



July 3, 2013

Koss Settles Claims Against Its Former Auditor Grant Thornton

MILWAUKEE, WI--(Marketwired - Jul 3, 2013) - Koss Corporation (NASDAQ: [KOSS](#)), the U.S. based high-fidelity headphone company, announced that Koss has settled the claims between Koss and its former auditor, Grant Thornton, LLP, in the lawsuit pending in the Circuit Court of Cook County, Illinois, County Department, Law Division, bearing Case No. 2013 L 4011 (previously bearing Case No. 10 L 7342).

As part of the settlement, the parties provided mutual releases that resolved all claims involved in the litigation between Koss and its Directors against Grant Thornton, LLP. Pursuant to the settlement, Koss received gross proceeds of \$8.5 million on July 3, 2013.

"The matter has been resolved to the mutual satisfaction of the Parties," said Michael J. Koss, President and CEO of Koss Corporation.

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

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

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