

KOSS CORP
Form 10-K/A
November 17, 2004

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K/A,

AMENDMENT NO. 2

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended June 30, 2003

OR

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

COMMISSION FILE NUMBER
0-3295

KOSS CORPORATION

(Exact name of registrant as specified in its charter)

A Delaware Corporation

391168275

(State or other jurisdiction of incorporation or
organization)

(I.R.S. Employer Identification No.)

4129 North Port Washington Avenue, Milwaukee,
Wisconsin

53212

(Address of principal executive offices

(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Name of Each Exchange on Which Registered

NONE

NONE

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, \$0.005 par value
(voting)

(Title of class)

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 []

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [x]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12(b)-2). YES [] NO [X]

The aggregate market value of the voting stock held by nonaffiliates of the registrant as of December 31, 2002 was approximately \$8,715,910 (based on the \$18.65 per share closing price of the Company's Common Stock as reported on the NASDAQ Stock Market on December 31, 2002). In

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determining who are affiliates of the Company for purposes of this computation, it is assumed that directors, officers, and any persons who held on August 1, 2003 more than 5% of the issued and outstanding common stock of the Company are affiliates of the Company. The characterization of such directors, officers, and other persons as affiliates is for purposes of this computation only and should not be construed as a determination or admission for any other purpose that any of such persons are, in fact, affiliates of the Company.

On August 1, 2003, 3,767,929 shares of voting common stock were outstanding.

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Certifications of CEO and CFO

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EXPLANATORY NOTE

Koss Corporation (the Company) is filing this Amendment No. 2 on Form 10-K/A for the fiscal year ended June 30, 2003, to amend Item 7, Item 9A, Item 15, Exhibit 23, Exhibit 31 and Exhibit 32 of its annual report on Form 10-K/A, Amendment No. 1 filed on March 10, 2004 (the Amended Report), which amended its original annual report on Form 10-K filed on August 19, 2003.

This Amendment No. 2 on Form 10-K/A only amends Item 7, Item 9A, Item 15, Exhibit 23, Exhibit 31 and Exhibit 32 of the Amended Report. It does not affect the financial statements and footnotes or other disclosures filed in the Amended Report.

This amended annual report continues to speak as of the original date of the original annual report and unless as otherwise noted, the Company has not updated the disclosure in this amended annual report to speak as of a later date.

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PART II

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The Management's Discussion and Analysis of Financial Condition and Results of Operations presented below reflects the restatement to previously issued consolidated financial statements for fiscal 2003, 2002 and 2001. For further discussion of this matter, see Note 14 to the consolidated financial statements of the Form 10-K/A, Amendment No. 1, which was filed on March 10, 2004.

FINANCIAL CONDITION AND LIQUIDITY

During 2003, cash provided by operations was \$2,796,616. Working capital was \$14,227,234 at June 30, 2003. The increase in working capital of \$1,470,571 from the balance at June 30, 2002 represents primarily the net effect of an increase in cash, receivables, inventories, income taxes receivable and payables. The increase in the Company's accounts receivables is attributable solely to the Company's acquisition of Bi-Audio. At June 30, 2003, the Bi-Audio receivables were \$566,744, compared with -0- at June 30, 2002. The increase in the number of days' sales in accounts receivable is solely due to the Company's acquisition of Bi-Audio. The relative increase in receivables is not indicative of a collection problem, but attributable solely to the Company's acquisition of Bi-Audio.

Capital expenditures for new property and equipment (including production tooling) were \$627,567, \$664,139, and \$814,851, in fiscal years 2003, 2002, and 2001, respectively. Depreciation charges totaled \$569,776, \$576,892, and \$599,526, for the same fiscal years. Budgeted capital expenditures for fiscal year 2004 are \$1,273,000. The Company expects to generate sufficient funds through operations to fund these expenditures.

Stockholders' investment increased to \$16,501,202 at June 30, 2003 from \$13,735,534 at June 30, 2002. The increase reflects primarily the effect of the purchase and retirement of common stock and dividends declared offset by current year net income and proceeds from the exercise of stock options during the year. On June 27, 2003, the Company declared a quarterly cash dividend of \$0.13 per share (\$488,856) payable on July 15, 2003 to stockholders of record on June 30, 2003, which is recorded as dividends payable.

The Company's credit facility matures on November 1, 2003. This unsecured credit facility provides for borrowings up to a maximum of \$10,000,000. The Company can use this credit facility for working capital purposes or for the purchase of its own common stock pursuant to the Company's stock repurchase program. Borrowings under this credit facility bear interest at the bank's prime rate, or LIBOR plus 1.75%. This credit facility includes certain financial covenants that require the Company to maintain a minimum tangible net worth and specified current, interest coverage, and leverage ratios. The maximum leverage of the Company, which consists of the ratio of its total liabilities to its tangible net worth, must not exceed 1.50 to 1.0. The tangible net worth of the Company must not fall below \$10.0 million at any time. The fixed charge ratio of the Company, which consists of the ratio of its earnings before interest, income taxes, depreciation, amortization, and other non-cash charges to its total interest expense, must not be less than 2.10 to 1.0. The current ratio of the Company, which is the ratio of its current assets to its current liabilities, must exceed 2.50 to 1.0. The Company has been and is well within these requirements. However, if the Company at some point in the future fails to meet the financial covenants, the lender may accelerate the debt and allow creditors to foreclose on the assets. The Company uses its credit facility from time to time, although there was no utilization of this credit facility at June 30, 2003 or June 30, 2002.

