

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) September 25, 2007

RESOURCES CONNECTION, INC.

Delaware
(State or other jurisdiction
of incorporation)

0-32113
(Commission
File Number)

33-0832424
(IRS Employer
Identification No.)

17101 Armstrong Avenue, Irvine, CA
(Address of principal executive offices)

92614
(Zip Code)

Registrant's telephone number, including area code (714) 430-6400

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:

- 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 September 25, 2007, Resources Connection, Inc. (the "Company") issued a press release announcing its results of operations for the quarter ended August 31, 2007 (the first quarter of the Company's fiscal 2008). A copy of the press release issued by the Company is attached as Exhibit 99.1 to this report and is incorporated by reference into this item.

Within the attached press release, the Company makes reference to certain non-generally accepted accounting principles ("non-GAAP") financial measures, including "non-GAAP operating income", "non-GAAP net income" and "non-GAAP net income per diluted share" which have directly comparable generally accepted accounting principles ("GAAP") financial measures. The Company believes that these non-GAAP measures represent important internal measures of performance. Accordingly, where these non-GAAP measures are provided, it is done so that investors have the same financial data that management uses with the belief that such information will assist the investment community in assessing the underlying performance of the Company on a year over year and sequential basis. Whenever such information is presented, the Company has complied with the provisions of the rules under Regulation G and Item 2.02 of Form 8-K. In addition to the reasons described above, specific reasons the Company's management believes that the presentation of certain non-GAAP financial measures provides useful information to investors regarding the Company's financial condition, results of operations and cash flows are as follows:

The non-GAAP measures presented in the attached press release are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures and the Non-GAAP Income Statement are not based on any comprehensive set of accounting rules or principles. The Company believes that non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate the Company's results of operations in conjunction with the corresponding GAAP measures.

The Company believes that the presentation of non-GAAP operating income, non-GAAP net income, non-GAAP diluted net income per share and non-GAAP shares used in net income per share calculation, when shown in conjunction with the corresponding GAAP measures, provides useful information to investors and management regarding financial and business trends relating to its financial condition and results of operations.

For its internal budgeting process, the Company's management uses financial statements that do not include stock-based compensation expense relating to employee stock option grants and employee stock purchases, and the income tax effects thereof. The Company's management also uses the foregoing non-GAAP measures, in addition to the corresponding GAAP measures, in reviewing the financial results of the Company.

As described above, the Company excludes the following items from one or more of its non-GAAP measures:

Stock-based compensation. These expenses (which comprise a portion of the selling, general, and administrative expenses line item in the Income Statement) consist of expenses for employee stock options and employee stock purchases under SFAS 123(R). The Company excludes stock-based compensation expenses from its non-GAAP measures primarily because they are non-cash expenses that the Company does not believe are reflective of ongoing operating results. Further, as the Company applies SFAS 123(R), it believes that it is useful to investors to understand the impact of the application of SFAS 123(R) to its results of operations. The Company will incur stock-based compensation expense related to employee stock options and employee stock purchases in future periods.

Provision for income taxes. Excluding the income tax effect of the non-GAAP pre-tax adjustments from provision for income taxes assists investors in understanding the tax provision associated with those adjustments. Further, because the Company has historically issued incentive stock options, the impact of implementing SFAS 123(R) can result in a tax provision considerably different than the tax provision calculated before stock based compensation, and the Company believes it is useful for investors to understand this impact.

Selling, general and administrative expenses before stock-based compensation, operating income before amortization and depreciation and stock-based compensation, operating income before stock-based compensation, income before provision for income taxes and stock-based compensation, provision for incomes taxes before stock-based compensation and net income before stock-based compensation and diluted earnings per share (before stock-based compensation) are presented as supplemental disclosures in order to provide comparable information versus prior year and prior quarter measures of operating performance. These measures are also the primary measures of performance used by management to evaluate the Company's financial performance and the compensation committee of the board of directors to assess portions of management's performance.

The information in this current report on Form 8-K, including Exhibit 99.1 hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Press Release issued September 25, 2007

SIGNATURES

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.

RESOURCES CONNECTION, INC.

Date: September 25, 2007

By: /s/ Donald B. Murray

Donald B. Murray
Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	Press Release issued September 25, 2007

TO BUSINESS EDITOR:

Resources Connection, Inc. Reports Results for First Quarter of Fiscal 2008

- Quarterly revenue of \$194.1 million, up 18% over prior year fiscal first quarter
- GAAP net income of \$11.6 million in the fiscal first quarter, 6% ahead of prior year quarter

IRVINE, Calif., Sept. 25 /PRNewswire-FirstCall/ -- Resources Connection, Inc. (Nasdaq: RECN), a multinational professional services firm that provides to clients -- through its operating subsidiary, Resources Global Professionals ("Resources") -- accomplished professionals in accounting and finance, risk management and internal audit, information management, human capital, supply chain management and legal services, today announced financial results for its fiscal first quarter ended August 31, 2007.

Total revenue for the first quarter of fiscal 2008 improved 18% to \$194.1 million from \$165.1 million for the same quarter in fiscal 2007.

