

---

---

**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): **April 24, 2014**

---

**WAYSIDE TECHNOLOGY GROUP, INC.**

(Exact name of registrant as specified in its charter)

---

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-26408**  
(Commission  
File Number)

**13-3136104**  
(IRS Employer  
Identification No.)

**1157 Shrewsbury Avenue, Shrewsbury, New Jersey**  
(Address of principal executive offices)

**07702**  
(Zip Code)

**732-389-8950**  
(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 (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))
- 
- 

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

On April 24, 2014, Wayside Technology Group, Inc. issued a press release announcing its financial results for the quarter ended March 31, 2014. A copy of this press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2. of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

99.1 Press Release dated April 24, 2014.

**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.

WAYSIDE TECHNOLOGY GROUP, INC.

Date: April 24, 2014

By: /s/ Simon F. Nynens

Name: Simon F. Nynens

Title: Chairman of The Board, President and Chief Executive Officer



**Wayside Technology Group, Inc. Reports 2014 First Quarter Results  
and Declares Quarterly Dividend**

**Q1 2014:**

Revenue:	\$71.7 million
Income from operations:	\$1.5 million
Net income:	\$1.1 million
Diluted earnings per share:	\$0.23 per share

Dividend declared - \$0.17 per share

SHREWSBURY, NJ, April 24, 2014 — Wayside Technology Group, Inc. (NASDAQ: WSTG) today announced financial results for the first quarter ended March 31, 2014. The results will be discussed in a conference call to be held on Friday, April 25, 2014 at 10:00 a.m. EST. The dial-in telephone number is (866) 793-1341 and the pass code is "WSTG." This conference call will be webcast by NASDAQ OMX and can be accessed at Wayside Technology's Web site at [www.waysidetechology.com/earnings-call](http://www.waysidetechology.com/earnings-call).

"I am pleased to report solid financial results for Q1 2014. Overall, revenue increased 9% and income from operations increased 7% over the same period last year. Key metrics — revenue, income from operations and net income — all showed improvement compared to Q1 2013," said Simon F. Nynens, Chairman and Chief Executive Officer.

"In addition, we are pleased to announce that Bill Botti has joined the Company as Executive Vice President, effective April 21, 2014. Mr. Botti, a recognized industry leader, brings a wealth of sales and channel experience and many valuable relationships that we hope to leverage to help take the growth and development of Wayside to the next level," said Mr. Nynens.

Cash and long term receivables amounted to \$21.3 million, representing 59% of equity as of March 31, 2014. Working capital amounted to \$25.7 million, representing 71% of equity as of March 31, 2014.

Net sales for the first quarter ended March 31, 2014 increased 9% or \$5.8 million to \$71.7 million compared to \$66.0 million for the same period in 2013. Total sales for the first quarter of 2014 for our Lifeboat Distribution segment were \$59.3 million compared to \$53.9 million in the first quarter of 2013, representing an increase of \$5.4 million or 10%. Total sales for the first quarter of 2014 for our TechXtend segment were \$12.5 million compared to \$12.1 million in the first quarter of 2013, representing an increase of \$0.4 million or 3%.

The 10% increase in net sales for the Lifeboat Distribution segment was mainly a result of the strengthening of our account penetration, our continued focus on the expanding virtual infrastructure-centric business and the addition of several key product lines. The 3% increase in net sales in the TechXtend segment was primarily due to an increase in extended payment terms sales transactions as compared to the first quarter ended March 31, 2013.

Gross Profit for the first quarter ended March 31, 2014 was \$5.5 million, a 4% increase as compared to \$5.3 million for the first quarter of 2013. Gross profit for our Lifeboat segment in the first quarter of 2014 was \$4.1 million compared to \$3.8 million for the first quarter of 2013. Gross profit for our

TechXtend segment in the first quarter of 2014 was \$1.4 million compared to \$1.5 million for the first quarter of 2013, representing an 8% decrease. Although TechXtend's net sales increased, its gross profit decreased primarily due to a decrease in rebates earned in the TechXtend segment in the current quarter compared to the first quarter of 2013.

Gross profit margin (gross profit as a percentage of net sales) for the first quarter ended March 31, 2014 was 7.7% compared to 8.1% for the first quarter of 2013. Gross profit margin for our Lifeboat Distribution segment for the first quarter of 2014 was 6.9% compared to 7.0% for the first quarter of 2013. This slight decrease in gross profit margin for the Lifeboat Distribution segment was primarily caused by competitive pricing pressure. Gross profit margin for our TechXtend segment for the first quarter of 2014 was 11.4% compared to 12.7% for the first quarter of 2013. The decrease in gross profit margin for the TechXtend segment was primarily caused by our product mix and a decrease in rebates earned during the current year.

The Company monitors gross profits and gross profit margins carefully. Price competition in our market persisted in 2014. We anticipate that margins, as well as discounts and rebates, will continue to be under pressure in the near future.