In April of 1995, the Board of Directors approved a stock repurchase program authorizing the Company to purchase from time to time up to \$2,000,000 of its common stock for its own account. Subsequently, the Board of Directors periodically has approved increases in the stock repurchase program. The most recently approved increase was for

additional purchases of \$2,000,000, which occurred in January of

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2003, for an aggregate maximum of \$37,500,000. The Company intends to effectuate all stock purchases either on the open market or through privately negotiated transactions, and intends to finance all stock purchases through its own cash flow or by borrowing for such purchases. The Company will continue to redeem its shares from the market when the board determines the shares to be undervalued. The Company may elect to use the purchase of these shares to minimize the dilutive effects to its stockholders when the Company's stock is used in acquisitions as consideration (as in the case of the purchase of the assets of ADDAX). The Company has no immediate plans to make another acquisition at this time.

For the fiscal year ended June 30, 2003, the Company purchased 67,500 shares of its common stock at an average net price of \$13.58 per share, for a total purchase price of \$916,663. As of the date hereof, the Company's Board of Directors has authorized the repurchase by the Company of up to \$2,112,685.82 in Company common stock at the discretion of the Chief Executive Officer of the Company.

From the commencement of the Company's stock repurchase program through June 30, 2003, the Company has purchased a total of 4,924,180 shares for a total gross purchase price of \$39,778,045 (representing an average gross purchase price of \$8.08 per share) and a total net purchase price of \$35,418,735 (representing an average net purchase price of \$7.19 per share). The difference between the total gross purchase price and the total net purchase price is the result of the Company purchasing from certain employees shares of the Company's stock acquired by such employees pursuant to the Company's stock option program. In determining the dollar amount available for additional purchases under the stock repurchase program, the Company uses the total net purchase price paid by the Company for all stock purchases, as authorized by the Board of Directors.

RISK FACTORS

REDUCTION IN PRESENT LEVELS OF CASH FLOW COULD ADVERSELY AFFECT THE COMPANY'S BUSINESS

The Company's primary source of liquidity over the past twelve months has been operating cash flows. The Company's future cash flows from operations (on both a short term and long term basis) are dependent upon, but not limited to:

- the Company's ability to attract new customers that will sell the Company's products and pay for them,
- the Company's ability to retain the Company's existing customers at the level of sales previously produced,
- the volume of sales for these customers,
- the loss of business of one or more primary customers,
- changes in types of products that the customers purchase in their sales mix,
- the volume of royalty income paid to the Company by its licensees based upon the terms of each royalty agreement, including the inability to negotiate favorable royalty arrangements and renew current arrangements with certain existing favorable terms,
- poor or deteriorating economic conditions which would directly impact the ability of the Company's customers to remain in business and pay for their products on a timely basis,

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management's ability to hold the line on any requests for increases in material or labor cost increases, and

the ability to collect in full and in a timely manner, amounts due to the Company.

In addition, as noted above, the Company's cash flow is also dependent, to some extent, upon our ability to maintain our operating margins. If there were a general downturn in economic conditions or other events that caused our customers to turn to lower-priced, lower-margin products, our cash flow and profitability could be materially and adversely affected.

FAILURE TO ATTRACT AND RETAIN CUSTOMERS TO SELL THE COMPANY'S PRODUCTS COULD ADVERSELY AFFECT SALES VOLUME AND FUTURE PROFITABILITY

The Company markets a line of products used by consumers to listen to music. The Company distributes these products through retail channels in the U.S. and independent distributors throughout the rest of the world. The Company is dependent upon the Company's ability to retain an existing base of customers to sell the Company's line of products. Loss of customers means loss of product placement. The Company has broad distribution across many channels including specialty stores, mass merchants, electronics stores and computer retailers. Since distribution is broadly based, any loss of a customer directly translates into a reduction in sales volume which can only be replaced by replacing a similar number of representative retail outlets. The inability of the Company's sales and marketing staff to obtain new distribution outlets translates into a lack of future growth and possibly a setback in sales volumes when loss of current customers occurs. For example, the loss a customer representing 10% of the Company's business would translate into a reduction in revenues of up to 10% based upon the point through the fiscal year that the customer was lost. Attracting a new customer during the course of a fiscal year could have a positive impact or simply replace an account which has been lost. In addition, a customer can decide to make a change in the models that it decides to offer for sale. Such changes can take place arbitrarily throughout the course of a year which can cause reductions in sales revenues in proportion to the number of retail outlets that the store represents in the market. The Company may not be able to maintain customers or model selections and therefore experience a reduction in its sales revenue until a model is restored to the mix or a customer is replaced by a new customer. A reduction in sales volume would cause a reduction in profitability. The Company's failure to retain existing customers, obtain new customers or develop new product lines that customers would choose to offer to consumers could significantly affect the Company's future profitability. The loss of business of one or more principal customers or a change in the sales volume from a particular customer could have a material adverse effect on the Company's sales volume and profitability.

SHIFT IN CUSTOMER SPECIFICATIONS TO LOWER PRICED ITEMS CAN REDUCE PROFIT MARGINS NEGATIVELY IMPACTING PROFITABILITY

The Company sells a line of products with a suggested retail price ranging from less than \$10 dollars US to \$1000 dollars US. The gross margin for each of these models is unique in terms of percentages. The price range of the products also produces a different level of actual dollar contribution per unit. For example a product with a gross margin contribution of 50% might yield a \$5.00 contribution for one item, while another item may feature a 30% gross margin which could yield \$50.00 dollars. The Company finds the low priced portion of the market most competitive and therefore most subject to pressure on gross margin percentages which tends to lower profit contributions. Retail preference for lower priced items can reduce profit margins and contributions. The risk is that a shift in retail customer specifications toward lower priced items can lead to lower gross margins and lower profit contributions per unit of sale. Due to the range of products that the Company sells, the product sales mix can produce a variation in terms of a range of profit margins. Some customers sell a limited range of products that yield lower profit margins than others. Most notably, the budget priced headphone segment of the market below \$10.00 retail which is distributed through computer stores, office supply stores, and mass market retailers tend to

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yield the lowest gross margins. An increase in business with these types of accounts, when coupled with a simultaneous reduction in sales to customers with higher gross margins will reduce profit margins and profitability.

