Corporation To Purchase Audio Brands...  
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the Recoton brands into our electronics subsidiary with minimal overhead expense. We believe that the addition of the well-known Jensen brand will allow Audiovox Electronics Corp to expand marketing opportunities within existing 12-volt distribution channels. We will utilize this acquisition to expand Audiovox's penetration into the home by offering a complete line of Acoustic Research, Advent and Audiovox speaker and entertainment systems."

In addition, during the second quarter we took charges relating to analog inventories which also had a substantial negative effect on second quarter performance."

Audiovox Corporation is an international leader in the marketing of cellular telephones, mobile security and entertainment systems, and consumer electronics products. Audiovox Electronics Corp is a wholly owned subsidiary that markets auto sound, vehicle security, mobile video systems, and consumer electronics products such as Flat Panel TV's, Portable DVD players, Two-Way radios, MP 3 products and home and portable stereos. For additional information, visit their web site at [www.audiovox.com](http://www.audiovox.com) or call 1- 800-290-6650.

Audiovox Safe Harbor

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 statement. 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 our ability to keep pace with technological advances; significant competition in the wireless, mobile and consumer electronics businesses; quality and consumer acceptance of newly introduced products; our relationships with key suppliers and customers; market

volatility; non-availability of product; excess inventory; price and product competition; new product introductions; the possibility that the review of our prior filings by the SEC may result in changes to our financial statements; the possibility that our failure to timely file our quarterly report on Form 10-Q for the quarter ended February 28, 2003 will result in a determination that we are subject to delisting from the Nasdaq Stock Market; and the possibility that stockholders or regulatory authorities may initiate proceedings against Audiovox and/or our officers and directors as a result of any restatements that may be required as a result of the resolution of the SEC comment letter. Risk factors associated with our business, including some of the factors set forth herein, are detailed in the Company's Form 10-K for the fiscal fourth quarter and year ended November 30, 2002 and other documents filed with the SEC.

Company Contacts:

C. Michael Stoehr, SVP and CFO - (631) 231-7750

Glenn Wiener, Investor and Financial Media Relations - (212) 786-6011.

Exhibit 99.2

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FOR IMMEDIATE RELEASE

Company Contacts:

C. Michael Stoehr Glenn Wiener  
SVP and CFO  
(631) 233-7750

Investor and Financial Media Relations  
(212) 786-6011 or GWIENER@GWCCO.COM  
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AUDIOVOX CORPORATION REPORTS FOURTH QUARTER AND FISCAL 2002

- o Q4 '02 Net Loss of \$0.69 vs. Q4 '01 Net Loss of \$0.14
- o FY '02 Net Loss of \$14.0 million vs. FY '01 Net Loss of \$7.2 million
- o Final FY '02 adjustment for the restatements results in a net cumulative loss through August 31, 2002 of \$65,000
- o Company sets conference call for June 9, 2003 at 10:00 AM to discuss FY '02 and Q1 '03
- o Annual meeting of Shareholders set for July 24, 2003

Hauppauge, NY, June 3, 2003 . . . Audiovox Corporation (Nasdaq: VOXXE) today announced that it has filed its Form 10-K for Fiscal 2002 with the Securities and Exchange Commission (SEC). In addition to announcing results, the Company has also set a conference call date for June 9, 2003 at 10:00 AM (EST) and the Annual Meeting of Shareholders for July 24, 2003. As soon as the Company files its Form 10-Q for the period ended February 28, 2003, it intends to request that Nasdaq remove the "E" on its trading symbol, subject to Nasdaq's requirement that the Company file its Form 10-Q for the quarter ended May 31, 2003 on or before July 15, 2003.the

John J. Shalam, Chairman, commented on the announcement, "We are pleased to get this difficult period behind us and are anxious to get on with the Company's business for 2003. Our balance sheet remains strong and we are in a position to grow with both new product additions and synergistic business acquisitions should they arise. We have a number of exciting new products from both groups set to start shipping in the second half of the year, many of which are already placed with key accounts. Our investors, customers and suppliers can be confident that now that we have these financial reporting issues behind us, management remains focused on increasing revenues and profits in 2003."

Restatement

As previously announced, the Company had delayed filing its Form 10-K for the fiscal year ended November 30, 2002 and Form 10-Q for the quarter ended February 28, 2003. As a result of an SEC comment letter and completion of its audit for Fiscal 2002, the Company has restated results for fiscal years 2000, 2001, and the first three quarters of fiscal 2002.

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Audiovox Corporation Reports...  
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On May 29, 2003, the Company announced an unaudited cumulative change as of that date, to income and equity of \$1.0 million. At the completion of the Company's audit, the cumulative change results in a loss of \$65,000 through the period ending August 31,2002. In finalizing the Form 10-K, the Company made an additional adjustment to its financial statements, reversing \$1.7 million in expenses incurred in connection with the Company's issuance of subsidiary shares, which was previously recorded in paid in capital. This resulted in an increase in stockholders equity and reduced the gain recorded on the issuance of those shares. After recovery for income taxes, the net charge to the income statement was \$1.1 million. The net effect of the adjustments had no impact on the Company's cash balances for any of those periods.

