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

FORM 8-K

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

Date of Report (Date of earliest event reported): February 20, 2018

ROCKY BRANDS, INC.
(Exact name of registrant as specified in its charter)

Ohio	**001-34382**	**31-1364046**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

39 East Canal Street, Nelsonville, Ohio 45764
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (740) 753-1951

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition

On February 20, 2018, Rocky Brands, Inc. (the "Company") issued a press release entitled "Rocky Brands, Inc. Announces Fourth Quarter 2017 Results" regarding its consolidated financial results for the quarter and year ended December 31, 2017. A copy of the Company's press release is furnished as Exhibit 99 to this Form 8-K and is incorporated herein by reference.

The information in this Form 8-K and accompanying press release is being furnished under Item 2.02 and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

The information contained or incorporated by reference in this Form 8-K contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Those statements include, but may not be limited to, all statements regarding intent, beliefs, expectations, projections, forecasts, and plans of the Company and its management. These forward-looking statements involve numerous risks and uncertainties, including, without limitation, the various risks inherent in the Company’s business as set forth in periodic reports filed with the Securities and Exchange Commission, including the Company’s annual report on Form 10-K for the year ended December 31, 2016 (filed March 9, 2017) and quarterly reports on Form 10-Q for the periods ended March 31, 2017 (filed May 5, 2017), June 30, 2017 (filed August 9, 2017) and September 30, 2017 (filed November 7, 2017). One or more of these factors have affected historical results, and could in the future affect the Company’s businesses and financial results in future periods and could cause actual results to differ materially from plans and projections. Therefore, there can be no assurance that the forward-looking statements included in this press release will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the Company, or any other person should not regard the inclusion of such information as a representation that the objectives and plans of the Company will be achieved. All forward-looking statements made in this press release are based on information presently available to the management of the Company. The Company assumes no obligation to update any forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 99*	Press Release, dated February 20, 2018 entitled "Rocky Brands, Inc. Announces Fourth Quarter 2017 Results”.

* Such press release is being "furnished" (not filed) under Item 2.02 of this Current Report on Form 8-K

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.

Date: February 20, 2018

Rocky Brands, Inc.

/s/ Tom Robertson
Tom Robertson
Chief Financial Officer

ROCKY BRANDS, INC.

Rocky Brands, Inc. Announces 2017 Fourth Quarter and Full Year Results
Fourth Quarter Wholesale Sales Increased 4.7%
2017 Year-End Funded Debt Decreased 84.9% to $2.2 Million

NELSONVILLE, Ohio, February 20, 2018 – Rocky Brands, Inc. (NASDAQ: RCKY) today announced financial results for its fourth quarter and year ended December 31, 2017.

Fourth Quarter 2017 Sales and Income
Fourth quarter net sales were $67.0 million versus net sales of $67.0 million in the fourth quarter of 2016. The Company reported fourth quarter net income of $4.4 million, or $0.59 per diluted share, compared to a fourth quarter net loss of $0.6 million, or ($0.09) per diluted share in the year ago period.

The fourth quarter of 2017 included an after-tax charge of $1.6 million associated with the loss on the sale of the Creative Recreation brand. Due to the recently enacted tax reform in the fourth quarter of 2017, the Tax Cuts and Jobs Act (TCJA), we recognized a one-time income tax benefit in the fourth quarter of 2017 of $3.2 million. The benefit is primarily a result of the new lower domestic federal tax rate applied to our current and deferred tax liability position, which was partially offset by a one-time toll charge related to the repatriation of earnings from our Dominican Republic operations. As a result of these one-time charges due to the TCJA, we recorded a $2.9 million benefit in the fourth quarter of 2017. Excluding the charges and impact of tax reform, fourth quarter 2017 adjusted net income was $2.8 million, or $0.37 per diluted share. The fourth quarter of 2016 included a non-cash impairment charge related to the Creative Recreation brand of $2.0 million, after-tax. Excluding this charge, fourth quarter 2016 net income was $1.3 million, or $0.18 per diluted share. (See below for a reconciliation of GAAP financial measures to non-GAAP financial measures).

Fiscal Year 2017 Sales and Income
For fiscal year 2017, net sales were $253.2 million versus net sales of $260.3 million in fiscal year 2016. The Company reported net income of $9.6 million, or $1.29 per diluted share, for fiscal year 2017, compared with a net loss of $2.1 million, or ($0.29) per diluted share, for fiscal 2016.