POOR ECONOMIC CONDITIONS CAN RESTRICT OR LIMIT PRODUCT PLACEMENT, SALES AND REPLENISHMENT WHICH COULD DECREASE PROFITS

Deteriorating or weak economic conditions, or a forecast for the same, can trigger changes in inventory stocking at retail. This may in turn lead to a reduction in model offerings and to out of stock situations. If a retail customer of the Company does not have adequate stocks of the Company's products to offer for sale in a retail store, consumers may choose another competitive model instead. Customers operating retail stores anticipate future sales demands and inventory products accordingly. Whenever a general economic slowdown occurs, at both the domestic or foreign level, sales volume levels and re-orders change. These changes directly impact the Company's sales and profitability. The Company is not in a position to determine how it will be affected by these circumstances, how extensive the effects may be, or for how long the Company may be impacted by these circumstances. The Company's customers respond to changes in economic conditions and any anticipated changes in economic conditions can therefore restrict product placement, availability, sales, replenishment and ultimately profitability. These conditions exist domestically and internationally.

MANAGEMENT IS SUBJECT TO DECISIONS MADE OUTSIDE ITS CONTROL WHICH COULD DIRECTLY AFFECT FUTURE PROFITABILITY

Retail customers determine which products they will stock for resale. The Company competes with other manufacturers to secure shelf space in retail stores for the Company's products. During the course of a year changes in the customers management personnel can ultimately lead to changes in the stock assortment offered to consumers. These changes are often arbitrary. The sales and marketing team cannot always overcome such decisions. In addition to changes in personnel within the Company's customers, it is also possible that a strategic decision can be made by a retail customer to consolidate vendors, or to discontinue certain product categories all together. In these instances the Company's management team is not able to overcome such decisions. The Company's management team is also engaged in the effective procurement, assembly, and manufacture of products. The ability to negotiate with suppliers, maintain productivity, and hold the line on cost increases can be subjected to pressures outside the control of management. For example, increases in fuel costs can increase rates in freight. Increases of this nature can seldom be avoided and the Company is not able to pass such increases along to its customers. The Company's management's effective control of the manufacturing processes will have a direct impact on the Company's future profitability. The Company regularly makes decisions that affect production schedules, shipping schedules, employee level, and inventory levels. The Company's ability to make effective decisions in managing these areas has a direct effect on future profitability.

ACCOUNTS RECEIVABLE AMOUNTS DUE FROM OUR CUSTOMERS CAN BE LOST AS A RESULT OF CUSTOMER, BANKRUPTCY, OPERATIONAL DIFFICULTY, OR FAILURE TO PAY NEGATIVELY IMPACTING FUTURE PROFITABILITY

The Company has significant accounts receivable or other amounts due from the Company's customers or other parties. The accounts receivable balance at the end of the last 4 quarters averaged approximately eight million dollars US. Terms of payment for customers range from cash in advance to net 90 day credit terms. These credit arrangements are negotiated at unspecified and irregular intervals. The largest customers generate the largest receivable balances. If a customer develops operational difficulty it is not uncommon to temporarily suspend payment to vendors. The Company is not immune from such practice in the retail marketplace. From time to time a customer may develop severe operating losses which can trigger a bankruptcy. In these cases, the Company loses most of the outstanding balance due. Occasionally the Company has been current with a customer at the time such an event

occurs. The risk is that losing the revenue of the customer in the future after a re-structure, might be more onerous than

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losing the current outstanding debt. The Company is not immune from making such decisions. In addition, many companies that will insure accounts receivables will not do so for the Company's largest mass market customers. The best example of such a loss was KMART Corporation. The Company lost approximately \$500,000 when KMART filed for re-organization. KMART had been current with the Company at the time that KMART filed Chapter 11 bankruptcy. The Company continued to supply KMART during its post petition re-organization and continue to supply the customer profitably today. The risk is that the Company derives most of the Company's sales revenue and profits from selling products to retailers for resale to consumers. The failure of the Company's customers to pay in full amounts due to the Company could negatively affect future profitability.

COMPANY PROFITS CAN SUFFER FROM INTERRUPTIONS IN SUPPLY CHAIN

The Company operates a small sales office in Switzerland to service the International Export marketplace. The Company is aware of no material risk in maintaining this operation. Loss of this office would result in a transfer of sales and marketing responsibility. The Company uses contract manufacturing facilities in Mainland China, Taiwan, and South Korea. These independent supplier entities are distant from the Company which means that the Company is at risk of business interruptions due to natural disaster, war, disease, and government intervention through tariffs or trade restrictions. The Company maintains a finished goods inventory level in the Company's US facility to mitigate this risk. The approximate level of finished goods inventory is stocked at an average of 90 days demand per item. Recovery of a single facility through a replacement of supplier in the event of disaster or suspension of supply could take approximately 120 days. The Company believes that it could restore production of its top ten selling models (which represent 76% of the Company's sales revenue) within 1 year. The Company is also at risk if trade restrictions are introduced on the Company's products based upon country of origin. In addition any increase in tariffs and freight charges would not be acceptable to pass along to the Company's customers and would directly impact the Company's profits. For example, an additional increase of 5% in duty for a complete fiscal year of purchases would amount to a reduction in pretax profit of approximately \$600,000 based upon sales reported in the Company's 10K for the period ending June 30, 2003.

FLUCTUATIONS IN CURRENCY EXCHANGE RATES COULD AFFECT PRICING OF PRODUCTS AND CAUSE CUSTOMERS TO PURCHASE LOWER-PRICED, LESS PROFITABLE PRODUCTS

The Company receives a material portion of our revenue and profits from business in Canada and the European Union. To the extent that value of the U.S. dollar increases relative to currencies in those jurisdictions, it increases the cost of the Company's products in those jurisdictions, which could create negative pressure on the demand for the Company's products. To the extent that increased prices arising from currency fluctuations decreases sales or moves customers to purchase lower-priced, lower profit products, the Company's revenues, profits, and cash flows could be adversely affected.

