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

FORM 11-K

(Mark one)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2017

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

For the transition period from _____ to _____.

Commission File Number 1-8462

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

GRAHAM CORPORATION EMPLOYEE STOCK PURCHASE PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Graham Corporation
20 Florence Avenue
Batavia, New York 14020**

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**GRAHAM CORPORATION
EMPLOYEE STOCK PURCHASE PLAN**

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Administrator of
Graham Corporation Employee Stock Purchase Plan

We have audited the accompanying statements of net assets available for benefits of the Graham Corporation Employee Stock Purchase Plan (the "Plan") as of March 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of March 31, 2017 and 2016, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ Freed Maxick CPAs, P.C.

Freed Maxick CPAs, P.C.
Buffalo, New York
June 29, 2017

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GRAHAM CORPORATION
EMPLOYEE STOCK PURCHASE PLAN
Batavia, New York

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	At March 31,	
	2017	2016
ASSETS		
Cash and Cash Equivalents	\$ 56,629	\$ 75,813
Total Assets	56,629	75,813
LIABILITIES		
Payable to Participants	56,629	75,813
Total Liabilities	56,629	75,813
Net Assets Available for Benefits	\$ 0	\$ 0

See notes to the financial statements.

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GRAHAM CORPORATION
EMPLOYEE STOCK PURCHASE PLAN
Batavia, New York

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For the year ended March 31,	
	2017	2016
Additions to Net Assets		
Employee Contributions	\$ 221,341	\$ 254,549
Total Additions	<u>221,341</u>	<u>254,549</u>
Deductions from Net Assets		
Cost of Shares Purchased	240,525	255,835
Payable to Participants	56,629	75,813
Prior Year Contributions Used for Current Year Share Purchase	(75,813)	(77,099)
Total Deductions	<u>221,341</u>	<u>254,549</u>
Net Change in Net Assets	0	0
Net Assets Available for Benefits – Beginning of Period	0	0
Net Assets Available for Benefits – End of Period	<u>\$ 0</u>	<u>\$ 0</u>

See notes to the financial statements.

**GRAHAM CORPORATION
EMPLOYEE STOCK PURCHASE PLAN**

NOTES TO FINANCIAL STATEMENTS

1. THE PLAN

ACCOUNTING PRINCIPLES — The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America.

General — On July 29, 2010, Graham Corporation's (the "Company's") stockholders approved the Graham Corporation Employee Stock Purchase Plan (the "Plan"). The Plan Administrator believes the Plan meets the qualification standards of Section 423 of the Internal Revenue Code of 1986, as amended, pursuant to which the Plan is not subject to taxation. The Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended.

The Plan covers all the U.S.- based employees of the Company and U.S.- based employees of any future U.S. subsidiary of the Company.

Contributions — Participants may make contributions to the Plan through payroll deductions for the purpose of purchasing the Company's common stock. The Plan operates with separate consecutive six-month periods commencing January 1, and July 1, respectively. The Plan will continue to operate in this manner until such time as the Plan is amended or terminated (see Note 2).

Share Purchase and Withdrawals — Through June 30, 2016, participants had the ability to purchase shares of the Company's common stock from the Company at 85% of its fair market value on the last or first business day of the six-month periods ending June 30 and December 31, respectively. Effective July 1, 2016, participants have the ability to purchase shares of the Company's common stock from the Company at 95% of the fair market value of a share of common stock on the offering commencement date. If, prior to the end of any period, a participant elects to withdraw from the Plan or if a participant dies, retires or terminates employment for any reason, the Plan will refund any amounts withheld in that period plus any carryover from the previous period. Security transactions are accounted for as of the trade date. Plan participants purchased 14,918 and 16,336 shares of the Company's common stock during the years ended March 31, 2017 and 2016, respectively. Under the Plan, 89,933 shares remain reserved for future issue. Refunds from participant withdrawals have not been significant. The maximum number of shares subject to the Plan is 200,000.

Limitations — Employees owning shares representing 5% or more of the total combined voting power or value of all classes of shares of the Company are not permitted to purchase any shares of Company common stock under the Plan. Additionally, participants are prohibited from purchasing through the Plan shares with an aggregate fair market value in excess of \$25,000 in any one calendar year. Participants are also subject to an annual share maximum purchase limit of 5,000 shares.

Plan Administration — All expenses for Plan administration are paid by the Company and are not reflected in the accompanying financial statements.

**GRAHAM CORPORATION
EMPLOYEE STOCK PURCHASE PLAN**

NOTES TO FINANCIAL STATEMENTS — (Continued)

2. TERMINATION OF THE PLAN

The Plan shall terminate at the earliest of the following:

- The purchase date that participants become entitled to purchase a number of shares greater than the number of shares remaining available for purchase under the Plan; or
- A date specified by the Company's Board of Directors, in its sole discretion.

In the event of termination, all amounts in a participant's payroll deduction account that are not used to purchase Company common stock will be refunded to the participant.

3. Plan Assets

The Plan's cash is maintained by the Company on behalf of the Plan.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities and Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Graham Corporation Employee Stock Purchase Plan

by: Graham Corporation, Plan Administrator

by: /s/ Jeffrey Glajch

Vice President-Finance & Administration and
Chief Financial Officer

Date: June 29, 2017

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[Exhibit Index](#)

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
23	Consent of Independent Registered Public Accounting Firm

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement (No.333-169015) on Form S-8 of Graham Corporation of our report dated June 29, 2017, relating to our audit of the financial statements of Graham Corporation Employee Stock Purchase Plan, which appears in this Annual Report on Form 11-K of the Graham Corporation Employee Stock Purchase Plan for the year ended March 31, 2017.

/s/ Freed Maxick CPAs, P.C.

Freed Maxick CPAs, P.C.
Buffalo, New York
June 29, 2017