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): January 31, 2018

Pandora Media, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-35198**	**94-3352630**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

**2101 Webster Street, Suite 1650
Oakland, CA 94612**
(Address of principal executive offices, including zip code)

(510) 451-4100
(Registrant's telephone number, including area code)

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:

☐ 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 Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2of 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 2.05 Costs Associated with Exit or Disposal Activities.

On January 31, 2018, Pandora Media, Inc. (the "Company") announced efforts to prioritize its strategic growth initiatives and optimize overall business performance, including a reduction in force plan affecting approximately 5% of the Company's employee base. The Company's Board of Directors approved the plan on January 11, 2018 and affected employees were informed of the plan on January 31, 2018. The Company expects the reduction in force plan to be substantially completed by the end of the first quarter of 2018.

Total costs and cash expenditures for the reduction in force plan are estimated at $6.5 million to $8.5 million, substantially all of which are related to employee severance and benefits costs. The Company expects to recognize most of these pre-tax reduction in force charges in the first quarter of 2018. Additionally, the savings from the reduction in force and other efficiency measures will be reinvested into strategic growth initiatives focused on driving audience and improvements in monetization.

Item 2.05 of this Report ("Item 2.05") contains "forward-looking statements" within the meaning established by the Private Securities Litigation Reform Act of 1995, which are identified by words such as "plans," "expects," "may," "believes," "estimates" or "estimated, "intends," and other similar words, expressions, and formulations. Item 2.05 contains forward-looking statements regarding the timing and scope of the reduction in force plan; and the amount and timing of the related charges. Many factors could affect the actual results of the reduction in force plan, and variances from the Company's current expectations regarding such factors could cause actual results of the reduction in force plan to differ materially from those expressed in these forward-looking statements. The Company presently considers the following to be a non-exclusive list of important factors that could cause actual results to differ materially from its expectations: estimates of employee headcount reductions; cash expenditures that may be made by the Company in connection with the reduction in force plan; and the number of outstanding unvested equity awards that will be canceled as a result of the reduction in force plan. A detailed discussion of these and other risks and uncertainties that could cause the Company's actual results to differ materially from these forward-looking statements is included in the documents that the Company files with the Securities and Exchange Commission on Forms 10-K, 10-Q and 8-K. These forward-looking statements speak only as of the date of this Report, and the Company does not undertake any obligation to revise or update such statements, whether as a result of new information, future events, or otherwise.

Item 7.01 Regulation FD Disclosure.

On January 31, 2018, the Company issued a press release announcing an organizational restructuring and its plans to expand its presence and workforce in Atlanta. This press release is furnished as Exhibit 99.1 hereto.

The information provided pursuant to Item 7.01, including Exhibit 99.1 attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit Description
99.1	Press release dated January 31, 2018

SIGNATURE

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.

PANDORA MEDIA, INC.

Dated: January 31, 2018	By:	/s/ Stephen Bené
		Stephen Bené General Counsel and Corporate Secretary

EXHIBIT INDEX

Exhibit No.	Exhibit Description
99.1	Press release dated January 31, 2018

Exhibit 99.1

pandora®

Pandora Redesigns Organization to Drive Strategic Priorities and Accelerate Growth

OAKLAND, California, January 31, 2018 - Pandora (NYSE:P), the largest music streaming service in the U.S., today announced an organizational restructuring designed to prioritize its strategic growth initiatives and optimize overall business performance. The redesign shifts resources to focus on ad-tech and audience development efforts while positioning the company for improved operating leverage over time. It also simplifies the organization into a flatter structure for smarter, faster execution.

Effective immediately, a combination of eliminated roles and other cost-saving measures are expected to result in combined annualized savings of approximately $45 million to adjusted EBITDA. The savings will be reinvested into growth initiatives including ad-tech, non-music content, device integration and marketing technology, toward which the company will redeploy existing employees and hire for new positions.

Even with significant reinvestment in these growth initiatives, the cost reduction efforts mean that Pandora expects operating expenses, excluding subscription commissions, to represent a lower percentage of revenue in full-year 2018 than in 2017. In addition to creating operating leverage with these organizational changes, Pandora is focused on capturing additional cost efficiencies with tighter business processes, automation, expansion in lower-cost locations and management of content costs - all of which will be incremental to the savings above.

"Pandora is the largest music streaming service in the U.S. People spend more time on Pandora than any other digital platform in the country, and as our dynamic industry evolves, we must also evolve," said Roger Lynch, CEO of Pandora. "As I shared last quarter, we know where and how to invest in order to grow. We have an aggressive plan in place that includes strategic investments in our priorities: ad-tech, product, content, partnerships and marketing. I am confident these changes will enable us to drive revenue and listener growth."

