
**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): **July 30, 2015**

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

On July 30, 2015, Wayside Technology Group, Inc. issued a press release announcing its financial results for the quarter ended June 30, 2015. 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 July 30, 2015.

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: July 30, 2015

By: /s/ Simon F. Nynens
Name: Simon F. Nynens
Title: Chairman of The Board, President and Chief Executive Officer



**Wayside Technology Group, Inc. Reports 2015 Second Quarter Results
and Declares Quarterly Dividend**

| | Q2 2015: |
|-----------------------------|------------------|
| Revenue: | \$92.0 million |
| Income from operations: | \$2.0 million |
| Diluted earnings per share: | \$0.29 per share |

Dividend declared - \$0.17 per share

SHREWSBURY, NJ, July 30, 2015 — Wayside Technology Group, Inc. (NASDAQ: WSTG) today announced financial results for the second quarter ended June 30, 2015. The results will be discussed in a conference call to be held on Friday, July 31, 2015 at 10:00 a.m. EDT. The dial-in telephone number is (866) 847-7864 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.

Cash and long term receivables amounted to \$24.4 million, representing 63% of equity as of June 30, 2015. Working capital amounted to \$32.4 million, representing 84% of equity as of June 30, 2015.

“I am pleased to report solid financial results for Q2 2015. Overall, revenue increased 9% and Gross Profit increased 5% over the same period last year, due to continued strong performance from our Lifeboat Distribution team,” said Simon F. Nynens, Chairman and Chief Executive Officer. “I am also pleased to announce that we have recently opened a Lifeboat Distribution sales office in Mesa, Arizona to enhance customer service for our Mid-west and West Coast customers.”

Net sales for the second quarter ended June 30, 2015 increased 9% or \$7.6 million to \$92.0 million compared to \$84.4 million for the same period in 2014. Total sales for the second quarter of 2015 for our Lifeboat Distribution segment were \$81.3 million compared to \$70.0 million in the second quarter of 2014, representing an increase of \$11.3 million or 16%. Total sales for the second quarter of 2015 for our TechXtend segment were \$10.7 million compared to \$14.4 million in the second quarter of 2014, representing a decrease of \$3.7 million or 26%.

The 16% increase in net sales for the Lifeboat Distribution segment was mainly a result of the addition of several key product lines and our ongoing strategy of strengthening of our account penetration. The 26% decrease in net sales in the TechXtend segment was primarily due to a decrease in both extended payment terms sales transactions and large transactions as compared to the second quarter ended June 30, 2015.

Gross Profit for the second quarter ended June 30, 2015 was \$6.4 million, a 5% increase as compared to \$6.1 million for the second quarter of 2014. Gross profit for our Lifeboat Distribution segment in the second quarter of 2015 was \$5.1 million compared to \$4.6 million for the second quarter of 2014, representing an 11% increase. The increase in gross profit for the Lifeboat Distribution segment was primarily due to higher sales volume. Gross profit for our TechXtend segment in the second quarter of 2015 was \$1.3 million compared to \$1.5 million for the second quarter of 2014, representing a 14% decrease. This decrease for the TechXtend segment was primarily due to the decreased sales volume in the current year.

Gross profit margin (gross profit as a percentage of net sales) for the second quarter ended June 30, 2015 was 7.0% compared to 7.3% for the second quarter of 2014. Gross profit margin for our Lifeboat Distribution segment for the second quarter of 2015 was 6.3% compared to 6.6% for the second quarter of

2014. The decrease in gross profit margin for the Lifeboat Distribution segment was primarily caused by a change in our product mix with an increase in sales of lower margin products. Gross profit margin for our TechXtend segment for the second quarter of 2015 was 12.3% compared to 10.6% for the second quarter of 2014. The increase in gross profit margin for the TechXtend segment was primarily caused by the decrease in larger extended payment term sales transactions which typically carry lower margins.

Total selling, general, and administrative (“SG&A”) expenses for the second quarter of 2015 were \$4.4 million compared to \$4.0 million for the second quarter of 2014, representing an increase of \$0.5 million or 12%. This increase is primarily the result of an increase in sales related employee and employee related expenses. A large part of this increase is due to us hiring and creating a field sales team and a professional services team. We expect these investments to support and accelerate future sales and gross margin growth. As a percentage of net sales, SG&A expenses for the second quarter of 2015 were 4.8% compared to 4.7% for the second quarter of 2014.

For the three months ended June 30, 2015, the Company recorded a provision for income taxes of \$710,000 million or 34.3% of income, compared to \$839,000 or 36.1% of income for the same period in 2014.