During the first quarter of fiscal 2008, gross margin was adversely impacted primarily as a result of increased vacation benefits for a majority of our associates and a decrease in conversion fees which carry a 100% gross margin.

Net income determined in accordance with generally accepted accounting principles (GAAP) for the first quarter ended August 31, 2007, was \$11.6 million, or \$0.23 per diluted share, including non-cash stock-based compensation expense of \$6.0 million on a pre-tax basis, and \$1.5 million of tax benefits related to stock-based compensation. This compares with GAAP net income for the first quarter ended August 31, 2006, of \$11.0 million, or \$0.22 per diluted share, including non-cash stock-based compensation expense of \$4.7 million and \$0.5 million of tax benefits related to stock-based compensation.

Non-GAAP net income for the first quarter of fiscal 2008 (which excludes stock-based compensation expense and the related income tax expense) was \$16.1 million, or \$0.31 per diluted share, compared to \$15.1 million, or \$0.30 per diluted share, in the prior year quarter.

"We were pleased with the 31% increase in international revenues and 18% revenue growth overall," said Donald B. Murray, Chairman and CEO of Resources. "While our gross margin was adversely impacted in part due to increased associate vacation, we felt the additional benefit was important in continuing to attract and retain the best talent over the long term."

Business Highlights

- International revenue increased 31% in the first quarter from the year-earlier period.
- U.S. revenue rose 14% in the first quarter from the year-earlier period.
- During the fiscal first quarter (on August 21) Resources paid a special dividend to shareholders totaling \$60.7 million.
- As of August 31, 2007, the number of associates on assignment rose to 3,206, up 11% from the total at August 31, 2006.

ABOUT RESOURCES GLOBAL PROFESSIONALS

Resources Global Professionals, the operating subsidiary of Resources Connection, Inc. (Nasdaq: RECN), is a multinational professional services firm that helps business leaders execute internal initiatives. Partnering with business leaders, we drive internal change across all parts of a global enterprise -- finance and accounting, information management, internal audit, human capital, legal services and supply chain management.

Resources Global was founded in 1996 within a Big Four accounting firm. Today, we are a publicly traded company with over 4,100 professionals, from more than 80 practice offices, annually serving over 2,000 clients around the world.

Headquartered in Irvine, California, Resources Global has served 81 of the Fortune 100 companies. Resources was selected #61 on Fortune magazine's list of 100 Fastest-Growing Companies for 2006. Also last year, Resources was chosen #21 on BusinessWeek's list of 100 Hot Growth Companies and the firm has been named to the Forbes 200 Best Small Companies list for the past five years.

The Company is listed on the NASDAQ Global Select Market, the exchange's highest tier by listing standards. More information about Resources Global is available at <http://www.resourcesglobal.com>.

Resources will hold a conference call for interested analysts and investors at 5:00 p.m., ET today, September 25, 2007. This conference call will be

available for listening via a webcast on the Company's website:
<http://www.resourcesglobal.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. These forward-looking statements include the Company's statement that it is important to increase associate benefits to continue to attract and retain the best talent over the long term. 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 10-K for the year ended May 31, 2007 (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.

The Non-GAAP Income Statement in this release excludes stock-based compensation expense from the following non-GAAP line items: non-GAAP selling, general and administrative expenses, non-GAAP operating income before amortization and depreciation, non-GAAP operating income, non-GAAP income before provision for income taxes, non-GAAP provision for income taxes, non-GAAP net income, non-GAAP net income per diluted share, and non-GAAP diluted shares used in net income per share calculation.

These non-GAAP measures are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures and the Non-GAAP Income Statement are not based on any comprehensive set of accounting rules or principles. Resources believes that non-GAAP measures have limitations in that they do not reflect all of the amounts associated with Resources' results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate Resources' results of operations in conjunction with the corresponding GAAP measures.

Resources believes that the presentation of non-GAAP selling, general and administrative expenses, non-GAAP operating income before amortization and depreciation, non-GAAP operating income, non-GAAP income before provision for income taxes, non-GAAP provision for income taxes, non-GAAP net income, non-GAAP net income per diluted share and non-GAAP diluted shares used in net income per share calculation, when presented in conjunction with the corresponding GAAP measures, provides useful information to investors and management regarding financial and business trends relating to its financial condition and results of operations.

For its internal budgeting process, Resources' management uses financial statements that do not include stock-based compensation expense related to employee stock options and employee stock purchases, and the income tax effects thereof. Resources' management also uses the foregoing non-GAAP measures, in addition to the corresponding GAAP measures, in reviewing the financial results of Resources.

For additional information on the items excluded by Resources Connection, Inc. from one or more of its non-GAAP financial measures, and for additional information regarding these non-GAAP measures, we refer you to the Form 8-K regarding this release furnished today to the Securities and Exchange Commission.

