

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**Current Report**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 8, 2017

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**OPTICAL CABLE CORPORATION**

(Exact name of registrant as specified in its charter)

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Virginia  
(State or other jurisdiction of  
incorporation or organization)

000-27022  
(Commission  
File Number)

54-1237042  
(I.R.S. Employer  
Identification Number)

5290 Concourse Drive  
Roanoke, VA  
(Address of principal executive offices)

24019  
(Zip Code)

(540) 265-0690  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Table of Contents**

<a href="#">Item 2.02 Results of Operations and Financial Condition</a>	3
<a href="#">Item 9.01 Financial Statements and Exhibits</a>	3
<a href="#">Signatures</a>	4
Exhibits	

**Item 2.02 Results of Operations and Financial Condition**

On March 8, 2017, Optical Cable Corporation issued a press release announcing its first quarter of fiscal year 2017 financial results. Also on March 8, 2017, Optical Cable Corporation held an earnings call. The press release is attached hereto as Exhibit 99.1 and the transcript for the earnings call is attached as Exhibit 99.2.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

The following is filed as an Exhibit to this Report.

<b><u>Exhibit No.</u></b>	<b><u>Description of Exhibit</u></b>
99.1	Press Release dated March 8, 2017 (FILED HEREWITH)
99.2	Transcript of earnings call on March 8, 2017 (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 hereunto duly authorized.

OPTICAL CABLE CORPORATION

By: /s/ TRACY G. SMITH

Name: Tracy G. Smith

Title: Senior Vice President and Chief Financial Officer

Dated: March 9, 2017

**OPTICAL CABLE CORPORATION**

5290 Concourse Drive  
 Roanoke, VA 24019  
 (Nasdaq GM: OCC)  
[www.occfiber.com](http://www.occfiber.com)

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**FOR IMMEDIATE RELEASE**

**OPTICAL CABLE CORPORATION REPORTS  
 FIRST QUARTER 2017 FINANCIAL RESULTS**

*OCC<sup>®</sup> Achieves First Quarter Increases in Net Sales and Gross Profit  
 and Improves Bottom Line, Compared to First Quarter 2016*

**ROANOKE, Va., March 8, 2017** — Optical Cable Corporation (Nasdaq GM: OCC) (“OCC<sup>®</sup>” or the “Company”) today announced financial results for its first quarter ended January 31, 2017.

*First Quarter 2017 Financial Results*

Consolidated net sales for the first quarter of fiscal year 2017 were \$14.6 million, a 4.0% increase compared to net sales of \$14.0 million for the first quarter of fiscal year 2016. These results were driven by an increase in net sales in the Company’s enterprise markets, including a double-digit increase in fiber optic cable sales.

Net sales to customers in the United States increased 10.8% compared to the same period last year, while net sales to customers outside of the United States showed continued weakness. Net sales outside the U.S. continue to be negatively impacted by a strong U.S. dollar relative to other currencies, particularly in certain geographic regions.

Gross profit increased 37.3% to \$4.8 million in the first quarter of fiscal year 2017, compared to \$3.5 million in the first quarter of fiscal year 2016. Gross profit margin, or gross profit as a percentage of net sales, increased to 32.9% compared to 24.9% in the first quarter of fiscal year 2016. Gross profit margin was positively impacted by a shift in product mix toward certain higher margin products.

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OCC recorded a net loss attributable to the Company of \$616,000, or \$0.09 per basic and diluted share, for the first quarter of fiscal year 2017, compared to a net loss attributable to the Company of \$1.7 million, or \$0.28 per basic and diluted share, for the first quarter of fiscal year 2016.

#### *Revolving Credit Facility Renewed*

OCC renewed its revolving credit facility with the Bank of North Carolina on February 28, 2017 (after the end of the first quarter), extending the maturity date to March 31, 2019 and maintaining the credit availability under the facility at \$7.0 million until maturity. The revolving credit facility previously was scheduled to expire on February 28, 2018, with the maximum credit availability scheduled to reduce to \$6.5 million and \$6.0 million, on February 28, 2017 and February 28, 2018, respectively.