Excluding $0.6 million after-tax of hurricane related expenses the company recorded in the third quarter of 2017 and the aforementioned expenses and charges related to the sale of the Creative Recreation brand and the impact of tax reform, 2017 adjusted net income was $8.6 million, or $1.16 per diluted share. Excluding the $0.8 million after-tax reorganizational charge the company recorded in the third quarter 2016 and the aforementioned non-cash impairment charge related to the Creative Recreation brand, fiscal 2016 net income was $0.6 million, or $0.08 per diluted share. (See below for a reconciliation of GAAP financial measures to non-GAAP financial measures).

Jason Brooks, President and Chief Executive Officer, commented, "We concluded a productive 2017 with a very solid fourth quarter performance which was highlighted by mid-single digit growth for both our wholesale and retail divisions. The product, marketing and distribution strategies we've recently implemented aimed at increasing full-price selling for our branded work, western and outdoor footwear businesses are contributing to better top and bottom line results. At the same time, we continue to successfully grow our direct sales operations through the expansion of our Lehigh Outfitters CustomFit program. This includes signing new accounts and driving higher volumes with existing accounts fueled by improved execution and an enhanced merchandise offering. With respect to our military segment, 2017 marked a record year in terms of revenue and margins despite the challenges that our employees and production facility and the entire island of Puerto Rico faced following the impact of Hurricane Maria."

Brooks continued, “While we face some headwinds in 2018 from expiring contracts and changes in market dynamics for our military business and the sale of Creative Rec, we are cautiously optimistic about the prospects for growth in our wholesale and direct channels. The positive impact on gross margins from the continuation of improved full-price selling and the change in sales mix by segment compared with 2017, combined with the benefit from recent tax reform, has the company well positioned to deliver increased profitability on lower overall revenue and continue generating value for shareholders.”

Fourth Quarter Review

Net sales for the fourth quarter were $67.0 million compared to $67.0 million a year ago. Wholesale sales for the fourth quarter increased 4.7% to $44.4 million compared to $42.4 million for the same period in 2016. Retail sales for the fourth quarter increased 4.9% to $14.4 million compared to $13.7 million for the same period last year. Military segment sales for the fourth quarter were $8.2 million compared to $10.9 million in the fourth quarter of 2016.

Gross margin in the fourth quarter of 2017 was $23.3 million, or 34.8% of sales, compared to $21.8 million, or 32.5% of sales, for thesame period last year. The 230 basis point increase was driven by higher wholesale and military margins combined with a lower percentage of military sales which carry lower gross margins than wholesale and retail.

Selling, general and administrative (SG&A) expenses were $19.6 million, including $0.3 million of transaction expenses related to the sale of the Creative Recreation brand, compared to $19.9 million a year ago. SG&A as a percent of sales decreased 50 basis points to 29.3% of net sales compared to 29.8% sales last year.

Income from operations was $3.7 million compared to an operating loss of $1.2 million in the year ago period. On an adjusted basis, operating income was $4.0 million, or 6.0% of net sales, compared to $1.8 million, or 2.8% of net sales a year ago. (See below for a reconciliation of GAAP financial measures to non-GAAP financial measures).

Interest expense was $109,000, compared to $157,000 for the fourth quarter of 2016.

The Company’s funded debt decreased 84.9% or $12.4 million to $2.2 million at December 31, 2017 versus $14.6 million at December 31, 2016.

Inventory decreased 5.1%, or $3.5 million, to $65.6 million at December 31, 2017 compared with $69.2 million on the same date a year ago.

Use of Non-GAAP Financial Measures

In addition to GAAP financial measures, we present the following non-GAAP financial measures: “non-GAAP adjusted gross margin,” “non-GAAP adjusted operating expenses,” “non-GAAP adjusted other income and expenses,” “non-GAAP adjusted net income,” and “non-GAAP adjusted net income per share.” Adjusted results exclude the impact of items that management believes affect the comparability or underlying business trends in our consolidated financial statements in the periods presented. We believe that these non-GAAP measures are useful to investors and other users of our consolidated financial statements as an additional tool for evaluating operating performance. We believe they also provide a useful baseline for analyzing trends in our operations. Investors should not consider these non-GAAP measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. See “Reconciliation of GAAP Measures to Non-GAAP Measures” accompanying this press release.

Conference Call Information

The Company’s conference call to review fourth quarter and fiscal 2017 results will be broadcast live over the internet today, Tuesday, February 20, 2018 at 4:30 pm Eastern Time. The broadcast will be hosted at http://www.rockybrands.com.