Although adjustments vary by period, the net cumulative effect of all of these changes, which include changes previously announced on March 14, 2003 and May 29, 2003, is as follows:

Effects of Restatement Adjustments on Net Income or Net Loss  
(in thousands)

Increase (Decrease)  
in Net Income  
for the Fiscal

(Increase) Decrease  
in Net Loss for the

Increase (Decrease)  
in Net Income for  
the Nine Months

Net



	Year Ended November 30, 2000 -----	Fiscal Year Ended November 30, 2001 -----	Ended August 31, 2002 -----	Cumulative Change -----
Restatement adjustments:				
Revenue recognition	(\$ 779)	\$ 779	--	--
Timing of revenue	--	(15)	(\$ 103)	(\$ 118)
Litigation	--	(373)	427	54
Foreign currency translation	--	--	(1,491)	(1,491)
Inventory pricing	--	--	420	420
Sales incentives	1,884	910	847	3,641
Gain on the issuance of subsidiary shares	--	--	(1,556)	(1,556)
Operating expense reclassification to cost of sales (1)	--	--	--	--
Total adjustment to pre-tax income (loss)	1,105	1,301	(1,456)	950
(Provision for) recovery of income taxes	(842)	(310)	204	(948)
Minority interest (2)	--	20	(87)	(67)
	-----	-----	-----	-----
Total effect on net income (loss)	\$ 263 =====	\$ 1,011 =====	(\$1,339) =====	(65) =====

(1) This adjustment represents a reclassification of warehousing and technical support and general and administrative costs (which are a component of operating expenses) to

Exhibit 99.2

cost of sales. This reclassification did not have any effect on previously reported net income or (loss) for any fiscal year or period presented herein.

- (2) This adjustment reflects the impact of the restatement adjustments on minority interest.

#### Fiscal Year 2002

For the fiscal year ended November 30, 2002, net sales were \$1.1 billion. For the fiscal year ended November 30, 2002, the Company's majority-owned subsidiary, Audiovox Communications Corp. (ACC) had revenues of \$727.7 million on sales of 4.9 million units. The average selling price was \$136 per unit due to higher priced, new product introductions during the fourth quarter. Wireless sales were impacted by reduced consumer demand, price erosion and delivery delays by some of ACC's suppliers. These conditions resulted in an additional adjustment to the carrying value of the wireless inventory. For the fiscal year-ended November 30, 2002, the Company's wholly owned subsidiary, Audiovox Electronics Corp. (AEC) posted sales of \$372.7 million. Sales in AEC were positively impacted by continued growth in the mobile video, security and consumer product categories.

For the fiscal year ended November 30, 2002, net loss and loss per common share were \$14.0 million and \$0.64 per share, both basic and diluted, respectively. As a result of the additional sale of shares of ACC to Toshiba Corporation, Audiovox Corporation's majority ownership of ACC was reduced to 75%. For Federal Income Tax purposes, ACC will no longer be consolidated in the parent company's Federal Tax returns. The Company has recorded a valuation allowance of \$13.1 million on the deferred tax assets of ACC.

For the fiscal year ended November 30, 2002, ACC's loss before taxes was \$24.9 million. Income before taxes for AEC was \$17.7 million. AEC provided for additional foreign currency translation costs relating to the Company's Venezuelan subsidiary. The Company reports its operating segments on an income before taxes basis and retains certain expenses at the corporate level, which are not allocated to the operating segments.

#### Fourth Quarter '02 Results

Net sales for the fourth quarter of fiscal 2002 were \$316.9 million. Net sales for ACC were \$211.1 million for the fourth quarter with 1.5 million total units sold at an average selling price of \$137.

Fourth quarter net sales for AEC were \$105.8 million. The Company reports its operating segments on an income before taxes basis and retains certain expenses at the corporate level, which are not allocated to the operating segments.

Net loss and loss per common share for the quarter, which includes a valuation allowance on ACC's deferred tax assets were \$15.1 million and \$0.69 basic and diluted, respectively. ACC's fourth quarter loss before taxes was \$9.4 million. AEC's fourth quarter income before taxes was \$2.8 million. The Company reports its operating segments on an income before taxes basis.

There were several charges taken by ACC during the fourth quarter. The Company recorded a valuation allowance of \$13.1 million on the deferred tax assets of ACC. In addition, results were affected by markdowns recorded on ACC's inventory and the increased provision for doubtful accounts for a PCS carrier and for customers in Venezuela and Argentina, due to the current economic conditions there.

The Electronics group provided an additional provision for inventory as a result of fourth quarter order cancellations from some of its mass merchant customers. This markdown reflects future resale value of the inventory based on current market conditions.

In addition, during the second quarter we took charges relating to analog inventories which also had a substantial negative effect on second quarter performance."