#### *Management's Comments*

Neil Wilkin, President and Chief Executive Officer of OCC, said, “Our results in the first quarter reflect our continued efforts to operate efficiently and drive growth through sales and marketing initiatives as well as product innovation. Despite expected seasonality and currency exchange rates that impacted our international sales, in the first quarter, we delivered year-over-year improvements in net sales, gross profit and gross profit margin, as well as improvements to the bottom line. As we move forward, we will continue providing customers and end users with OCC’s integrated product offerings and solutions. Through the continued successful execution of our plan, we are confident we will create value for shareholders.”

#### *Conference Call Information*

As previously announced, OCC will host a conference call today, March 8, 2017, at 10:00 a.m. Eastern Time. Individuals wishing to participate in the conference call should call (866) 610-1072 or (973) 935-2840 internationally, passcode 81945676. For interested individuals unable to join the call, a replay will be available through March 15, 2017 by dialing (855) 859-2056 or (404) 537-3406, passcode 81945676. The call will also be broadcast live over the Internet and can be accessed by visiting the investor relations section of the Company’s website at [www.occfiber.com](http://www.occfiber.com).

#### *Company Information*

Optical Cable Corporation (“OCC®”) is a leading manufacturer of a comprehensive range of top-tier fiber optic and copper communication cabling and connectivity products and solutions—primarily for the enterprise market, various harsh environment and specialty markets, and the wireless carrier market.

OCC® is internationally recognized for pioneering innovative fiber optic and copper communications technologies, including fiber optic cable designs for the most demanding environments and applications, copper connectivity designs to meet the highest data communication industry standards, as well as a broad product offering built on the evolution of these fundamental technologies.

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OCC uses its expertise to deliver cabling and connectivity products and integrated solutions that are best suited to the performance requirements of each end-user's application. And, OCC's solutions offerings cover a broad range of applications—from commercial, enterprise network, datacenter, residential and campus installations to customized products for specialty applications and harsh environments, including military, industrial, mining, petrochemical and broadcast applications, as well as for the wireless carrier market.

Founded in 1983, OCC is headquartered in Roanoke, Virginia with offices, manufacturing and warehouse facilities located in Roanoke, Virginia, near Asheville, North Carolina and near Dallas, Texas. OCC's facilities are ISO 9001:2008 registered and OCC's Roanoke and Dallas facilities are MIL-STD-790F certified.

Optical Cable Corporation™, OCC® , Procyon®, Procyon Blade™, Superior Modular Products™, SMP Data Communications™, Applied Optical Systems™, and associated logos are trademarks of Optical Cable Corporation.

Further information about OCC® is available at [www.occfiber.com](http://www.occfiber.com).

#### FORWARD-LOOKING INFORMATION

This news release by Optical Cable Corporation and its subsidiaries (collectively, the "Company" or "OCC") may contain certain forward-looking information within the meaning of the federal securities laws. The forward-looking information may include, among other information, (i) statements concerning our outlook for the future, (ii) statements of belief, anticipation or expectation, (iii) future plans, strategies or anticipated events, and (iv) similar information and statements concerning matters that are not historical facts. Such forward-looking information is subject to known and unknown variables, uncertainties, contingencies and risks that may cause actual events or results to differ materially from our expectations, and such known and unknown variables, uncertainties, contingencies and risks may also adversely affect Optical Cable Corporation and its subsidiaries, the Company's future results of operations and future financial condition, and/or the future equity value of the Company. A partial list of such variables, uncertainties, contingencies and risks that could cause or contribute to such differences from our expectations or that could otherwise adversely affect Optical Cable Corporation and its subsidiaries is set forth in Optical Cable Corporation's quarterly and annual reports filed with the Securities and Exchange Commission ("SEC") under the heading "Forward-Looking Information." OCC's quarterly and annual reports are available to the public on the SEC's website at <http://www.sec.gov>. In providing forward-looking information, the Company expressly disclaims any obligation to update this information, whether as a result of new information, future events or otherwise except as required by applicable laws and regulations.