About Rocky Brands, Inc.

Rocky Brands, Inc. is a leading designer, manufacturer and marketer of premium quality footwear and apparel marketed under a portfolio of well recognized brand names including Rocky®, Georgia Boot®, Durango®, Lehigh®, and the licensed brand Michelin®.

Safe Harbor Language

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Those statements include, but may not be limited to, all statements regarding intent, beliefs, expectations, projections, forecasts, and plans of the Company and its management. These forward-looking statements involve numerous risks and uncertainties, including, without limitation, the various risks inherent in the Company's business as set forth in periodic reports filed with the Securities and Exchange Commission, including the Company's annual report on Form 10-K for the year ended December 31, 2016 (filed March 9, 2017) and quarterly reports on Form 10-Q for the periods ended March 31, 2017 (filed May 5, 2017), June 30, 2017 (filed August 9, 2017) and September 30, 2017 (filed November 7, 2017). One or more of these factors have affected historical results, and could in the future affect the Company's businesses and financial results in future periods and could cause actual results to differ materially from plans and projections. Therefore, there can be no assurance that the forward-looking statements included in this press release will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the Company, or any other person should not regard the inclusion of such information as a representation that the objectives and plans of the Company will be achieved. All forward-looking statements made in this press release are based on information presently available to the management of the Company. The Company assumes no obligation to update any forward-looking statements.

Company Contact:	Tom Robertson Chief Financial Officer (740) 753-1951
Investor Relations:	Brendon Frey ICR, Inc. (203) 682-8200

Rocky Brands, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

		December 31,		
		2017		2016
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	$	3,680,776	$	4,480,505
Trade receivables, net		45,027,002		40,844,583
Other receivables		806,468		688,251
Inventories		65,622,432		69,168,442
Income tax receivable		1,849,237		1,243,678
Prepaid expenses		2,199,648		2,354,107
Total current assets		119,185,563		118,779,566
FIXED ASSETS – net		23,781,001		26,511,493
IDENTIFIED INTANGIBLES		30,314,749		33,415,694
OTHER ASSETS		197,977		232,509
TOTAL ASSETS	$	173,479,290	$	178,939,262
LIABILITIES AND SHAREHOLDERS' EQUITY:				
CURRENT LIABILITIES:				
Accounts payable	$	12,982,535	$	11,589,040
Accrued Expenses:				
Salaries and Wages		1,754,681		949,894
Taxes - Other		599,793		842,325
Accrued Freight		770,219		534,070
Commissions		455,845		446,703
Accrued Duty		2,160,847		1,980,598
Other		1,301,931		1,377,281
Total current liabilities		20,025,851		17,719,911
LONG TERM DEBT		2,199,423		14,584,008
LONG TERM TAXES PAYABLE		2,286,512		-
DEFERRED INCOME TAXES		7,726,234		11,365,800
DEFERRED LIABILITIES		148,408		176,219
TOTAL LIABILITIES		32,386,428		43,845,938
SHAREHOLDERS' EQUITY:				
Common stock, no par value; 25,000,000 shares authorized; issued and outstanding December 31, 2017 - 7,398,654 and December 31, 2016 - 7,421,455		68,973,927		69,291,637
Retained earnings		72,118,935		65,801,687
Total shareholders' equity		141,092,862		135,093,324
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	173,479,290	$	178,939,262

Rocky Brands, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017	2016	2017	2016
	Unaudited	Unaudited	Audited	Audited
NET SALES	$ 66,993,982	$ 66,950,298	$ 253,196,972	$ 260,258,584
COST OF GOODS SOLD	43,648,310	45,160,120	172,428,155	183,528,494
GROSS MARGIN	23,345,672	21,790,178	80,768,817	76,730,090
OPERATING EXPENSES				
Selling, general and administrative expenses	19,630,063	19,946,312	68,943,561	75,631,490
Reorganizational charge	-	-	-	1,159,527
Impairment charge	-	3,000,000	-	3,000,000
Total Operating Expenses	19,630,063	22,946,312	68,943,561	79,791,017
INCOME (LOSS) FROM OPERATIONS	3,715,609	(1,156,134)	11,825,256	(3,060,927)
OTHER INCOME AND (EXPENSES):				
Interest expense	(108,763)	(157,336)	(389,586)	(616,567)
Other – net	(19,614)	(23,857)	15,450	59,020
Loss on disposition of Creative Recreation	(2,089,816)	-	(2,089,816)	-
Total other - net	(2,218,193)	(181,193)	(2,463,952)	(557,547)
INCOME (LOSS) BEFORE INCOME TAXES	1,497,416	(1,337,327)	9,361,304	(3,618,474)
INCOME TAX (BENEFIT) EXPENSE	(2,899,362)	(703,078)	(225,362)	(1,479,078)
NET INCOME (LOSS)	$ 4,396,778	$ (634,249)	$ 9,586,666	$ (2,139,396)
INCOME (LOSS) PER SHARE				
Basic	$ 0.59	$ (0.09)	$ 1.29	$ (0.29)
Diluted	$ 0.59	$ (0.09)	$ 1.29	$ (0.29)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
Basic	7,398,844	7,427,520	7,428,176	7,505,219
Diluted	7,435,980	7,427,520	7,450,312	7,505,219