2003 RESULTS OF OPERATIONS COMPARED WITH 2002

Net sales for 2003 were \$33,802,634 compared with \$36,571,303 in 2002, a decrease of \$2,768,669 or 7.6%. This decline was due to soft retail business through the first and second quarter offset by stronger retail sales in the third quarter. The Company has no direct information relating to consumer demand that would indicate a reason for any reductions in sales. However, general concerns were expressed by several major retailers during this period and as a result models were consolidated, eliminated from the sales mix, or reduced in terms of reorder size.

Gross profit, as a percentage of net sales, was \$13,848,039 or 41% in 2003 compared with \$14,574,484 or 40% in 2002. The increase in gross profit was due to cost reductions in 2003. The cost reductions were attributable to a reduction of overhead and inventory costs.

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Selling, general and administrative expenses for 2003 were \$7,737,030 compared with \$8,011,829 in 2002, a decrease of \$274,799 or 3%. The decrease was a result of the Company experiencing lower selling expenses associated with lower sales for the fiscal year.

Income from operations was \$6,111,009 in 2003 compared with \$6,562,655 in 2002, a decrease of 7%. Interest income was \$12,711 in 2003 compared with \$30,445 in 2002, a decrease of 58%. Interest income fluctuates in relation to cash balances on hand throughout the year and fluctuations in interest rates earned. Interest expense for 2003 was \$14,572 compared with \$100,454 in 2002. The decrease in interest expense is due to the Company's lack of borrowing activity under its unsecured line of credit during the fiscal year.

On May 1, 2003, the Company acquired certain assets of ADDAX Sound Company (ADDAX) in exchange for 19,875 shares of common stock of the Company (value on May 1, 2003 of \$317,603 based upon a market price of \$15.98) plus \$100 in cash and assumed certain liabilities of ADDAX.

Royalty income was \$755,364 in 2003 compared with \$964,297 in 2002, a decrease of 22%. The decrease in royalty income was primarily a result of a reduction of sales by licensees under certain royalty agreements. The following three paragraphs describe generally the Company's significant royalty agreements.

The Company has a License Agreement with Jiangsu Electronics Industries Limited (Jiangsu), a subsidiary of Orient Power Holdings Limited, by way of an assignment of a previously existing License Agreement with Trabelco N.V. Orient Power is based in Hong Kong and has an extensive portfolio of audio and video products. This License Agreement covers the United States, Canada, and Mexico, and has been renewed through December 31, 2004. Pursuant to this License Agreement, Jiangsu has agreed to meet certain minimum royalty amounts each year. The products covered by this License Agreement include various consumer electronics products.

Effective July 1, 1998, the Company entered into a License Agreement and an Addendum thereto with Logitech Electronics Inc. (Logitech) of Ontario, Canada whereby the Company licensed to Logitech the right to sell multimedia/computer speakers under the Koss brand name. This License Agreement covers North America and certain countries in South America and Europe, requiring royalty payments by Logitech through June 30, 2008, subject to certain minimum annual royalty amounts.

Effective June 30, 2003, the Company entered into a License Agreement with Sonigem Products, Inc. (Sonigem) of Ontario, Canada whereby the Company licensed to Sonigem the right to sell video and communications products under the Koss brand name. This License Agreement covers Canada, requiring royalty payments by Sonigem through June 30, 2010, subject to certain minimum annual royalty amounts.

The provision for income taxes was \$2,695,101 and \$2,869,684 in 2003 and 2002, respectively. The effective tax rate was 39% in 2003 and 38% in 2002.

2002 RESULTS OF OPERATIONS COMPARED WITH 2001

Net sales for 2002 were \$36,571,303 compared with \$38,609,335 in 2001, a decrease of \$2,038,032 or 5.3%. This decline was due to soft retail business through the second and fourth quarter offset by stronger retail sales in the third quarter. The Company has no direct information relating to consumer demand that would indicate a reason for any reductions in sales. However, general concerns were expressed by several major retailers during this period and as a result models were consolidated, eliminated from the sales mix, or reduced in terms of reorder size.

Gross profit was \$14,574,484 or 40% in 2002 compared with \$15,572,208 or 40% in 2001.

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Selling, general and administrative expenses for 2002 were \$8,011,829 compared with \$8,272,969 in 2001, a decrease of \$261,140 or 3%. The decrease was a result of the Company experiencing lower selling expenses associated with lower sales for the fiscal year offset by additional reserves for bad debts of approximately \$500,000 for outstanding KMART receivables recorded in the last six months of fiscal 2002.

Income from operations was \$6,562,655 in 2002 compared with \$7,299,239 in 2001, a decrease of 10%. Interest income was \$30,445 in 2002 compared with \$85,423 in 2001, a decrease of 64%. Interest income fluctuates in relation to cash balances on hand throughout the year and fluctuations in interest rates earned. Interest expense for 2002 was \$100,454 compared with \$15,465 in 2001. The increase in interest expense is due to the Company's borrowing activity under its unsecured line of credit during the fiscal year.

Royalty income was \$964,297 in 2002 compared with \$1,010,026 in 2001, a decrease of 4.5%. The decrease in royalty income was primarily a result of a reduction of sales by licensees under certain royalty agreements.

The provision for income taxes was \$2,869,684 and \$3,196,080 in 2002 and 2001, respectively. The effective tax rate was 38% in 2002 and 2001.

OFF-BALANCE SHEET FINANCING

The Company has no off-balance sheet financing arrangements.

DISCLOSURES ABOUT CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

The Company has disclosed information pertaining to these items in footnotes 4 and 12 to its consolidated financial statements of the Form 10-K/A, Amendment No. 1, which was filed on March 10, 2004.