(Financial Tables Follow)

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OPTICAL CABLE CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(thousands, except per share data)  
(unaudited)

	Three Months Ended January 31,	
	2017	2016
Net sales	\$ 14,606	\$ 14,048
Cost of goods sold	9,796	10,546
Gross profit	4,810	3,502
SG&A expenses	5,192	5,087
Royalty expense, net	31	15
Amortization of intangible assets	6	3
Loss from operations	(419)	(1,603)
Interest expense, net	(148)	(158)
Other, net	(69)	18
Other expense, net	(217)	(140)
Loss before income taxes	(636)	(1,743)
Income tax expense (benefit)	(20)	24
Net loss	\$ (616)	\$ (1,767)
Net loss attributable to noncontrolling interest	—	(22)
Net loss attributable to OCC	\$ (616)	\$ (1,745)
Net loss attributable to OCC per share: Basic and diluted	\$ (0.09)	\$ (0.28)
Weighted average shares outstanding: Basic and diluted	6,487	6,261

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OPTICAL CABLE CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEET DATA  
(thousands)  
(unaudited)

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	January 31, 2017	October 31, 2016
Cash	\$ 1,246	\$ 1,879
Trade accounts receivable, net	8,534	8,916
Inventories	16,041	15,024
Other current assets	496	503
Total current assets	26,317	26,322
Non-current assets	13,799	14,344
Total assets	<u>\$ 40,116</u>	<u>\$ 40,666</u>
Current liabilities	\$ 4,577	\$ 4,126
Non-current liabilities	11,268	11,775
Total liabilities	15,845	15,901
Total shareholders' equity	24,271	24,765
Total liabilities and shareholders' equity	<u>\$ 40,116</u>	<u>\$ 40,666</u>

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# TRANSCRIPT

OCC - Q1 2017 Optical Cable Corp Earnings Call

EVENT DATE/TIME: MARCH 08, 2017 / 10:00AM ET

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## CORPORATE PARTICIPANTS

**Ben Arcano** *Joele Frank Wilkinson Brimmer Katcher – Investor Relations*

**Neil Wilkin** *Optical Cable Corp.– Chairman of the Board, President, and Chief Executive Officer*

**Tracy Smith** *Optical Cable Corp. – Senior Vice President and Chief Financial Officer*

## PRESENTATION

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### Operator

Good morning. My name is Crystal, and I will be your conference operator today.

At this time, I would like to welcome everyone to the Optical Cable Corporation's first quarter of fiscal year 2017 earnings conference call.

(Operator Instructions)

Thank you. Mr. Arcano, you may begin your conference.

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### **Ben Arcano - Joele Frank Wilkinson Brimmer Katcher - Investor Relations**

Good morning, and thank you all for participating on Optical Cable Corporation's first quarter of fiscal year 2017 conference call. By this time, everyone should have a copy of the earnings press release issued earlier today. You can also visit [www.occfiber.com](http://www.occfiber.com) for a copy. On the call with us today are Neil Wilkin, President and Chief Executive Officer of OCC and Tracy Smith, Senior Vice President and Chief Financial Officer.

Before we begin, I would like to remind everyone that this call may contain forward-looking statements that involve risks and uncertainties. The actual future results of Optical Cable Corporation may differ materially due to a number of factors and risks including, but not limited to, those factors referenced in the forward-looking statements section of this morning's press release. These cautionary statements apply to the content of the internet webcast on [www.occfiber.com](http://www.occfiber.com) as well as today's call.

Now I will turn the call over to Neil Wilkin. Neil, please begin.

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### **Neil Wilkin - Optical Cable Corp. - Chairman of the Board, President, and Chief Executive Officer**

Thank you, Ben and good morning, everyone. I will begin the call today with a few opening remarks regarding our first quarter of fiscal year 2017. Tracy will then review the first quarter results for the three-month period ended January 31, 2017 in more detail. After Tracy's remarks, we will answer as many of your questions as we can.

As is our normal practice, we will only take questions from analysts and institutional investors during the Q&A session. However, we also offer other shareholders the opportunity to submit questions in advance of our earnings call. Instructions regarding such submissions are included in our press release announcing the date and time of our call.

During our first quarter of fiscal 2017, we generated increases in net sales, gross profit and gross profit margin, and improved our bottom line, when compared to the same period last year. We achieved these improvements despite expected seasonality and currency exchange rates that impacted our international sales.

Our results in the first quarter reflect our continued efforts to operate efficiently and drive growth through sales and marketing initiatives, as well as product innovation. We have seen increases in activity in many of the markets we serve, and we are beginning to selectively add personnel necessary to meet anticipated improvements in demand.

