

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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 10, 2015**

**ADVANTAGE TECHNOLOGIES GROUP, INC.**  
(Exact name of Registrant as specified in its Charter)

**Oklahoma**  
(State or other Jurisdiction of Incorporation)

<b>1-10799</b>	<b>73-1351610</b>
<b>(Commission file Number)</b>	<b>(IRS Employer Identification No.)</b>
<b>1221 E. Houston, Broken Arrow Oklahoma</b>	<b>74012</b>
<b>(Address of Principal Executive Offices)</b>	<b>(Zip Code)</b>

**(918) 251-9121**  
(Registrant's Telephone Number, Including Area Code)

**(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 Communication 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© under the Exchange Act (17 CFR 240.13e-4(c))

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

ADDvantage Technologies Group, Inc. (NASDAQ: AEY), today announced its financial results for the three month period ended December 31, 2014. A copy of the press release is furnished as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure.**

As previously announced, the Company will host a conference call on Tuesday, February 10th, at 12:00 p.m. Eastern Time featuring remarks by David Humphrey, President and Chief Executive Officer, Dave Chymiak, Chief Technology Officer, and Scott Francis, Chief Financial Officer. The conference call will be available via webcast and can be accessed through the Investor Relations section of ADDvantage's website, [www.addvantagetechnologies.com](http://www.addvantagetechnologies.com). Please allow extra time prior to the call to visit the site and download any necessary software to listen to the Internet broadcast. The dial-in number for the conference call is 888-504-7963 (domestic) or 719-325-2354 (international). All dial-in participants must use the following code to access the call: 6829178. Please call at least five minutes before the scheduled start time.

For interested individuals unable to join the conference call, a replay of the call will be available through February 24, 2015 at 877-870-5176 (domestic) or 858-384-5517 (international). Participants must use the following code to

access the replay of the call: 6829178. An online archive of the webcast will be available on the Company's website for 30 days following the call.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

The following exhibit is furnished herewith:

Exhibit 99.1                      Press Release dated February 10, 2015 issued by the Company.

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**SIGNATURES**

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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.

ADDvantage Technologies Group, Inc.  
Date: February 10, 2015

By:           /s/ Scott Francis            
Scott Francis  
Vice-President & Chief Financial Officer

**Exhibit Index**

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Exhibit Number	Description
99.1	Press Release dated February 10, 2015 issued by the Company.

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## **ADDvantage Technologies Group, Inc.**

1221 E. Houston

Broken Arrow, Oklahoma 74012

For further information	KCSA Strategic Communications
Company Contact:	Garth Russell
Scott Francis (918) 251-9121	(212) 896-1250
	<a href="mailto:grussell@kcsa.com">grussell@kcsa.com</a>

### **ADDvantage Technologies Announces Financial Results for the Fiscal First Quarter of 2015**

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**BROKEN ARROW, Oklahoma, February 10, 2015 – ADDvantage Technologies Group, Inc. (NASDAQ: AEY),** today announced its financial results for the three month period ended December 31, 2014.

Sales for the three months ended December 31, 2014 increased 77% to \$10.8 million compared with \$6.1 million for the same period ended December 31, 2013. The increase in sales is primarily attributable to sales from the Telco segment as a result of the Nave Communications acquisition on February 28, 2014. Sales for the Cable TV segment increased to \$6.8 million for the three months ended December 31, 2014 from \$6.1 million for the same period last year. The increase in Cable TV sales was due primarily to an increase in general demand from MSOs for new equipment. Sales for the Telco segment were \$4.0 million for the three months ended December 31, 2014 and zero for the same period last year as a result of the acquisition of Nave Communications. Sales for the Telco segment consisted of \$3.7 million of refurbished equipment sales and \$0.3 million of recycling revenue.

Operating, selling, general and administrative expenses increased \$1.5 million, or 89%, to \$3.1 million for the three months ended December 31, 2014 from \$1.6 million for the same period last year. This increase was primarily due to \$1.7 million in Telco segment expenses as a result of the Nave Communications acquisition, and was partially offset by a decrease of \$0.2 million in expenses in the cable segment.

Net income from continuing operations for the three months ended December 31, 2014 was \$0.4 million, or \$0.04 per diluted share, compared with a net income from continuing operations of \$0.1 million, or \$0.01 per diluted share, for the same period of 2013. Discontinued operations for the three months ended December 31, 2013 included the operations of Adams Global Communications prior to the sale on January 31, 2014.

