



December 20, 2001

Resources Connection, Inc. Reports Second Quarter Results

Costa Mesa, Calif., December 20, 2001 -- Resources Connection, Inc. (NASDAQ: RECN), an international professional services firm that provides accounting and finance, human capital and information technology services on a project basis, today announced financial results for its second fiscal quarter ended November 30, 2001.

Total revenues increased 1.4% to \$45.7 million for the second quarter of fiscal 2002, from \$45.0 million for the comparable quarter in fiscal 2001. Net income for the quarter ended November 30, 2001, increased 29.7% to \$3.6 million, or \$0.16 per diluted share, compared to net income of \$2.8 million or \$0.16 per diluted share in the November 2000 quarter.

For the first six months of fiscal 2002, revenues increased 12.3% to \$94.5 from \$84.2 million for the comparable period in the prior year. Net income increased 58.4% to \$7.9 million, or \$0.35 per diluted share, for the six months ended November 30, 2001 versus \$5.0 million, or \$0.30 per diluted share, in the comparable period in fiscal 2001.

Resources Connection elected early adoption of new accounting rules in the first quarter of fiscal year 2002, which require the company to cease amortization of goodwill. If the same rule had been in effect in the prior fiscal year, net income would have been \$3.1 million or \$0.18 per diluted share for the three months ended November 30, 2000 and \$5.7 million and \$0.33 per diluted share for the six months ended November 30, 2000.

"This has been a challenging quarter for Resources Connection," said Chairman and CEO Donald Murray. "As you might imagine, the slowing economy and the effects from the events of September 11th put considerable pressure on our business. Yet we were able to generate a small growth in revenues and generate strong earnings and cash flows. We also provided some financial relief for our employees affected by the September 11 events. As the economy begins to rebound, I believe our business model will position us to profitably grow and continue our expansion plans. Until that happens, we are focused on serving our clients with distinction, retaining our best people, and continuing to lay the foundation of Resources as the professional services firm of the future."

Resources Connection, Inc. is an international professional services firm that provides accounting and finance, human capital and information technology services on a project basis. Headquartered in Costa Mesa, California, the company operates from 42 domestic offices and four international offices. More information about the company is available at www.resourcesconnection.com/.

Resources Connection will hold a conference call for interested analysts and investors at 5:00 pm, EST today, December 20, 2001. This conference call will be available for listening via a webcast on the Company's Internet web site, at www.resourcesconnection.com/.

Certain statements in this press release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements may be identified by words such as "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative of these terms or other comparable terminology. Such statements and all phases of Resources Connection's operations are subject to known and unknown risks, uncertainties and other factors, including seasonality, overall economic conditions and other factors and uncertainties as are identified in Resources Connection's Form S-1, as amended (File No. 333-65272), Form 10-K for the year ended May 31, 2001, and Form 10-Q for the quarter ended August 31, 2001 (File No. 0-32113). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Resources Connection's, and its industry's, actual results, levels of activity, performance or achievements may be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. The Company undertakes no obligation to update the forward-looking statements in this press release.

	Quarter Ended November 30,		Six Months Ended November 30,	
	2001	2000	2001	2000
	(unaudited)		(unaudited)	
Revenue	\$45,661	\$45,046	\$94,533	\$84,201
Direct costs of services	27,278	25,987	56,067	48,736
Gross profit	18,383	19,059	38,466	35,465
Selling, general and administrative expenses	12,348	12,493	25,223	23,213
Amortization of intangible assets	31	565	62	1,143
Depreciation expense	287	216	544	408
Interest (income) expense, net	(309)	<u>1,140</u>	(591)	<u>2,349</u>
Income before provision for income taxes	6,026	4,645	13,228	8,352
Provision for income taxes	<u>2,410</u>	<u>1,858</u>	<u>5,291</u>	<u>3,341</u>
Net income	\$3,616	\$2,787	\$7,937	\$5,011
Diluted net income per share	<u>\$0.16</u>	<u>\$0.16</u>	<u>\$0.35</u>	<u>\$0.30</u>
Diluted shares	<u>22,702</u>	<u>16,981</u>	<u>22,725</u>	<u>16,900</u>

	<u>November 30, 2001</u>	<u>May 31, 2001</u>
	(unaudited)	
Cash and cash equivalents	\$41,157	\$34,503
Accounts receivable, less allowances	\$21,898	\$23,908
Total assets	\$115,906	\$105,345
Current liabilities	\$14,459	\$18,648
Total stockholders' equity	\$100,211	\$86,032