During the first quarter, we also paid down our revolving credit facility to \$4.6 million, and have not borrowed on the revolving credit facility since August 2015.

We are confident we are taking the right steps to strengthen OCC, and by continuing to execute on our ongoing initiatives, we will drive substantial long-term value creation.

With that, I will turn the call over to Tracy Smith, who will review some of the specifics regarding our first quarter financial results.

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**Tracy Smith - Optical Cable Corp. - Senior Vice President and Chief Financial Officer**

Thank you, Neil. Consolidated net sales for the first quarter of fiscal 2017 were \$14.6 million, an increase of 4% compared to net sales of \$14 million for the first quarter of fiscal 2016. Net sales to customers in the United States increased 10.8% in the first quarter of fiscal 2017, compared to the same period last year as a result of increases in sales through distribution channels. Net sales to customers outside of the United States decreased 17.4% when compared to the same period last year. Net sales outside of the United States continue to be negatively impacted by a strong U.S. dollar relative to other currencies, particularly in certain geographic regions.

Turning to gross profit. Gross profit increased 37.3% to \$4.8 million in the first quarter of fiscal 2017, compared to \$3.5 million in the first quarter of fiscal 2016. Gross profit margin, or gross profit as a percentage of net sales, increased to 32.9% in the first quarter of fiscal 2017, compared to 24.9% in the first quarter of fiscal 2016. Our gross profit margin percentages are heavily dependent upon product mix on a quarterly basis. Gross profit margin for the first quarter of fiscal 2017 was positively impacted due to a shift in product mix toward the sale of certain higher margin products in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016.

SG&A expenses increased \$105,000, or 2.1%, to \$5.2 million during the first quarter of fiscal 2017, compared to \$5.1 million for the same period last year. SG&A expenses as a percentage of net sales were 35.6% in the first quarter of fiscal 2017, compared to 36.2% in the first quarter of fiscal 2016. The increase in SG&A expenses when compared to the same period last year primarily resulted from legal action taken by the Company, and was partially offset by a decrease in SG&A expenses associated with Centric Solutions.

Net loss attributable to OCC for the first quarter of fiscal 2017 was \$616,000, or \$0.09 per basic and diluted share, compared to a net loss attributable to OCC of \$1.7 million, or \$0.28 per basic and diluted share, for the first quarter of fiscal 2016.

After the end of the first quarter, on February 28, 2017, OCC renewed its revolving credit facility with the Bank of North Carolina, extending the maturity date to March 31, 2019 and maintaining the credit availability under the facility at \$7 million until maturity. The revolving credit facility was previously scheduled to expire on February 28, 2018 with the maximum credit availability scheduled to decline to \$6.5 million and \$6 million on February 28, 2017 and February 28, 2018, respectively.

As of January 31, 2017, we had outstanding borrowings of \$4.6 million on our revolving credit note and \$2.4 million in available credit. We also had outstanding loan balances of \$6.9 million under our real estate term loans, also with the Bank of North Carolina. OCC paid down \$400,000 on its revolving line of credit during the first quarter of fiscal 2017 and has not borrowed on the revolver since August 2015.

With that, I will turn the call back over to Neil.

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**Neil Wilkin - Optical Cable Corp. - Chairman of the Board, President, and Chief Executive Officer**

Thank you, Tracy. And now, if you have any questions, we are happy to answer them. Crystal, if you could please indicate the instructions for our participants to call in any questions they may have, I would appreciate it.

#### **QUESTION AND ANSWER**

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**Operator**

(Operator Instructions) At this time, there are no questions. I will now turn the conference back to Neil.

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**Neil Wilkin - Optical Cable Corp. - Chairman of the Board, President, and Chief Executive Officer**

Thank you, Crystal. Ben, are there any questions that were submitted by individual investors in advance of today's call?

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**Ben Arcano - Joele Frank Wilkinson Brimmer Katcher - Investor Relations**

Neil, at this time, we do not have any questions submitted by individual shareholders.

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**Neil Wilkin - Optical Cable Corp. - Chairman of the Board, President, and Chief Executive Officer**

Okay. Well, I would like to thank everyone for listening to our first quarter conference call today. As always, we appreciate your time and your interest in OCC.

Thank you.

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**Operator**

This concludes today's conference call. You may now disconnect.