

**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): January 26, 2006

Programmer's Paradise, Inc.

(Exact name of Registrant as specified in its charter)

Delaware

(State of 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)

Registrant's telephone number, including area code: (732) 389-8950

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))

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

On January 26, 2006, Programmer's Paradise, Inc. issued a press release announcing its financial results for the fourth quarter ended December 31, 2005. The information contained in the press release, which is attached as Exhibit 99.1 to this report, is incorporated by reference herein and is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition."

**Item 9.01. Financial Statements and Exhibits.****(d) Exhibits.**

- 99.1 Press Release dated January 26, 2006, furnished pursuant to Item 2.02.

**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.

PROGRAMMER'S PARADISE, INC.

Dated: January 27, 2006

By: /s/ Simon F. Nynens

Simon F. Nynens

President and Chief Executive Officer

Index to Exhibits

Exhibit No.    Description

99.1            Press Release dated January 26, 2006, furnished pursuant to Item 2.02.

**Company Contact:**  
**Simon Nynens**  
**Programmer's Paradise, Inc.**  
**President and Chief Executive Officer**  
**(732)-389-8950**  
**simon.nynens@programmers.com**

**PROGRAMMER'S PARADISE, INC. REPORTS 2005 FOURTH QUARTER  
FINANCIAL RESULTS**

**FOURTH QUARTER SALES INCREASE 35% INCOME FROM OPERATIONS  
INCREASES 80%**

**SHREWSBURY, NJ, January 26, 2006** - Programmer's Paradise, Inc. (NASDAQ: PROG) today reported financial results for the fourth quarter ended December 31, 2005. The results will be discussed in a conference call to be held on Friday, January 27, 2006 at 10:00 AM Eastern time. The dial-in telephone number is (866) 206-6154 and the pass code is PROG.

Net sales for the quarter ending December 31, 2005 were \$42.0 million compared with \$31.0 million in the fourth quarter of 2004, a 35% increase. "This solid performance is the result of improved productivity of our account executive team at Programmer's Paradise, and increased account penetration in our Lifeboat Distribution group," said William H. Willett, Chairman.

Income from operations for the quarter ending December 31, 2005 was \$1.1 million compared with \$0.6 million in the fourth quarter of 2004 or an increase of 80%.

Net sales in 2005 increased 33% or \$34.1 million to \$137.7 million compared to \$103.6 million in 2004. Income from operations for 2005 was \$2.8 million compared to \$2.2 million in 2004 or an increase of \$0.6 million.

Programmer's Paradise, Inc. (NASDAQ: PROG) was founded in 1982 and is an award-winning marketer of technical software and hardware. When it comes to software, Programmer's Paradise has it all. Programmer's Paradise is one of the most recognizable and memorable brands in developer marketing. Our experienced account executives are key in our strategy. We offer our customers customized extranets, consultancy services, and flexible financing, as well as same day shipping.

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

Contact Programmer's Paradise, Inc. via Simon Nynens, President & CEO of Programmer's Paradise, Inc. at (732) 389-8950 or [simon.nynens@programmers.com](mailto:simon.nynens@programmers.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 include the continued acceptance of the Company's distribution channel by vendors and customers, the timely availability and acceptance of new products, and contribution of key vendor relationships and support programs. 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.*

- Tables Follow -

**PROGRAMMER'S PARADISE, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(in thousands)

December 31,      December 31,  
2005                      2004  
(Unaudited)              (Audited)

ASSETS

Current assets		
Cash and cash equivalents	\$7,369	\$4,888
Marketable securities	7,884	6,595
Accounts receivable, net	21,185	14,173
Inventory - finished goods	1,956	1,423
Prepaid expenses and other current assets	688	673
Deferred income taxes, current	1,783	1,423
Total current assets	<u>40,865</u>	<u>29,175</u>
Equipment and leasehold improvements, net	434	303
Other assets	453	581
Deferred income taxes, net of current	2,516	2,855
Total assets	<u>\$44,268</u>	<u>\$32,914</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities		
Accounts payable and accrued expenses	\$25,751	\$15,994
Dividend payable	519	425
Total current liabilities	<u>26,270</u>	<u>16,419</u>
Commitments and contingencies		
Stockholders' equity		
Common stock, \$.01 par value; authorized, 10,000,000 shares; issued 5,284,500 shares	53	53
Additional paid-in capital	30,948	32,642
Treasury stock, at cost, 1,289,665 shares and 1,418,090 shares, respectively	(3,620)	(4,130)
Accumulated deficit	(9,570)	(12,223)
Accumulated other comprehensive income	187	153
Total stockholders' equity	<u>17,998</u>	<u>16,495</u>
Total liabilities and stockholders' equity	<u>\$44,268</u>	<u>\$32,914</u>

**PROGRAMMER'S PARADISE, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND**  
**COMPREHENSIVE INCOME (Unaudited)**  
(In thousands, except per share data)

	December 31,		Three months ended	
	December 31,		December 31,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Net sales	\$137,655	\$103,582	\$41,962	\$31,022
Cost of sales	122,685	91,243	37,669	27,566
Gross profit	<u>14,970</u>	<u>12,339</u>	<u>4,293</u>	<u>3,456</u>
Selling, general and administrative expenses	12,203	10,173	3,139	2,814
Income from operations	2,767	2,166	1,154	642
Interest income, net	313	156	94	69
Realized foreign exchange gain (loss)	(13)	(44)	2	(48)
Income before income tax provision	<u>3,067</u>	<u>2,278</u>	<u>1,250</u>	<u>663</u>
Provision (benefit) for income taxes (Note 1)	414	(4,044)	(314)	(4,148)

Net income	<u>\$2,653</u>	<u>\$6,322</u>	<u>\$1,564</u>	<u>\$4,811</u>
Net income per common share - Basic	<u>\$0.67</u>	<u>\$1.65</u>	<u>\$0.39</u>	<u>\$1.25</u>
Net income per common share - Diluted	<u>\$0.61</u>	<u>\$1.51</u>	<u>\$0.36</u>	<u>\$1.10</u>
Weighted average common shares outstanding-Basic	<u>3,976</u>	<u>3,828</u>	<u>3,995</u>	<u>3,854</u>
Weighted average common shares outstanding-Diluted	<u>4,384</u>	<u>4,180</u>	<u>4,362</u>	<u>4,357</u>
<u>Reconciliation to comprehensive income:</u>				
Net income	\$2,653	\$6,322	\$1,564	\$4,811
Other comprehensive income(loss), net of tax:				
Unrealized gain (loss) on marketable securities	12	(22)	(2)	-
Foreign currency translation adjustments	22	97	-	71
Total comprehensive income	<u>\$2,687</u>	<u>\$6,397</u>	<u>\$1,562</u>	<u>\$4,882</u>

Note 1 - For the year ended December 31, 2004, the Company recorded a net deferred tax benefit in the amount of \$4.1 million related to a reversal of a deferred tax asset valuation allowance. The Company believed at that time that uncertainty still existed regarding the realizability of certain deferred tax assets and, accordingly, established a \$0.9 million valuation allowance. As a result of the Company's strong performance in 2005, the \$0.9 million deferred income tax valuation allowance was eliminated by reducing the income tax provision for 2005.