DISCLOSURES ABOUT CERTAIN TRADING ACTIVITIES THAT INCLUDE NON-EXCHANGE TRADED CONTRACTS ACCOUNTED FOR AT FAIR VALUE

The Company does not have any trading activities that include non-exchange traded contracts accounted for at fair value.

DISCLOSURES ABOUT EFFECTS OF TRANSACTIONS WITH RELATED AND CERTAIN OTHER PARTIES

The Company has an agreement with its Chairman to repurchase common stock from his estate in the event of his death. The repurchase price is 95% of the fair market value of the common stock on the date that notice to repurchase is provided to the Company. The total number of shares to be repurchased shall be sufficient to provide proceeds, which are the lesser of \$2.5 million or the amount of estate taxes and administrative expenses incurred by his estate. The Company is obligated to pay in cash 25% of the total amount due and to execute a promissory note at a prime rate of interest for the balance. The Company maintains a \$1,150,000 life insurance policy to fund a substantial portion of this obligation.

In 1991, the Board of Directors agreed to continue the Chairman's current base salary in the event he becomes disabled prior to age 70. After age 70, he shall receive his current base salary for the remainder of his life, whether he becomes disabled or not. The Chairman has turned 70. The Company has a deferred compensation liability of \$631,855 recorded as of June 30, 2003, and \$737,599 as of June 30, 2002 for this arrangement.

The Company leases its main plant and offices in Milwaukee, Wisconsin from its Chairman, John C. Koss. On May 28, 2003, the lease was renewed for a period of five years, and is being accounted for as

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an operating lease. The lease extension maintained the rent at a fixed rate of \$380,000 per year. At anytime during this period the Company has the option to renew the lease for an additional five years for the period commencing July 1, 2008 and ending June 30, 2013 under the same terms and conditions. The lease is on terms no less favorable to the Company than those that could be obtained from an independent party. The Company is responsible for all property maintenance, insurance, taxes and other normal expenses related to ownership.

All facilities are in good repair and, in the opinion of management, are suitable for the Company's purposes.

DISCLOSURE ABOUT CRITICAL ACCOUNTING POLICIES

The Company's more critical accounting policies include revenue recognition, royalty income and the use of estimates (which inherently involve judgment and uncertainties) in valuing inventory and accounts receivable.

Revenue Recognition

The Company recognizes revenue when all of the following criteria are met: persuasive evidence of an arrangement exists; delivery has occurred; the seller's price to the buyer is fixed or determinable; and collectibility is reasonably assured. These criteria are generally satisfied and the Company recognizes revenue upon shipment. The Company also offers certain of its customers the right to return products that do not meet the standards agreed with the customer. The Company continuously monitors such product returns and while such returns have historically been minimal, the Company cannot guarantee that they will continue to experience the same return rates that they have in the past. Any significant increase in product quality failure rates and the resulting credit returns could have a material adverse impact on the Company's operating results for the period or periods in which such returns materialize.

The Company provides for certain sales incentives, which include sales rebates. The Company records a provision for estimated incentives based upon the incentives offered to customers on product related sales in the same period as the related revenues are recorded. The Company also records a provision for estimated sales returns and allowances on product related sales in the same period as the related revenues are recorded. These estimates are based on historical sales returns, analysis of credit memo data and other known factors. If the historical data the Company uses to calculate these estimates does not properly reflect future returns, adjustments may be required in future periods.

Products sold are covered by a lifetime warranty. The Company accrues a warranty reserve for estimated costs to provide warranty services. The Company's estimate of costs to service its warranty obligations is based on historical experience and expectation of future conditions. To the extent the Company experiences increased warranty claim activity or increased costs associated with servicing those claims, its warranty accrual will increase accordingly and result in decreased gross profit.

Royalty Income

The Company's net income is significantly affected by the levels of royalty income generated in any given period. Royalty income is recognized when earned under the terms of the Company's License Agreements. These agreements require minimum annual royalty payments. The Company currently has three royalty agreements, which expire in 2004, 2008, and 2010, respectively. The inability of the Company to negotiate favorable royalty arrangements and renew current agreements could have a material adverse impact on the Company's results for the period. Based upon the favorable relationships the Company has with the parties under these License Agreements, termination, non-renewal or a renegotiation toward more unfavorable terms under the current agreements is not considered likely.

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Accounts Receivable

The Company performs ongoing credit evaluations of its customers and adjusts credit limits based upon payment history and the customer's current credit worthiness, as determined by the review of the customer's current credit information. The Company continuously monitors collections and payments from customers and maintains a provision for estimated credit losses based upon the Company's historical experience and any specific customer collection issues that have been identified. The Company values accounts receivable net of an allowance for uncollectible accounts. The allowance is calculated based upon the Company's evaluation of specific customer accounts where the Company has information that the customer may have an inability to meet its financial obligations (bankruptcy, etc.). In these cases, the Company uses its judgment, based on the best available facts and circumstances, and records a specific reserve for that customer against amounts due to reduce the receivable to the amount that is expected to be collected. These specific reserves are re-evaluated and adjusted as additional information is received that impacts the amount reserved. However, the ultimate collectibility of a receivable is dependent upon the financial condition of an individual customer, which could change rapidly and without advance warning.

Inventories

The Company values its inventories at the lower of cost or market. Cost is determined using the last-in, first-out method. Valuing inventories at the lower of cost or market requires the use of estimates and judgment. Our customers may cancel their orders or change purchase volumes. Any of these, or certain additional actions, could create excess inventory levels, which would impact the valuation of our inventories. The Company continues to use the same techniques to value inventory as have been used in the past. Any actions taken by our customers that could impact the value of our inventory are considered when determining the lower of cost or market valuations. The Company regularly reviews inventory quantities on hand and records a provision for excess and obsolete inventory based primarily on our estimated forecast of product demand and production requirements for the next twelve months. If the Company is not able to achieve its expectations of the net realizable value of the inventory at its current value, the Company would have to adjust its reserves accordingly.