Net income and diluted earnings per share for the second quarter of 2015 were \$1.4 million and \$0.29, respectively, compared to \$1.5 million and \$0.31, respectively, for the second quarter of 2014.

On July 29, 2015, the Board of Directors declared a quarterly dividend of \$.17 per share of its common stock payable August 17, 2015 to shareholders of record on August 10, 2015.

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, Dell/Dell Software, ExaGrid Systems, Flexera Software, Hewlett Packard, Infragistics, Intel Software, Lenovo, Microsoft, Mindjet, Samsung, SmartBear Software, SolarWinds, Sophos, StorageCraft Technology, TechSmith, Unitrends, Veeam Software and VMware.

Additional information can be found by visiting 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.

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

| | June 30, 2015 (unaudited) | December 31, 2014 |
|---|---------------------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 18,878 | \$ 23,124 |
| Accounts receivable, net | 56,006 | 60,782 |
| Inventory, net | 2,360 | 1,491 |
| Prepaid expenses and other current assets | 1,247 | 933 |
| Deferred income taxes | 203 | 245 |
| Total current assets | 78,694 | 86,575 |
| Equipment and leasehold improvements, net | 396 | 412 |
| Accounts receivable long-term | 5,531 | 7,660 |
| Other assets | 104 | 152 |
| Deferred income taxes | 182 | 182 |
| Total assets | \$ 84,907 | \$ 94,981 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable and accrued expenses | \$ 46,309 | \$ 55,414 |
| Total current liabilities | 46,309 | 55,414 |
| Commitments and contingencies | | |
| Stockholders' equity | | |
| Common stock, \$.01 par value; 10,000,000 shares authorized, 5,284,500 shares issued, and 4,806,311 and 4,890,756 shares outstanding in 2015 and 2014, respectively | 53 | 53 |
| Additional paid-in capital | 31,744 | 31,013 |
| Treasury stock, at cost, 478,189 and 393,744 shares, respectively | (8,431) | (6,166) |
| Retained earnings | 16,252 | 15,225 |
| Accumulated other comprehensive loss | (1,020) | (558) |
| Total stockholders' equity | 38,598 | 39,567 |
| Total liabilities and stockholders' equity | \$ 84,907 | \$ 94,981 |

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

| | Six months ended June 30, | | Three months ended June 30, | |
|----------------------------|------------------------------|----------------|--------------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| | (Unaudited) | | (Unaudited) | |
| Revenues | | | | |
| Lifeboat segment | \$ 164,206 | \$ 129,237 | \$ 81,260 | \$ 69,979 |
| TechXtend segment | 20,456 | 26,892 | 10,710 | 14,420 |
| Total Revenue | 184,662 | 156,129 | 91,970 | 84,399 |
| Cost of sales | | | | |
| Lifeboat segment | 153,862 | 120,509 | 76,150 | 65,367 |
| TechXtend segment | 18,018 | 23,943 | 9,395 | 12,893 |
| Total Cost of sales | 171,880 | 144,452 | 85,545 | 78,260 |
| Gross Profit | 12,782 | 11,677 | 6,425 | 6,139 |
| Operating expenses | | | | |
| Selling costs | 4,913 | 4,074 | 2,542 | 2,049 |

| | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| Share- based compensation | 534 | 575 | 267 | 252 |
| Other general and administrative expenses | 3,469 | 3,353 | 1,640 | 1,656 |
| Total Selling, general and administrative expenses | <u>8,916</u> | <u>8,002</u> | <u>4,449</u> | <u>3,957</u> |
| Income from operations | 3,866 | 3,675 | 1,976 | 2,182 |
| Interest income, net | 197 | 255 | 99 | 132 |
| Foreign currency transaction (loss) gain | (5) | (4) | (4) | 8 |
| Income before provision for income taxes | 4,058 | 3,926 | 2,071 | 2,322 |
| Provision for income taxes | 1,394 | 1,384 | 710 | 839 |
| Net income | <u>\$ 2,664</u> | <u>\$ 2,542</u> | <u>\$ 1,361</u> | <u>\$ 1,483</u> |
| Income per common share - Basic | <u>\$ 0.57</u> | <u>\$ 0.55</u> | <u>\$ 0.29</u> | <u>\$ 0.32</u> |
| Income per common share - Diluted | <u>\$ 0.57</u> | <u>\$ 0.54</u> | <u>\$ 0.29</u> | <u>\$ 0.31</u> |
| Weighted average common shares outstanding - Basic | 4,665 | 4,601 | 4,640 | 4,664 |
| Weighted average common shares outstanding - Diluted | <u>4,689</u> | <u>4,665</u> | <u>4,663</u> | <u>4,719</u> |