Total selling, general, and administrative ("SG&A") expenses for the first quarter of 2014 were \$4.0 million compared to \$3.9 million for the first quarter of 2013.

For the three months ended March 31, 2014, the Company recorded a provision for income taxes of \$545,000 or 34.0% of income, compared to \$511,000 or 33.4% of income for the same period in 2013.

Net income and diluted earnings per share for the first quarter of 2014 were \$1.1 million and \$0.23, respectively, compared to \$1.0 million and \$0.22, respectively for the first quarter of 2013.

On April 23, 2014, the Board of Directors declared a quarterly dividend of \$.17 per share of its common stock payable May 16, 2014 to shareholders of record on May 6, 2014.

**About Wayside Technology Group, Inc.**

Wayside Technology Group, Inc. (NASDAQ: WSTG) was founded in 1982 and is a unified and integrated technology company providing products and solutions for corporate resellers, VARs, and developers as well as business, government and educational entities. The company offers technology products from software publishers and manufacturers including Acronis, Bluebeam Software, CA Technologies, Datawatch, Dell/Dell Software, Flexera Software, Hewlett Packard, Infragistics, Intel Software, JetBrains, Lenovo, Microsoft, Mindjet, Samsung, SAP/Sybase, SmartBear, SolarWinds, Sophos, StorageCraft Technology, TechSmith, Telerik, Unitrends, Veeam Software and VMware.

Additional information can be found by visiting [www.waysidetechology.com](http://www.waysidetechology.com)

*The statements in this release concerning the Company's future prospects are forward-looking statements that involve certain risks and uncertainties. Such risks and uncertainties could cause actual results to differ materially from those indicated by such forward-looking statements, and include, without limitation, the continued*

acceptance of the Company's distribution channel by vendors and customers, the timely availability and acceptance of new products, product mix, market conditions, contribution of key vendor relationships and support programs, as well as factors that affect the software industry in general and other factors. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in our filings with the Securities and Exchange Commission. Except as otherwise required by law, the Company undertakes no obligation to update or revise these forward-looking statements.

—Tables Follow—

**Investor Relations Contact:**

Kevin Scull, Vice President Accounting  
Wayside Technology Group, Inc.  
(732) 389-0932  
kevin.scull@waysidetechnology.com

**WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Amounts in thousands, except share and per share amounts)

	March 31, 2014 (unaudited)	December 31, 2013
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 11,718	\$ 19,609
Accounts receivable, net	57,116	60,796
Inventory, net	1,233	1,315
Prepaid expenses and other current assets	1,206	2,117
Deferred income taxes	230	218
<b>Total current assets</b>	<b>71,503</b>	<b>84,055</b>
Equipment and leasehold improvements, net	334	324
Accounts receivable long-term	9,555	10,006
Other assets	160	159
Deferred income taxes	216	216
<b>Total assets</b>	<b>\$ 81,768</b>	<b>\$ 94,760</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 45,808	\$ 60,039
<b>Total current liabilities</b>	<b>45,808</b>	<b>60,039</b>
<b>Commitments and contingencies</b>		
<b>Stockholders' equity</b>		
Common stock, \$.01 par value; 10,000,000 shares authorized, 5,284,500 shares issued, and 4,766,774 and 4,653,293 shares outstanding, respectively	53	53
Additional paid-in capital	29,507	28,791
Treasury stock, at cost, 517,726 and 631,207 shares, respectively	(6,484)	(7,017)
Retained earnings	12,967	12,695
Accumulated other comprehensive (loss) income	(83)	199
<b>Total stockholders' equity</b>	<b>35,960</b>	<b>34,721</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 81,768</b>	<b>\$ 94,760</b>

**WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**  
(Amounts in thousands, except per share data)

	Three months ended March 31,	
	2014	2013
	(Unaudited)	
<b>Revenues</b>		
Lifeboat segment	59,259	53,869
TechXtend segment	12,471	12,111
<b>Total Revenue</b>	<b>\$ 71,730</b>	<b>\$ 65,980</b>
<b>Cost of sales</b>		
Lifeboat segment	55,143	50,097
TechXtend segment	11,049	10,570
<b>Total Cost of sales</b>	<b>66,192</b>	<b>60,667</b>

Gross Profit	5,538	5,313
Operating expenses		
Selling costs	2,025	1,994
Share-based compensation expense	327	271
Other general and administrative expenses	1,693	1,652
Total Selling, general and administrative expenses	4,045	3,917
Income from operations	1,493	1,396
Interest, net	123	130
Foreign currency transaction (loss) gain	(12)	5
Income before provision for income taxes	1,604	1,531
Provision for income taxes	545	511
Net income	\$ 1,059	\$ 1,020
Income per common share - Basic	\$ 0.23	\$ 0.23
Income per common share - Diluted	\$ 0.23	\$ 0.22
Weighted average common shares outstanding - Basic	4,538	4,477
Weighted average common shares outstanding - Diluted	4,615	4,602