RECENTLY ISSUED FINANCIAL ACCOUNTING PRONOUNCEMENTS

During April 2003, the Financial Accounting Standards Board (FASB) issued Statement of Accounting Standards (SFAS) No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, which amends and clarifies financial accounting and reporting for certain derivative instruments. The Company does not anticipate the adoption of this statement to have a material impact on the Company's consolidated financial statements, as the Company is not currently a party to derivative financial instruments included in this standard.

During May 2003, the FASB issued SEAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, which establishes standards for the classification and measurement of certain financial instruments with characteristics of both liabilities and equity. The Company does not anticipate the adoption of this statement to have a material impact on the Company's consolidated financial statements. The Company will adopt this standard in fiscal 2004.

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Item 9A. Controls and Procedures.

The Company, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer/Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer/Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of June 30, 2003 to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

During the first week of February of 2004, the Company was made aware by our former independent accountants that the Company erroneously failed to accurately record some repurchases of common stock from our employees. We disclosed this error in our Form 10-K/A filed on March 10, 2004. Neither the management of the Company nor our former accountants were aware of this error prior to the first week of February of 2004. The Company has subsequently implemented a policy that prohibits the Company from repurchasing any common stock of the Company that has not been held by the employee for a period of at least 6 months in order to avoid repetition of this error. Additionally, our management will subscribe to technical publications in order to keep current on applicable accounting issues and our new independent auditors will brief us on new accounting pronouncements and releases. Our financial reporting process with respect to preparation and review of regulatory filings will be enhanced to include the utilization of a checklist by the preparer and reviewer to ensure that new accounting pronouncements and regulatory requirements are incorporated in our filings.

The discovery of the error in the recording of the repurchases of common stock from our employees has affected, to some extent, the Company's previous conclusion about the effectiveness of the design and operation of the Company's disclosure controls and procedures. Management is of the view that this error does not constitute a material weakness in the Company's internal control over financial reporting identified by management. A material weakness is defined, in the relevant accounting literature, as a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Although this error could constitute a significant deficiency, management has considered the significance of the error (together with other reported errors) in light of the financial statements taken as whole and believes that the error does not evidence or constitute a material weakness in the Company's disclosure controls and procedures.

Other than the foregoing, there were no changes in the Company's internal control over financial reporting during the Company's fiscal fourth quarter ended June 30, 2003 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

a. The following documents are filed as part of this report:

1. Exhibits Filed

- 3.1 Certificate of Incorporation of Koss Corporation.
- 3.2 By-Laws of Koss Corporation.
- 4.1 Certificate of Incorporation of Koss Corporation.
- 4.2 By-Laws of Koss Corporation.
- 10.1 Officer Loan Policy.
- 10.3 Supplemental Medical Care Reimbursement Plan.
- 10.4 Death Benefit Agreement with John C. Koss.
- 10.5 Stock Repurchase Agreement with John C. Koss.
- 10.6 Salary Continuation Resolution for John C. Koss.
- 10.7 1983 Incentive Stock Option Plan.
- 10.8 Assignment of Lease to John C. Koss.
- 10.9 Addendum to Lease.
- 10.10 1990 Flexible Incentive Plan.
- 10.12 Loan Agreement, effective as of February 17, 1995.
- 10.13 Amendment to Loan Agreement dated June 15, 1995, effective as of February 17, 1995.
- 10.14 Amendment to Loan Agreement dated April 29, 1999.
- 10.15 Amendment to Loan Agreement dated December 15, 1999.
- 10.16 Amendment to Loan Agreement dated October 10, 2001.
- 10.17 License Agreement dated November 15, 1991 between Koss Corporation and Trabelco N.V. (a subsidiary of Hagemeyer N.V.) for North America, Central America and South America (including Amendment to License Agreement dated November 15, 1991; Renewal Letter dated November 18, 1994; and Second Amendment to License Agreement dated

September 29, 1995).

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10.18	License Agreement dated September 29, 1995 between Koss Corporation and Trabelco N.V. (a subsidiary of Hagemeyer N.V.) for Europe (including First Amendment to License Agreement dated December 26, 1995).
10.19	Third Amendment and Assignment of License Agreement to Jiangsu Electronics Industries Limited dated March 31, 1997.
10.20	Fourth Amendment to License Agreement dated as of May 29, 1998.
10.21	Fifth Amendment to License Agreement dated March 30, 2001.
10.22	Sixth Amendment to License Agreement dated August 15, 2001.
10.23	Seventh Amendment to License Agreement dated December 28, 2001.
10.24	Eighth Amendment to License Agreement dated July 31, 2002.
10.25	License Agreement dated June 30, 1998 between Koss Corporation and Logitech Electronics Inc. (including Addendum to License Agreement dated June 30, 1998).
10.26	Consent of Directors (Supplemental Executive Retirement Plan for Michael J. Koss dated March 7, 1997).
10.27	Amendment to Lease.
10.28	Partial Assignment, Termination and Modification of Lease.
10.29	Restated Lease.
21	List of Subsidiaries of Koss Corporation.
23	Consent of PricewaterhouseCoopers LLP
31	Certification of Chief Executive Officer and Chief Financial Officer required by Rule 13a-14(a) or 15d-14(a).
32	Certification of Chief Executive Officer and Chief Financial Officer required by 18 U.S.C. Section 1350.