RESOURCES CONNECTION, INC.
 INCOME STATEMENT
 (in thousands, except per share amounts)

	Quarter Ended August 31, 2007	2006 (unaudited)
Revenue	\$194,120	\$165,107
Direct costs of services	120,631	99,919
Gross profit	73,489	65,188
Selling, general and administrative expenses (1)	53,029	44,798
Operating income before amortization and depreciation (1)	20,460	20,390
Amortization of intangible assets	254	418
Depreciation expense	1,875	1,356
Operating income (1)	18,331	18,616
Interest income	(2,542)	(1,909)
Income before provision for income taxes (1)	20,873	20,525
Provision for income taxes (2)	9,291	9,574
Net income (1) (2)	\$11,582	\$10,951
Diluted net income per share	\$0.23	\$0.22
Diluted shares	50,411	49,775

(1) Includes \$6,000 and \$4,701 of expense for the three months ended August 31, 2007 and 2006, respectively, related to the mandatory requirement to recognize compensation expense for employee stock option grants and employee stock purchases.

(2) The Company's effective tax rate, absent the impact of the adoption of the requirement to recognize compensation expense related to employee stock option grants and employee stock purchases, was 40.0% for both the three months ended August 31, 2007 and 2006, respectively. The Company's effective tax rate, including the impact of the adoption of the requirement to recognize compensation expense related to employee stock option grants and employee stock purchases, was 44.5% and 46.6% in the three months ended August 31, 2007 and 2006, respectively. The Company cannot recognize a potential tax benefit for certain stock option grants until and unless the holder exercises his or her option and sells the shares. In addition, the Company can only recognize a potential tax benefit for employees' acquisition and subsequent sale of shares purchased through the Company's Employee Stock Purchase Plan if the sale occurs within a certain defined period. Further, under SFAS 123(R), certain potential tax benefits associated with incentive stock options fully vested at the time of adoption of SFAS 123(R) will be recognized as additional paid in capital when and if those options are exercised.

RESOURCES CONNECTION, INC.
NON-GAAP INCOME STATEMENT
(in thousands, except per share amounts)

	Quarter Ended August 31,	
	2007	2006
	(unaudited)	
Revenue	\$194,120	\$165,107
Direct costs of services	120,631	99,919
Gross profit	73,489	65,188
Selling, general and administrative expenses (1)	47,029	40,097
Operating income before amortization and depreciation (1)	26,460	25,091
Amortization of intangible assets	254	418
Depreciation expense	1,875	1,356
Operating income (1)	24,331	23,317
Interest income	(2,542)	(1,909)
Income before provision for income taxes (1)	26,873	25,226
Provision for income taxes (2)	10,749	10,090
Net income (1) (2)	\$16,124	\$15,136
Diluted net income per share	\$0.31	\$0.30
Diluted shares (3)	51,204	50,936

(1) Excludes \$6,000 and \$4,701 of expense for the three months ended August 31, 2007 and 2006, respectively, related to the mandatory requirement to recognize compensation expense related to employee stock option grants and employee stock purchases.

(2) Excludes tax benefits related to stock based compensation of \$1,458 and \$516 for the three months ended August 31, 2007 and 2006, respectively. Please refer to footnote (2) on the GAAP Income Statement for further detail.

(3) Includes 793 and 1,161 shares presumed to be repurchased in accordance with the requirements of SFAS 123(R) and SFAS 128 for GAAP computation of diluted number of shares for the three months ended August 31, 2007 and 2006, respectively.

See table below for reconciliation of net income on a GAAP basis to non-GAAP net income, and diluted net income per share on a GAAP basis to non-GAAP diluted net income per share.

RESOURCES CONNECTION, INC.

Following is a reconciliation of net income under GAAP to non-GAAP net income for the three months ended August 31, 2007 and 2006.

(in thousands, except per share amounts)

	Three months ended August 31, 2007	Three months ended August 31, 2006
GAAP net income	\$11,582	\$10,951
Stock-based compensation included in SG&A	6,000	4,701
Effect of stock-based compensation on provision for income taxes	(1,458)	(516)
Net effect of stock-based compensation	4,542	4,185
Non-GAAP net income	\$16,124	\$15,136

Following is a reconciliation of shares used in the calculation of GAAP to non-GAAP diluted net income per share:

	Three months ended August 31, 2007	Three months ended August 31, 2006
Diluted number of shares used - GAAP	50,411	49,775
Impact of SFAS 123R	793	1,161
Diluted number of shares used - non-GAAP	51,204	50,936

Following is a reconciliation of GAAP diluted net income per share to non-GAAP diluted net income per share:

	Three months ended August 31, 2007	Three months ended August 31, 2006
GAAP diluted net income per share	\$0.23	\$0.22
Net effect of stock-based compensation on diluted net income per share	\$0.08	\$0.08
Non-GAAP diluted net income per share	\$0.31	\$0.30

RESOURCES CONNECTION, INC.
SELECTED BALANCE SHEET INFORMATION
(in thousands)

	August 31, 2007	May 31, 2007 (unaudited)
Cash, cash equivalents, short-term investments and long-term marketable securities	\$158,145	\$223,095
Accounts receivable, less allowances	\$109,876	\$105,146
Total assets	\$416,515	\$464,461
Current liabilities	\$66,842	\$87,683
Total stockholders' equity	\$334,834	\$363,299