
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) July 15, 2009

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, California (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))
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Item 2.02 Results of Operations and Financial Condition.

On July 15, 2009, Resources Connection, Inc. (“Resources” or “the Company”) issued a press release announcing its financial results for the quarterly period and fiscal year ended May 30, 2009. A copy of the press release is attached hereto as Exhibit 99.1.

Within the attached press release, the Company makes reference to certain non-generally accepted accounting principles (“non-GAAP”) financial measures, including consolidated EBITDA and adjusted EBITDA. The Company believes that these non-GAAP measures are useful to our investors because they are financial measures used by management to assess the performance of our Company. 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 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.

For its internal budgeting process, the Company’s management uses financial statements that include consolidated EBITDA and adjusted EBITDA. The Company’s management also uses the foregoing non-GAAP measures, in addition to other GAAP measures, in reviewing the financial results of the Company.

The information in Item 2.02 of this current report on Form 8-K, as well as 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 July 15, 2009

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: July 15, 2009

By: /s/ Nathan W. Franke

Nathan W. Franke
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No .</u>	<u>Description</u>
Exhibit 99.1	Press Release issued July 15, 2009

Immediate Release**Media Contact:**

Jeff Bellows, Managing Director, public relations
(US+) 1-617-897-0350 or jeff.bellows@resources-us.com

Analyst Contact:

Nate Franke, Chief Financial Officer
(US+) 1-714-430-6500 or nate.franke@resources-us.com

Resources Connection, Inc. Reports Fourth Quarter and Year-End Results for Fiscal 2009

IRVINE, Calif., July 15, 2009 – 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 fourth quarter and year ended May 30, 2009.

Total revenue for the fourth quarter of fiscal 2009 was \$132.0 million, down 44.2% from \$236.7 million for the fiscal 2008 fourth quarter. Revenues in the U.S. were down 42.9% quarter-over-quarter while international revenues decreased 47.4% (37.5% on a constant dollar basis). The Company’s results for the fourth quarter of fiscal 2008 (a 14-week quarter) included an extra week of revenue and related expenses as compared to the fourth quarter of fiscal 2009 (a 13-week quarter).

Total revenue for the year ended May 30, 2009 was \$685.6 million, down 18.4% from \$840.3 million for fiscal 2008. Revenues in the U.S. were down 20.2% for fiscal 2009 and international revenues were down 13.5% (12.4% on a constant dollar basis). The Company’s results for fiscal 2008 (a 53-week year) included an extra week of revenue and related expenses as compared to fiscal 2009 (a 52-week year).

Gross margin was 38.2% in the fourth quarter of fiscal 2009 versus 39.4% in the comparable period of fiscal 2008. Selling, general and administrative expenses, which include stock-based compensation expense, were 38.6% of revenue for the fourth quarter of fiscal 2009 compared to 26.1% for the same quarter in fiscal 2008. Selling, general and administrative expenses for the fourth quarter of fiscal 2009 include a restructuring charge of \$3.6 million related to severance payments and the consolidation of seven offices during the quarter.

During the fourth quarter, the Company also recorded tax charges aggregating \$3.5 million, comprised of a valuation allowance of \$2.4 million against deferred tax assets in certain foreign locations and \$1.1 million stemming from forgiveness of intercompany debt as part of the Company’s capitalization of its French subsidiary. On a per share basis, the restructuring and tax charges impacted the Company’s loss per share by \$0.05 and \$0.08, respectively.

The Company’s net loss determined in accordance with generally accepted accounting principles (“GAAP”) for the fourth quarter ended May 30, 2009, was \$6.3 million, or \$0.14 per basic share. This compares with GAAP net income for the fourth quarter ended May 31, 2008, of \$15.9 million, or \$0.35 per diluted share.

Net income determined in accordance with GAAP for the year ended May 30, 2009, was \$17.8 million, or \$0.39 per diluted share. This compares with GAAP net income for the year ended May 31, 2008, of \$49.2 million, or \$1.03 per diluted share.