b. No reports on Form 8-K were filed by the Company during the last quarter of the period covered by this report.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K/A contains forward-looking statements within the meaning of that term in the Private Securities Litigation Reform Act of 1995 (the Act) (Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934). Additional written or oral forward-looking statements may be made by the Company from time to time in filings with the Securities Exchange Commission, press releases, or otherwise. Statements contained in this Form 10-K/A that are not historical facts are forward-looking statements made pursuant to the safe harbor provisions of the Act. Forward-looking statements may include, but are not limited to, projections of revenue, income or loss and capital expenditures, statements regarding future operations, anticipated financing needs, compliance with financial covenants in loan agreements, plans for acquisitions or sales of assets or businesses, plans relating to products or services of the Company, assessments of materiality, predictions of future events, the effects of pending and possible litigation, and assumptions relating to the foregoing. In addition, when used in this Form 10-K/A, the words anticipates, believes, or estimates, expects, intends, plans and variations thereof and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified based on current expectations. Consequently, future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements contained in this Form 10-K/A, or in other Company filings, press releases, or otherwise. In addition to the factors discussed in this Form 10-K/A, other factors that could contribute to or cause such differences include, but are not limited to, developments in any one or more of the following areas: future fluctuations in economic conditions, the receptivity of consumers to new consumer electronics technologies, the rate and consumer acceptance of new product introductions, competition, pricing, the number and nature of customers and their product orders, production by third party vendors, foreign manufacturing, sourcing and sales (including foreign government regulation, trade and importation concerns), borrowing costs, changes in tax rates, pending or threatened litigation and investigations, and other risk factors which may be detailed from time to time in the Company's Securities and Exchange Commission filings.

Readers are cautioned not to place undue reliance on any forward-looking statements contained herein, which speak only as of the date hereof. The Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unexpected events.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

KOSS CORPORATION

By: /s/ Michael J. Koss

Dated: November 17, 2004

Michael J. Koss,
Vice Chairman
President
Chief Executive Officer
Chief Operating Officer and
Chief Financial Officer

By: /s/ Sujata Sachdeva

Dated: November 17, 2004

Sujata Sachdeva,
Vice President - Finance
Principal Accounting Officer
Secretary

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

/s/ John C. Koss

/s/ Michael J. Koss

John C. Koss, Director
Dated: November 17, 2004

Michael J. Koss, Director
Dated: November 17, 2004

/s/ Martin F. Stein

/s/ John J. Stollenwerk

Martin F. Stein, Director
Dated: November 17, 2004

John J. Stollenwerk, Director
Dated: November 17, 2004

/s/ Thomas L. Doerr

/s/ Lawrence S. Mattson

Thomas L. Doerr, Director
Dated: November 17, 2004

Lawrence S. Mattson, Director
Dated: November 17, 2004

The signatures of the above directors constitute a majority of the Board of Directors of Koss Corporation.

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OFFICERS AND SENIOR MANAGEMENT

John C. Koss
Chairman of the Board

Michael J. Koss
Vice Chairman
President
Chief Executive Officer
Chief Operating Officer
Chief Financial Officer

John C. Koss, Jr.
Vice President-Sales

Sujata Sachdeva
Vice President-Finance/Secretary

Jill McCurdy
Vice President-Product Development

Lenore Lillie
Vice President-Operations

Cheryl Mike
Vice President-Human Resources/Customer Relations

Chris Gantz
Vice President - Communication Products

Declan Hanley
Vice President-International Sales

ANNUAL MEETING

September 23, 2003 9:00a.m.
Milwaukee River Hilton Inn
4700 N. Port Washington Rd.
Milwaukee, WI 53212

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Milwaukee, Wisconsin

LEGAL COUNSEL

General Counsel Hughes & Luce, L.L.P. Dallas, Texas

DIRECTORS

John C. Koss
Chairman of the Board
Koss Corporation

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Thomas L. Doerr
President
Doerr Corporation

Michael J. Koss
Vice Chairman, President
C.E.O. C.O.O., C.F.O.
Koss Corporation

Lawrence S. Mattson
Retired President
Oster Company

Martin F. Stein
Chairman
Eyecare One Inc.

John J. Stollenwerk
President
Allen-Edmonds Shoe Corporation

TRANSFER AGENT

Questions regarding change of address,
stock transfer, lost certificate, or
Information on a particular account
should be directed in writing to:

American Stock Transfer
& Trust Company
59 Maiden Lane
New York, NY 10038

16800 West Greenfield Avenue
Brookfield, WI 53005
Attn: Barbara Bahr
Shareholders Toll-free: 1-800-937-5449

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EXHIBIT INDEX

The Company will furnish a copy of any exhibit described below upon request and upon reimbursement to the Company of its reasonable expenses of furnishing such exhibit, which shall be limited to a photocopying charge of \$0.25 per page and, if mailed to the requesting party, the cost of first-class postage.

Designation of Exhibit	Exhibit Title	Incorporation by Reference
3.1	Certificate of Incorporation of Koss Corporation, as in effect on September 25, 1996.	(1)
3.2	By-Laws of Koss Corporation, as in effect on September 25, 1996.	(2)
4.1	Certificate of Incorporation of Koss Corporation, as in effect on September 25, 1996.	(1)
4.2	By-Laws of Koss Corporation, as in effect on September 25, 1996.	(2)
10.1	Officer Loan Policy.	(3)
10.3	Supplemental Medical Care Reimbursement Plan.	(4)
10.4	Death Benefit Agreement with John C. Koss.	(5)
10.5	Stock Purchase Agreement with John C. Koss.	(6)
10.6	Salary Continuation Resolution for John C. Koss.	(7)
10.7	1983 Incentive Stock Option Plan.	(8)
10.8	Assignment of Lease to John C. Koss.	(9)
10.9	Addendum to Lease.	(10)
10.10	1990 Flexible Incentive Plan.	(11)
10.12	Loan Agreement, effective as of February 17, 1995.	(12)
10.13	Amendment to Loan Agreement dated June 15, 1995, effective as of February 17, 1995.	(13)
10.14	Amendment to Loan Agreement dated April 29, 1999.	(14)
10.15	Amendment to Loan Agreement dated December 15, 1999.	(15)
10.16	Amendment to Loan Agreement dated October 10, 2001.	(16)