Rocky Brands, Inc. and Subsidiaries
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017	2016	2017	2016
Gross Margin				
Gross margin, as reported	$ 23,345,672	$ 21,790,178	$ 80,768,817	$ 76,730,090
Add: Hurricane related expenses	-	-	963,570	-
Adjusted gross margin	$ 23,345,672	$ 21,790,178	$ 81,732,387	$ 76,730,090
Operating Expenses				
Operating expenses, as reported	$ 19,630,063	$ 22,946,312	$ 68,943,561	$ 79,791,017
Less: Creative Recreation disposition related expenses	299,663	-	299,663	-
Less: Reorganizational charge	-	-	-	1,159,527
Less: Impairment charge	-	3,000,000	-	3,000,000
Adjusted operating expenses	$ 19,330,400	$ 19,946,312	$ 68,643,898	$ 75,631,490
INCOME (LOSS) FROM OPERATIONS, ADJUSTED	$ 4,015,272	$ 1,843,866	$ 13,088,489	$ 1,098,600
OTHER INCOME AND (EXPENSES):				
Total other - net, as reported	(2,218,193)	(181,193)	(2,463,952)	(557,547)
Less: Loss on disposition of Creative Recreation	(2,089,816)	-	(2,089,816)	-
Adjusted other - net	(128,377)	(181,193)	(374,136)	(557,547)
Net Income (Loss)				
Net income (loss), as reported	$ 4,396,778	$ (634,249)	$ 9,586,666	$ (2,139,396)
Add: Hurricane related expenses, after tax	-	-	635,956	-
Add: Disposition of Creative Recreation, after tax	1,577,056	-	1,577,056	-
Less: Impact of tax reform (1)	(3,208,028)	-	(3,208,028)	-
Add: Reorganizational charge, after tax	-	-	-	753,693
Add: Impairment charge, after tax	-	1,950,000	-	1,950,000
Adjusted net income	$ 2,765,806	$ 1,315,751	$ 8,591,650	$ 564,297
Net income (loss) per share, as reported				
Basic	$ 0.59	$ (0.09)	$ 1.29	$ (0.29)
Diluted	$ 0.59	$ (0.09)	$ 1.29	$ (0.29)
Adjusted net income per share				
Basic	$ 0.37	$ 0.18	$ 1.16	$ 0.08
Diluted	$ 0.37	$ 0.18	$ 1.16	$ 0.08
Weighted average shares outstanding				
Basic	7,398,844	7,427,520	7,428,176	7,505,219
Diluted	7,435,980	7,437,888	7,450,312	7,519,414

(1): Due to the recently enacted tax reform, Tax Cuts and Jobs Act (TCJA), we recognized a one-time income tax benefit in the fourth quarter of 2017 of $3.2 million. The benefit is primarily a result of the new lower domestic federal tax rate applied to our current and deferred tax liability position, which was partially offset by a one-time toll charge related to the repatriation of earnings from our Dominican Republic operations. As a result of these one-time charges we recorded a $2.9 million benefit in the fourth quarter of 2017. The adjusted tax expense without the impact of TCJA was $308,666 and $2,982,666 for the three and twelve months ended December 31, 2017 resulting in an effective tax rate of 20.6% and 31.9% for the respective periods. Our effective tax rate, adjusted for the TCJA, for the fourth quarter, was below historic levels due to the recently passed Bipartisan Budget Act of 2018, which permits a deduction for income attributable to domestic production activities in Puerto Rico through the end of 2017.