Adjusted earnings before interest, taxes, depreciation, amortization and stock-based compensation expense or “adjusted EBITDA” for the fourth quarter of fiscal 2009 was \$3.4 million or 2.6% of revenue versus \$36.5 million or 15.4% of revenue for the same quarter of fiscal 2008. Adjusted EBITDA for the year ended May 30, 2009 was \$68.5 million or 10.0% of revenue versus \$116.4 million or 13.9% of revenue in fiscal 2008.

“Given the global economic climate, this has been the most challenging year in the history of Resources,” said Thomas Christopoul, CEO of Resources. “We continue to focus on the fundamentals of our business; that is helping our clients drive change throughout their organizations. We are beginning to hear more discussion about business transformation projects as companies look to initiatives outside of liquidity and cost reduction efforts. However, the macroeconomic environment is still causing many companies to approach project work cautiously.”

Don Murray, executive chairman of Resources added, “Despite the current environment, Resources continues to generate positive operating cash flows and maintain a healthy balance sheet. Our financial strength will position us well as the world economy begins to recover.”

During the three months ended May 30, 2009, the company purchased approximately 72,000 shares of its common stock for approximately \$1.4 million or \$19.48 per share. The Company’s current board authorization for stock buybacks has \$35.6 million remaining.

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 2,800 professionals, from more than 80 practice offices, annually serving 2,100 clients around the world.

Headquartered in Irvine, California, Resources Global has served 84 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, July 15, 2009. 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. In this press release, such statements include our expectation that companies are looking to business transformation projects and other initiatives outside of liquidity and cost reduction efforts, our belief that the macroeconomic environment is causing many companies to approach project work cautiously, our belief that we will continue to generate positive operating cash flow and maintain a healthy balance sheet, and our expectation that our financial strength will position us well as the world economy begins to recover. 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.

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

	Quarter Ended		Year Ended	
	May 30, 2009	May 31, 2008	May 30, 2009	May 31, 2008
	(unaudited)		(unaudited)	
Revenue	\$ 132,049	\$ 236,724	\$ 685,576	\$ 840,285
Direct costs of services	<u>81,595</u>	<u>143,505</u>	<u>422,171</u>	<u>518,413</u>
Gross profit	50,454	93,219	263,405	321,872
Selling, general and administrative expenses (1)	<u>50,984</u>	<u>61,792</u>	<u>212,680</u>	<u>227,853</u>
Operating (loss) income before amortization and depreciation (1)	(530)	31,427	50,725	94,019
Amortization of intangible assets	455	565	1,383	1,114
Depreciation expense	<u>2,110</u>	<u>2,370</u>	<u>8,898</u>	<u>8,452</u>
Operating (loss) income (1)	(3,095)	28,492	40,444	84,453
Interest income	<u>(239)</u>	<u>(480)</u>	<u>(1,593)</u>	<u>(5,603)</u>
(Loss) income before provision for income taxes (1)	(2,856)	28,972	42,037	90,056
Provision for income taxes (2)	<u>3,428</u>	<u>13,070</u>	<u>24,273</u>	<u>40,871</u>
Net (loss) income (1) (2)	<u>\$ (6,284)</u>	<u>\$ 15,902</u>	<u>\$ 17,764</u>	<u>\$ 49,185</u>
Basic net (loss) income per share	<u>\$ (0.14)</u>	<u>\$ 0.35</u>	<u>\$ 0.39</u>	<u>\$ 1.06</u>
Diluted net (loss) income per share	<u>\$ (0.14)</u>	<u>\$ 0.35</u>	<u>\$ 0.39</u>	<u>\$ 1.03</u>
Basic shares	<u>45,066</u>	<u>45,167</u>	<u>45,018</u>	<u>46,545</u>
Diluted shares	<u>45,066</u>	<u>46,068</u>	<u>45,726</u>	<u>47,934</u>

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

EXPLANATORY NOTES

1. Selling, general and administrative (“SG&A”) expenses for the three months ended May 30, 2009 includes \$3,635 of restructuring charges related to severance of personnel and the closing of seven offices during the quarter. In addition, SG&A expenses include \$3,979 and \$5,072 of expense for the three months ended May 30, 2009 and May 31, 2008, respectively, and \$17,790 and \$22,386 of expense for the years ended May 30, 2009 and May 31, 2008, respectively, related to the requirement to recognize compensation expense for employee stock option grants and employee stock purchases.
2. The Company’s effective tax rate was 120% and 45.1% for the three months ended May 30, 2009 and May 31, 2008, respectively and 57.7% and 45.4% for the years ended May 30, 2009 and May 31, 2008, respectively. Historically, the treatment under generally accepted accounting standards of incentive stock options and shares purchased through the Employee Stock Purchase Plan has caused volatility in the Company’s effective tax rate. The following table summarizes the primary components of the Company’s effective tax rate for each period presented.