#### Conference Call

Audiovox Corporation will be hosting a results conference call on June 9, 2003 at 10:00 a.m. (EDT) to discuss the results of Fiscal 2002 and the first quarter of 2003. Interested parties may participate in a listen-only mode via a real-time web cast by visiting the Company's web site <http://www.audiovox.com>.

For those who will be unable to participate on the call, a replay will be available approximately one hour after the call has been completed and will last for one week thereafter.

Replay Number: 888-286-8010      International Call-in Number: 617-801-6888  
Access Code: 14864630

#### Annual Meeting

Audiovox will be hosting its Annual meeting on Thursday, July 24th at 10:00 a.m. at the Sheraton Hotel in Hauppauge, New York.

Audiovox Corporation is an international leader in the marketing of cellular telephones, mobile security and entertainment systems, and consumer electronics products. The Company conducts its business through two subsidiaries and markets its products both domestically and internationally under its own brands. It also functions as an OEM (Original Equipment Manufacturer) supplier to several customers. For additional information, please visit Audiovox on the Web at <http://www.audiovox.com>.

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 statement. 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 our ability to keep pace with technological advances; significant competition in the wireless, mobile and consumer electronics businesses; quality and consumer acceptance of newly introduced products; our relationships with key suppliers and customers; market volatility; non-availability of product; excess inventory; price and product competition; new product introductions; the possibility that the review of our prior filings by the SEC may result in changes to our financial statements; the possibility that our failure to timely file our quarterly report on Form 10-Q for the quarter ended February 28, 2003 will result in a determination that we are subject to delisting from the Nasdaq Stock Market; and the possibility that stockholders or regulatory authorities may initiate proceedings against Audiovox and/or our officers and directors as a result of any restatements that may be required as a result of the resolution of the SEC comment letter. Risk factors associated with our business, including some of the factors set forth herein, are detailed in the Company's Form 10-K for the fiscal fourth quarter and year ended November 30, 2002 and other documents filed with the SEC.

- Table Follows -

Exhibit 99.2

AUDIOVOX CORPORATION

Consolidated Statement of Operations

(In Thousands, Except Share and Per Share Data)

	Three Months Ended			Twelve Months Ended	
	November 30,		November 30,	November	
	2001	2002	2000	30,	2002
	(unaudited)	(unaudited)	(as restated)	(as restated)	(as restated)
Net sales	341,152	316,853	1,670,291	1,276,591	1,100,382
Cost of sales	323,017	302,098	1,551,666	1,205,201	1,025,783
Gross profit	18,135	14,755	118,625	71,390	74,599
Operating expenses					
Selling	7,628	7,639	29,056	30,039	29,509
General and administrative	12,481	15,600	46,466	46,505	55,292
Warehousing, assembly and repair	1,137	1,117	3,474	4,082	3,874
Total operating expenses	21,246	24,356	78,996	80,626	88,675
Operating income	(3,111)	(9,601)	39,629	(9,236)	(14,076)
Gain on issuance of subsidiary's shares	0	0	0	0	14,269
Other income (expense)	(1,282)	(1,970)	2,514	(2,246)	(6,596)
Income (loss) before provision for (recovery of) income taxes and cumulative effect of a change in accounting principle	(4,393)	(11,571)	42,143	(11,482)	(6,403)
Provision for (recovery of) income taxes	(1,169)	7,696	15,766	(3,627)	12,932
Minority interest income (expense)	147	4,193	(1,074)	657	5,055
Income (loss) before cumulative effect of a change in accounting for negative goodwill	(3,077)	(15,074)	25,303	(7,198)	(14,280)
Cumulative effect of a change in accounting for negative goodwill	0	0	2,189	0	240
Net income (loss)	(3,077)	(15,074)	27,492	(7,198)	(14,040)
Net income (loss) per common share (basic):					
Income (loss) before extraordinary item and cumulative effect of a change in accounting for negative goodwill	(\$0.14)	(\$0.69)	\$1.19	(\$0.33)	(\$0.65)
Extraordinary item - gain on extinguishment of debt	-	-	\$0.10	-	-
Cumulative effect of a change in accounting for negative goodwill	-	-	-	-	\$0.01
Net income (loss) per common share	(\$0.14)	(\$0.69)	\$1.29	(\$0.33)	(\$0.64)
Net income (loss) per common share (diluted):					
Income (loss) before extraordinary item and cumulative effect of a change in accounting for negative goodwill	(\$0.14)	(\$0.69)	\$1.12	(\$0.33)	(\$0.65)
Extraordinary item - gain on extinguishment of debt	-	-	\$0.10	-	-
Cumulative effect of a change in accounting for negative goodwill	-	-	-	-	\$0.01
Net income (loss) per common share	(\$0.14)	(\$0.69)	\$1.22	(\$0.33)	(\$0.64)
Weighted average number of common shares outstanding:					
basic	21,966,461	21,809,903	21,393,566	21,877,100	21,850,035
diluted	21,966,461	21,809,903	22,565,806	21,877,100	21,850,035

