

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)

March 26, 2008

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 March 26, 2008, Resources Connection, Inc. (the "Company") issued a press release announcing its results of operations for the quarter and nine months ended February 29, 2008 (the third 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 March 26, 2008

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: March 26, 2008

By:

Donald B. Murray
Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Press Release issued March 26, 2008

Contacts:

Jeff Bellows, Resources Global Professionals

(US+) 1-617-897-0350 or jeff.bellows@resources-us.com

Sarah Lazarus, CL-Media

(US+) 1-978-369-4478 or sarah@cl-media.com

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

IRVINE, Calif., March 26, 2008 - 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 third quarter ended February 29, 2008.

Total revenue for the third quarter of fiscal 2008 improved 8.2% to \$202.8 million from \$187.5 million for the same quarter in fiscal 2007. Revenues in the U.S. were up 3.5% quarter-over-quarter while international revenues increased 22.9% (13.5% on a constant dollar basis). Revenue for the third quarter of fiscal 2008 includes revenue of \$4.2 million from Domenica B.V., a leading Netherlands-based provider of actuarial services to pension and life insurance companies, acquired by Resources on December 18, 2007.

Total revenue for the nine months ended February 29, 2008 improved 12.7% to \$603.6 million from \$535.4 million for the comparable period of fiscal 2007. Revenues in the U.S. were up 8.5% for the first nine months of fiscal 2008 and international revenues were up 26.6% (17.3% on a constant dollar basis).

Gross margin for the third quarter of fiscal 2008 was 37.3% of revenue compared to 38.2% for the same quarter in fiscal 2007. Selling, general and administrative expenses, which include stock compensation expense, were 28.4% of revenue for the third quarter of fiscal 2008 versus 25.9% for the same quarter in fiscal 2007. The increase in selling, general and administrative expenses primarily results from our investments in new offices and additional client facing personnel for our higher growth offices as well as an increase of over \$1 million in the calculated cost of stock options (a non-cash expense).

"In spite of the recent extraordinary events affecting the world's financial markets, we continue to focus on executing our business strategy, including serving our clients and growing our revenues," said Don Murray, chairman and chief executive officer of Resources.

Net income determined in accordance with generally accepted accounting principles ("GAAP") for the third quarter ended February 29, 2008, was \$8.7 million, or \$0.19 per diluted share, including non-cash stock-based compensation expense of \$4.8 million net of tax. This compares with GAAP net income for the third quarter ended February 28, 2007, of \$13.1 million, or \$0.26 per diluted share, including non-cash stock-based compensation expense of \$4.0 million net of tax.

Non-GAAP net income for the third quarter of fiscal 2008 (which excludes stock-based compensation expense and the related income tax expense) was \$13.5 million, or \$0.29 per diluted share, compared to \$17.1 million, or \$0.33 per diluted share, in the prior year quarter.

Net income determined in accordance with GAAP for the nine months ended February 29, 2008, was \$33.3 million, or \$0.67 per diluted share, including non-cash stock-based compensation expense of \$13.7 million net of tax. This compares with GAAP net income for the nine months ended February 28, 2007, of \$38.7 million, or \$0.77 per diluted share, including non-cash stock-based compensation expense of \$12.1 million net of tax.

Non-GAAP net income for the first nine months of fiscal 2008 (which excludes stock-based compensation expense and the related income tax expense) was \$47.0 million, or \$0.93 per diluted share, compared to \$50.8 million, or \$0.99 per diluted share, in the prior year's first nine months.

During the three months ended February 29, 2008, the company purchased 743,868 shares of its common stock for approximately \$13.7 million or \$18.39 per share.

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.

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, March 26, 2008. 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 will continue to focus on executing its business strategy and serving its clients and growing its revenue. 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 our most recent Annual Report on Form 10-K and our other public filings made with the Securities and Exchange Commission (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.

###

	Quarter Ended		Nine Months Ended	
	February 29, 2008	February 28, 2007	February 29, 2008	February 28, 2007
	(unaudited)		(unaudited)	
Revenue	\$ 202,803	\$ 187,464	\$ 603,561	\$ 535,375
Direct costs of services	<u>127,252</u>	<u>115,938</u>	<u>374,908</u>	<u>326,009</u>
Gross profit	75,551	71,526	228,653	209,366
Selling, general and administrative expenses (1)	<u>57,518</u>	<u>48,577</u>	<u>166,061</u>	<u>140,033</u>
Operating income before amortization and depreciation (1)	18,033	22,949	62,592	69,333
Amortization of intangible assets	211	318	549	1,080
Depreciation expense	<u>2,200</u>	<u>1,563</u>	<u>6,082</u>	<u>4,363</u>
Operating income (1)	15,622	21,068	55,961	63,890
Interest income	<u>(952)</u>	<u>(2,401)</u>	<u>(5,123)</u>	<u>(6,323)</u>
Income before provision for income taxes (1)	16,574	23,469	61,084	70,213
Provision for income taxes (2)	<u>7,909</u>	<u>10,370</u>	<u>27,801</u>	<u>31,506</u>
Net income (1) (2)	<u>\$ 8,665</u>	<u>\$ 13,099</u>	<u>\$ 33,283</u>	<u>\$ 38,707</u>
Diluted net income per share	<u>\$ 0.19</u>	<u>\$ 0.26</u>	<u>\$ 0.67</u>	<u>\$ 0.77</u>
Diluted shares	<u>46,547</u>	<u>51,087</u>	<u>49,952</u>	<u>50,565</u>