	Quarter Ended		Year Ended	
	<u>May 30, 2009</u>	<u>May 31, 2008</u>	<u>May 30, 2009</u>	<u>May 31, 2008</u>
Federal and state rate, net of benefit	(21.5)%	41.4%	42.0%	40.5%
Deferred tax asset charges	121.0%	—	8.2%	—
Impact of stock-based compensation	20.5%	3.7%	7.5%	4.9%
	<u>120.0%</u>	<u>45.1%</u>	<u>57.7%</u>	<u>45.4%</u>

RESOURCES CONNECTION, INC.
Reconciliation of Net Income to Adjusted EBITDA
(in thousands, except per share amounts)

	Quarter Ended		Year Ended	
	May 30, 2009	May 31, 2008	May 30, 2009	May 31, 2008
	(unaudited)		(unaudited)	
Consolidated EBITDA and Adjusted EBITDA				
Net (loss) income	\$ (6,284)	\$ 15,902	\$ 17,764	\$ 49,185
Adjustments:				
Amortization of intangible assets	455	565	1,383	1,114
Depreciation expense	2,110	2,370	8,898	8,452
Interest income	(239)	(480)	(1,593)	(5,603)
Provision for income taxes	<u>3,428</u>	<u>13,070</u>	<u>24,273</u>	<u>40,871</u>
EBITDA	(530)	31,427	50,725	94,019
Stock-based compensation expense	<u>3,979</u>	<u>5,072</u>	<u>17,790</u>	<u>22,386</u>
Adjusted EBITDA	<u>\$ 3,449</u>	<u>\$ 36,499</u>	<u>\$ 68,515</u>	<u>\$ 116,405</u>
Revenue	<u>\$ 132,049</u>	<u>\$ 236,724</u>	<u>\$ 685,576</u>	<u>\$ 840,285</u>
Adjusted EBITDA Margin	<u>2.6%</u>	<u>15.4%</u>	<u>10.0%</u>	<u>13.9%</u>

RESOURCES CONNECTION, INC.
Reconciliation of Net Income to Adjusted EBITDA
(in thousands, except per share amounts)

The Company utilizes certain financial measures and key performance indicators that are not defined by, or calculated in accordance, with GAAP to assess our financial and operating performance. A non-GAAP financial measure is defined as a numerical measure of a company's financial performance that (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the comparable measure calculated and presented in accordance with GAAP in the statement of income; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the comparable measure so calculated and presented.

Adjusted EBITDA, a non-GAAP financial measure, is calculated as net income (loss) before amortization of intangible assets, depreciation expense, interest income, income taxes and stock-based compensation expense. Adjusted EBITDA Margin is calculated by dividing Revenue by Adjusted EBITDA. We believe that Adjusted EBITDA and Adjusted EBITDA Margin provide useful measures to our investors because they are financial measures used by management to assess the performance of our Company. Adjusted EBITDA and Adjusted EBITDA Margin are not measurements of financial performance or liquidity under GAAP and should not be considered in isolation or construed as substitutes for net income or other cash flow data prepared in accordance with GAAP for purposes of analyzing our profitability or liquidity. These measures should be considered in addition to, and not as a substitute, or a superior measure to, net income, earnings per share, cash flows or other measures of financial performance prepared in accordance with GAAP.

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

	<u>May 30, 2009</u>	<u>May 31, 2008</u>
	(unaudited)	
Cash, cash equivalents and short-term investments	\$ 163,741	\$ 106,814
Accounts receivable, less allowances	\$ 68,157	\$ 126,669
Total assets	\$ 412,019	\$ 410,502
Current liabilities	\$ 68,451	\$ 91,424
Total stockholders' equity	\$ 337,917	\$ 305,888