Pandora also announced plans to expand its presence and workforce in Atlanta, providing a significant opportunity to add instrumental talent in a region with lower costs than the company's headquarters in Oakland, CA.

"Atlanta is a city with a rich history in music and a large pool of diverse tech talent that we can tap into as we scale," added Lynch. "While we are committed to having Oakland remain our headquarters, we're excited to build on the great foundation of our awesome team there and expand our presence in Atlanta over time."

"These changes allow us to act faster, invest for growth and extend our leadership as the audio market hits what we believe will soon be a major inflection point," said Lynch.

ABOUT PANDORA

Pandora is the world's most powerful music discovery platform - a place where artists find their fans and listeners find music they love. We are driven by a single purpose: unleashing the infinite power of music by connecting artists and fans, whether through earbuds, car speakers, live on stage or anywhere fans want to experience it. Our team of highly trained musicologists analyzes hundreds of attributes for each recording which powers our proprietary Music Genome Project®, delivering billions of hours of personalized music tailored to the tastes of each music listener, full of discovery, making artist / fan connections at unprecedented scale. Founded by musicians, Pandora empowers artists with valuable data and tools to help grow their careers and connect with their fans.

www.pandora.com | @pandoramusic | www.pandoraforbrands.com | @PandoraBrands | amp.pandora.com

"Safe Harbor" Statement
This press release contains forward-looking statements within the meaning established by the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding adjusted EBITDA. These forward-looking statements are based on Pandora's current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: our operation in an emerging market and our relatively new and evolving business model; our ability to increase our listener base and listener hours; our ability to attract and retain advertisers; our ability to generate additional revenue on a cost-effective basis; competitive factors; our ability to continue operating under existing laws and licensing regimes; our ability to enter into and maintain commercially viable direct licenses with record labels for the right to reproduce and publicly perform sound recordings on our service; our ability to establish and maintain relationships with makers of mobile devices, consumer electronic products and automobiles; our ability to manage our growth and geographic expansion; our ability to continue to innovate and keep pace with changes in technology and our competitors; our ability to expand our operations to delivery of non-music content; our ability to protect our intellectual property; risks related to service interruptions or security breaches; and general economic conditions worldwide. Further information on these factors and other risks that may affect the business are included in filings with the Securities and Exchange Commission (SEC) from time to time, including under the heading “Risk Factors” in our Quarterly Reports on Form 10-Q for the quarters ended September 30, 2017, and the quarter ended June 30, 2017.

The financial information contained in this press release should be read in conjunction with the consolidated financial statements and notes thereto included in Pandora’s most recent reports on Form 10-K and Form 10-Q, each as they may be amended from time to time. Pandora’s results of operations for the current period are not necessarily indicative of Pandora’s operating results for any future periods.

These documents are available online from the SEC or on the SEC Filings section of the Investor Relations section of our website at investor.pandora.com. Information on our website is not part of this release. All forward-looking statements in this press release are based on information currently available to Pandora, which assumes no obligation to update these forward-looking statements in light of new information or future events.

Non-GAAP Financial Measures
To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with accounting principles generally accepted in the United States ("GAAP"), the Company uses the following non-GAAP measures of financial performance: non-GAAP gross profit, non-GAAP net loss, non-GAAP basic net loss per common share, non-GAAP diluted net loss per common share, adjusted EBITDA, non-GAAP product development, non-GAAP sales and marketing and non-GAAP general and administrative. The presentation of this additional financial information is not intended to be considered in isolation from, as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. These non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP. In addition, these non-GAAP financial measures may be different from the non-GAAP financial measures used by other companies. These non-GAAP measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP measures. Management compensates for these limitations by reconciling these non-GAAP financial measures to the most comparable GAAP financial measures within our earnings releases.

Non-GAAP gross profit, non-GAAP net loss, non-GAAP basic net loss per common share, non-GAAP diluted net loss per common share, non-GAAP product development, non-GAAP sales and marketing and non-GAAP general and administrative differ from GAAP in that they exclude stock-based compensation expense, intangible amortization expense, amortization of non-recoupable ticketing contract advances, goodwill impairment, contract termination fees, expense associated with restructurings and loss on sales of subsidiaries. The income tax effects of non-GAAP pre-tax loss have been reflected in non-GAAP net loss, non-GAAP basic net loss per common share and non-GAAP diluted net loss per common share.

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