10.17	License Agreement dated November 15, 1991 between Koss Corporation and Trabelco N.V. (a subsidiary of Hagemeyer N.V.) for North America, Central America and South America (including Amendment to License Agreement dated November 15, 1991; Renewal Letter dated November 18, 1994; and Second Amendment to License Agreement dated September 29, 1995).	(17)
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Designation of Exhibit	Exhibit Title	Incorporation by Reference
10.18	License Agreement dated September 29, 1995 between Koss Corporation and Trabelco N.V. (a subsidiary of Hagemeyer N.V.) for Europe (including First Amendment to License Agreement dated December 26, 1995).	(18)
10.19	Third Amendment and Assignment of License Agreement to Jiangsu Electronics Industries Limited dated as of March 31, 1997.	(19)
10.20	Fourth Amendment to License Agreement dated as of May 29, 1998.	(20)
10.21	Fifth Amendment to License Agreement dated March 30, 2001.	(21)
10.22	Sixth Amendment to License Agreement dated August 15, 2001.	(22)
10.23	Seventh Amendment to License Agreement dated December 28, 2001.	(23)
10.24	Eighth Amendment to License Agreement dated July 31, 2002.	(24)
10.25	License Agreement dated June 30, 1998 between Koss Corporation and Logitech Electronics Inc. (including Addendum to License Agreement dated June 30, 1998).	(25)
10.26	Consent of Directors (Supplemental Executive Retirement Plan for Michael J. Koss dated March 7, 1997).	(26)
10.27	Amendment to Lease.	(27)
10.28	Partial Assignment, Termination and Modification of Lease.	(28)
10.29	Restated Lease.	(29)
21	List of Subsidiaries of Koss Corporation.	(30)
23	Consent of PricewaterhouseCoopers LLP.	(31)
31	Certification of Chief Executive Officer and Chief Financial Officer required by Rule 13a-14(a) or 15d-14(a).	(31)
32	Certification of Chief Executive Officer and Chief Financial Officer required by 18 U.S.C. Section 1350.	(31)

(1) Incorporated by reference from Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)

(2)

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Incorporated by reference from Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)

- (3) Incorporated by reference from Exhibit 10.1 to the Company's Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)

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- (4) Incorporated by reference from Exhibit 10.3 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (5) Incorporated by reference from Exhibit 10.4 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (6) Incorporated by reference from Exhibit 10.5 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (7) Incorporated by reference from Exhibit 10.6 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (8) Incorporated by reference from Exhibit 10.7 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (9) Incorporated by reference from Exhibit 10.7 to the Company s Annual Report on Form 10-K for the year ended June 30, 1988 (Commission File No. 0-3295)
- (10) Incorporated by reference from Exhibit 10.8 to the Company s Annual Report on Form 10-K for the year ended June 30, 1988 (Commission File No. 0-3295)
- (11) Incorporated by reference from Exhibit 25 to the Company s Annual Report on Form 10-K for the year ended June 30, 1990 (Commission File No. 0-3295)
- (12) Incorporated by reference from Exhibit 10 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 1995 (Commission File No. 0-3295)
- (13) Incorporated by reference from Exhibit 10.13 to the Company s Annual Report on Form 10-K for the year ended June 30, 1995 (Commission File No. 0-3295)
- (14) Incorporated by reference from Exhibit 10.14 to the Company s Annual Report on Form 10-K for the year ended June 30, 1999 (Commission File No. 0-3295)
- (15) Incorporated by reference from Exhibit 10.15 to the Company s Annual Report on Form 10-K for the year ended June 30, 2000 (Commission File No. 0-3295)
- (16) Incorporated by reference from Exhibit 10.16 to the Company s Annual Report on Form 10-K for the year ended June 30, 2002 (Commission File No. 0-3295)
- (17) Incorporated by reference from Exhibit 10.14 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (18) Incorporated by reference from Exhibit 10.15 to the Company s Annual Report on Form 10-K for the year ended June 30, 1996 (Commission File No. 0-3295)
- (19) Incorporated by reference from Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 1997 (Commission File No. 0-3295)

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- (20) Incorporated by reference from Exhibit 10.17 to the Company's Annual Report on Form 10-K for the year ended June 30, 1998 (Commission File No. 0-3295)
- (21) Incorporated by reference from the sole Exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001 (Commission File No. 0-3295)

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- (22) Incorporated by reference from Exhibit 10.21 to the Company's Annual Report on Form 10-K for the year ended June 30, 2001 (Commission File No. 0-3295)
- (23) Incorporated by reference from Exhibit 10.23 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2001 (Commission File No. 0-3295)
- (24) Incorporated by reference from Exhibit 10.24 to the Company's Annual Report on Form 10-K for the year ended June 30, 2002 (Commission File No. 0-3295)
- (25) Incorporated by reference from Exhibit 10.18 to the Company's Annual Report on Form 10-K for the year ended June 30, 1998 (Commission File No. 0-3295)
- (26) Incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1997 (Commission File No. 0-3295)
- (27) Incorporated by reference from Exhibit 10.22 to the Company's Annual Report on Form 10-K for the year ended June 30, 2000 (Commission File No. 0-3295)
- (28) Incorporated by reference from Exhibit 10.25 to the Company's Annual Report on Form 10-K for the year ended June 30, 2001 (Commission File No. 0-3295)
- (29) Incorporated by reference from Exhibit 10.26 to the Company's Annual Report on Form 10-K for the year ended June 30, 2001 (Commission File No. 0-3295)
- (30) Incorporated by reference from Exhibit 22 to the Company's Annual Report on Form 10-K for the year ended June 30, 1988 (Commission File No. 0-3295)
- (31) Filed herewith