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

- (1) Includes \$6,052 and \$5,018 of expense for the three months ended February 29, 2008 and February 27, 2007, respectively, and \$17,314 and \$14,381 of expense for the nine months ended February 29, 2008 and February 28, 2007, 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 requirement to recognize compensation expense related to employee stock option grants and employee stock purchases, was 40.4% and 40.0% for the three months ended February 29, 2008 and February 28, 2007, respectively and 40.1% and 40.0% for the nine months ended February 29, 2008 and February 28, 2007, respectively. The Company's effective tax rate, including the impact of the requirement to recognize compensation expense related to employee stock option grants and employee stock purchases, was 47.7% and 44.2% for the three months ended February 29, 2008 and February 28, 2007, respectively and 45.5% and 44.9% for the nine months ended February 29, 2008 and February 28, 2007, 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.
-

	Quarter Ended		Nine Months Ended	
	February 29, 2008	February 28, 2007	February 29, 2008	February 28, 2007
	(unaudited)		(unaudited)	
Revenue	\$ 202,803	\$ 187,464	\$ 603,561	\$ 535,375
Direct costs of services	<u>127,252</u>	<u>115,938</u>	<u>374,908</u>	<u>326,009</u>
Gross profit	75,551	71,526	228,653	209,366
Selling, general and administrative expenses (1)	<u>51,466</u>	<u>43,559</u>	<u>148,747</u>	<u>125,652</u>
Operating income before amortization and depreciation (1)	24,085	27,967	79,906	83,714
Amortization of intangible assets	211	318	549	1,080
Depreciation expense	<u>2,200</u>	<u>1,563</u>	<u>6,082</u>	<u>4,363</u>
Operating income (1)	21,674	26,086	73,275	78,271
Interest income	<u>(952)</u>	<u>(2,401)</u>	<u>(5,123)</u>	<u>(6,323)</u>
Income before provision for income taxes (1)	22,626	28,487	78,398	84,594
Provision for income taxes (2)	<u>9,138</u>	<u>11,395</u>	<u>31,446</u>	<u>33,837</u>
Net income (1) (2)	<u>\$ 13,488</u>	<u>\$ 17,092</u>	<u>\$ 46,952</u>	<u>\$ 50,757</u>
Diluted net income per share	<u>\$ 0.29</u>	<u>\$ 0.33</u>	<u>\$ 0.93</u>	<u>\$ 0.99</u>
Diluted shares (3)	<u>46,663</u>	<u>51,996</u>	<u>50,331</u>	<u>51,306</u>

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

(1) Excludes \$6,052 and \$5,018 of expense for the three months ended February 29, 2008 and February 28, 2007, respectively, and \$17,314 and \$14,381 of expense for the nine months ended February 29, 2008 and February 28, 2007, 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 \$1,229 and \$1,025 for the three months ended February 29, 2008 and February 28, 2007, respectively and \$3,645 and \$2,331 for the nine months ended February 29, 2008 and February 28, 2007, respectively. Please refer to footnote (2) on the GAAP Income Statement for further detail.

(3) Includes 116 and 909 shares for the three months ended February 29, 2008 and February 28, 2007, respectively and 379 and 741 for the nine months ended February 29, 2008 and February 28, 2007, respectively, presumed to be repurchased in accordance with the requirements of SFAS 123(R) and SFAS 128 for GAAP computation of diluted number of shares.

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:

(in thousands, except per share amounts)

	Three months ended February 29, 2008	Three months ended February 28, 2007	Nine months ended February 29, 2008	Nine months ended February 28, 2007
GAAP net income	\$ 8,665	\$ 13,099	\$ 33,283	\$ 38,707
Stock-based compensation included in SG&A	6,052	5,018	17,314	14,381
Effect of stock-based compensation on provision for income taxes	<u>(1,229)</u>	<u>(1,025)</u>	<u>(3,645)</u>	<u>(2,331)</u>
Net effect of stock-based compensation	4,823	3,993	13,669	12,050
Non-GAAP net income	<u>\$ 13,488</u>	<u>\$ 17,092</u>	<u>\$ 46,952</u>	<u>\$ 50,757</u>

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

	Three months ended February 29, 2008	Three months ended February 28, 2007	Nine months ended February 29, 2008	Nine months ended February 29, 2007
Diluted number of shares used - GAAP	46,547	51,087	49,952	50,565
Impact of SFAS 123R	<u>116</u>	<u>909</u>	<u>379</u>	<u>741</u>
Diluted number of shares used -non-GAAP	<u>46,663</u>	<u>51,996</u>	<u>50,331</u>	<u>51,306</u>

RESOURCES CONNECTION, INC.

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

	Three months ended February 29, 2008	Three months ended February 28, 2007	Nine months ended February 29, 2008	Nine months ended February 28, 2007
GAAP diluted net income per share	\$ 0.19	\$ 0.26	\$ 0.67	\$ 0.77
Net effect of stock-based compensation on diluted net income per share	\$ 0.10	\$ 0.07	\$ 0.26	\$ 0.22
Non-GAAP diluted net income per share	<u>\$ 0.29</u>	<u>\$ 0.33</u>	<u>\$ 0.93</u>	<u>\$ 0.99</u>

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

	<u>February 29, 2008</u>	<u>May 31, 2007</u>
	(unaudited)	
Cash, cash equivalents, short-term investments and long-term marketable securities	\$ 99,626	\$ 223,095
Accounts receivable, less allowances	\$ 120,140	\$ 105,146
Total assets	\$ 389,898	\$ 464,461
Current liabilities	\$ 78,961	\$ 87,683
Total stockholders' equity	\$ 300,056	\$ 363,299