EBITDA for the three months ended December 31, 2014 was \$1.1 million compared with \$0.3 million for the same period ended December 31, 2013.

Cash and cash equivalents were \$6.5 million as of December 31, 2014, compared with \$5.3 million as of September 30, 2014. As of December 31, 2014, we had inventory of \$23.1 million compared with \$22.8 million as of September 30, 2014. The increase in inventory was due primarily to used inventory purchases by Nave Communications.

“This was a solid quarter across both of our operating segments. Our strategy to reinvest in the business by expanding the Cable TV salesforce and investments in inventory for both the Cable TV and Telco segments have contributed to these results,” commented David Humphrey, President and CEO of ADDvantage Technologies. “The Cable TV segment continues to benefit from our expanded range of product offerings to reach a wider selection of customers. This includes reaching customers in new geographic areas where we believe opportunities exist and can be addressed with a minimal commitment of our resources.”

“The Company is well positioned to meet demand in the Telco market, with Nave Communications now operating in line with expectations for two consecutive quarters. We are pleased with the results that we are seeing from Nave’s experienced sales teams and expect it to continue to meet our expectations.”

“As we look ahead, the ever-increasing demand for Internet services provides an opportunity for ADDvantage to steadily increase sales organically. Therefore, we will continue to further strengthen our salesforce in order to maintain and build strong customer relationships. We will also continue to look for possible acquisitions that could further diversify our commercial offering and enable us to gain market share in the telecommunications industry,” concluded Mr. Humphrey.

### **Earnings Conference Call**

As previously announced, the Company will host a conference call on Tuesday, February 10th, at 12:00 p.m. Eastern Time featuring remarks by David Humphrey, President and Chief Executive Officer, Dave Chymiak, Chief Technology Officer, and Scott Francis, Chief Financial Officer. The conference call will be available via webcast and can be accessed through the Investor Relations section of ADDvantage’s website, [www.addvantagetechologies.com](http://www.addvantagetechologies.com). Please allow extra time prior to the call to visit the site and download any necessary software to listen to the Internet broadcast. The dial-in number for the conference call is 888-504-7963 (domestic) or 719-325-2354 (international). All dial-in participants must use the following code to access the call: 6829178. Please call at least five minutes before the scheduled start time.

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### **About ADDvantage Technologies Group, Inc.**

ADDvantage Technologies Group, Inc. supplies the cable television (CATV) and telecommunications industries with a comprehensive line of new and used system-critical network equipment and hardware from a broad range of leading manufacturers. The equipment and hardware ADDvantage distributes is used to acquire, distribute, and protect the communications signals carried on fiber optic, coaxial cable and wireless distribution systems, including television programming, high-speed data (Internet) and telephony. In addition, ADDvantage operates a national network of technical repair centers focused primarily on CATV equipment and recycles surplus and obsolete CATV and telecommunications equipment.

ADDvantage operates through its subsidiaries, Tulsat, Tulsat-Atlanta, Tulsat-Nebraska, Tulsat-Texas, NCS Industries, ComTech Services and Nave Communications. For more information, please visit the corporate web site at [www.addvantagetechologies.com](http://www.addvantagetechologies.com).

*The information in this announcement may include forward-looking statements. All statements, other than statements of historical facts, which address activities, events or developments that the Company expects or anticipates will or may occur in the future, are forward-looking statements. These statements are subject to risks and uncertainties, which could cause actual results and developments to differ materially from these statements. A complete discussion of these risks and uncertainties is contained in the Company’s reports and documents filed from time to time with the Securities and Exchange Commission.*

### **Non-GAAP Financial Measures**

*EBITDA is a supplemental, non-GAAP financial measure. EBITDA is defined as earnings before interest expense, income taxes, depreciation and amortization. Management believes providing EBITDA in this release is useful to investors’ understanding and assessment of the Company’s ongoing continuing operations and prospects for the future and it is used by the financial community to evaluate the market value of companies considered to be in similar*

*businesses. Since EBITDA is not a measure of performance calculated in accordance with GAAP, it should not be considered in isolation of, or as a substitute for, net earnings as an indicator of operating performance. EBITDA, as calculated in the table below, may not be comparable to similarly titled measures employed by other companies. In additions, EBITDA is not necessarily a measure of our ability to fund our cash needs.*

*(Tables follow)*

ADVANTAGE TECHNOLOGIES GROUP, INC.  
CONSOLIDATED CONDENSED STATEMENTS OF INCOME  
(UNAUDITED)

	Three Months Ended December 31,	
	<u>2014</u>	<u>2013</u>
Sales	\$ 10,837,158	\$ 6,119,733
Cost of sales	<u>7,005,355</u>	<u>4,256,506</u>
Gross profit	3,831,803	1,863,227
Operating, selling, general and administrative expenses	<u>3,075,459</u>	<u>1,629,875</u>
Income from operations	756,344	233,352
Interest expense	<u>85,421</u>	<u>5,983</u>
Income before provision for income taxes	670,923	227,369
Provision for income taxes	<u>255,000</u>	<u>88,000</u>
Income from continuing operations	415,923	139,369
Discontinued operations, net of tax	<u>                    </u>	<u>26,368</u>
Net income	<u>\$ 415,923</u>	<u>\$ 165,737</u>
Earnings per share:		
Basic		
Continuing operations	\$ 0.04	\$ 0.01
Discontinued operations	<u>                    </u>	<u>                    </u>
Net income	<u>\$ 0.04</u>	<u>\$ 0.02</u>
Diluted		
Continuing operations	\$ 0.04	\$ 0.01
Discontinued operations	<u>                    </u>	<u>                    </u>
Net income	<u>\$ 0.04</u>	<u>\$ 0.02</u>
Shares used in per share calculation:		
Basic	10,041,206	9,998,480
Diluted	10,044,619	10,009,689

	<u>Three Months Ended December 31, 2014</u>			<u>Three Months Ended December 31, 2013</u>		
	<u>Cable TV</u>	<u>Telco</u>	<u>Total</u>	<u>Cable TV</u>	<u>Telco</u>	<u>Total</u>
Operating income	\$ 618,811	\$ 137,533	\$ 756,344	\$ 233,352	\$	\$ 233,352
Depreciation	71,564	27,244	98,808	68,976		68,976
Amortization		<u>206,452</u>	<u>206,452</u>			
<b>EBITDA</b>	<u>\$ 690,375</u>	<u>\$ 371,229</u>	<u>\$ 1,061,604</u>	<u>\$ 302,328</u>	<u>\$</u>	<u>\$ 302,328</u>

ADVANTAGE TECHNOLOGIES GROUP, INC.  
CONSOLIDATED CONDENSED BALANCE SHEETS  
(UNAUDITED)

	December 31, 2014	September 30, 2014
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 6,529,181	\$ 5,286,097
Accounts receivable, net of allowance for doubtful accounts of \$200,000	5,079,630	6,393,580
Income tax refund receivable		220,104
Inventories, net of allowance for excess and obsolete inventory of \$2,306,628 and \$2,156,628, respectively	23,119,992	22,780,523
Prepaid expenses	127,464	174,873
Deferred income taxes	<u>1,390,000</u>	<u>1,416,000</u>
Total current assets	36,246,267	36,271,177
Property and equipment, at cost	10,722,826	10,659,225
Less accumulated depreciation	<u>(4,290,324)</u>	<u>(4,191,516)</u>
Net property and equipment	6,432,502	6,467,709
Intangibles, net of accumulated amortization	6,418,826	6,625,278
Goodwill	3,910,089	3,910,089
Other assets	<u>131,428</u>	<u>131,428</u>
Total assets	<u>\$ 53,139,112</u>	<u>\$ 53,405,681</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 2,543,924	\$ 2,880,761
Accrued expenses	1,576,162	1,809,878
Accrued income taxes	104,663	
Notes payable ó current portion	852,643	845,845
Other current liabilities	<u>993,308</u>	<u>983,269</u>
Total current liabilities	6,070,700	6,519,753
Notes payable, less current portion	5,024,230	5,240,066
Deferred income taxes	178,000	267,000
Other liabilities	1,978,869	1,942,889
Shareholders' equity:		
Common stock, \$.01 par value; 30,000,000 shares authorized; 10,541,864 shares issued; and 10,041,206 shares outstanding	105,419	105,419
Paid in capital	(5,277,464)	(5,312,881)
Retained earnings	<u>46,059,372</u>	<u>45,643,449</u>
Total shareholders' equity before treasury stock	40,887,327	40,435,987
Less: Treasury stock, 500,658 shares, at cost	<u>(1,000,014)</u>	<u>(1,000,014)</u>
Total shareholders' equity	<u>39,887,313</u>	<u>39,435,973</u>
Total liabilities and shareholders' equity	<u>\$ 53,139,112</u>	<u>\$ 53,405,681</u>