
**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): December 7, 2010

Learning Tree International, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-27248
Commission
file number

95-3133814
(I.R.S. Employer
identification No.)

1805 Library Street, Reston, VA
(Address of principal executive offices)

20190
(Zip Code)

Registrant's telephone number, including area code (703) 709-9119

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 (see General Instruction A.2. below):

- 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 December 9, 2010, Learning Tree International, Inc. (the “Company”) issued a press release setting forth its results for its fourth quarter and fiscal year ended October 1, 2010. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers, Compensatory Arrangements of Certain Officers.

On December 7, 2010, the Company adopted a Dividend Participation Plan (the “Plan”) to provide holders of restricted stock units and holders of certain stock options issued under the Company’s 2007 Equity Incentive Plan, including our named executive officers, the opportunity to participate in the benefits of the special, one-time dividend of \$2.20 per share recently paid to the Company’s stockholders.

Under the Plan, holders of outstanding restricted stock units that were unvested on August 18, 2010 will receive a payment of \$2.20 per share when the restricted stock unit vests. Holders of options outstanding on August 18, 2010 (other than options that were then vested and in the money) will receive payments, not to exceed \$2.20 per share of common stock underlying the option, to the extent that the price of the Company’s common stock after the vesting and before the expiration of that option exceeds the exercise price of that option less \$2.20.

This summary of the Plan is qualified in its entirety by the Plan, which is filed as Exhibit 10.1 and incorporated herein by this reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 Dividend Participation Plan

99.1 Press release issued by Learning Tree International, Inc. dated December 9, 2010 furnished herewith.

The information in item 2.02 of this Form 8-K and exhibit 99.1 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act by Learning Tree International, Inc., except as expressly set forth by specific reference in such a filing.

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 thereunto duly authorized.

LEARNING TREE INTERNATIONAL, INC.

Dated: December 9, 2010

By: /s/ NICHOLAS R. SCHACHT

Nicholas R. Schacht
Chief Executive Officer

Learning Tree International, Inc. Dividend Participation Plan

1. Amount and Timing of Payment. Subject to the terms and condition of this Plan,

1.1 **Qualifying RSUs.** Within 30 days after the end of any fiscal quarter in which a Qualifying RSU vests, the holder of that Qualifying RSU will receive a payment per share of \$2.20.

1.2 **Qualifying Options.** Within 30 days after the end of any fiscal quarter, each holder of a Qualifying Option will receive a payment per share equal to:

- (a) The lesser of
 - (i) The amount by which the highest closing price of the stock on any Qualifying Day exceeds the Floor or
 - (ii) \$2.20 per share
- (b) Minus any prior payments per share under this Plan with respect to that Qualifying Option.

Thus, the maximum of all payments for any share may not exceed \$2.20.

No payment will be due for any fiscal quarter before the fiscal quarter in which the option vests or after the fiscal quarter in which the option expires.

2. **Must Remain Employee or Director.** No payment will be made under this Plan to any holder who is no longer employed or a director of Learning Tree on the date for payment.

3. **Tax Matters.** Any payments due under this Plan are expected to be taxed as ordinary income and will be reduced by any required withholding for federal, state and/or local taxes and other appropriate payroll deductions.

4. **Not an Employment or Service Contract.** Nothing in this Plan is to be construed as an agreement, express or implied, by Learning Tree or any of its subsidiaries to employ any persons, nor will it restrict Learning Tree's or such subsidiary's right to discharge any person or to modify, extend or otherwise affect in any manner whatsoever, the terms of any employment agreement or contract for services which may exist between any person and Learning Tree or any of its subsidiaries.

5. **Interpretation.** Learning Tree's Compensation Committee retains the right to interpret or modify this Plan in good faith to achieve the intended purpose.

6. Definitions.

The "**Floor**" means the price per share determined by subtracting \$2.20 from the exercise price of the option involved.

A "**Qualifying Day**" means any day during Learning Tree's "trading window" for the fiscal quarter which is both (i) after the vesting date for, and (ii) before the expiration date of, the option involved. If the trading window is not open in any fiscal quarter, there will not be any Qualifying Days in that fiscal quarter, except that in the last window before a Qualifying Option expires, for that option the window will be assumed to have been open during the standard period.

"**Qualifying Option**" means an Option under Learning Tree's 2007 Equity Incentive Plan which was outstanding on August 18, 2010 (other than options which were then vested and in the money).

"**Qualifying RSU**" means a Restricted Stock Unit under Learning Tree's 2007 Equity Incentive Plan which was outstanding but not vested on August 18, 2010.

"**Special Dividend**" means the special one-time dividend equal to \$2.20 per share declared by Learning Tree in August 2010.

Company Contact:
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LEARNING TREE ANNOUNCES FOURTH QUARTER AND FISCAL YEAR 2010 RESULTS

Reston, VA — December 9, 2010 - Learning Tree International, Inc. (NASDAQ: LTRE) announced today its revenues and results of operations for its fourth quarter and fiscal year 2010, which ended October 1, 2010.

In its fourth quarter of fiscal year 2010, Learning Tree reported revenues of \$33.9 million, income from operations of \$2.2 million, and net income of \$1.2 million or \$0.08 per share. These results compare with revenues of \$31.8 million, a loss from operations of \$1.4 million, and a net loss of \$1.4 million or \$0.10 per share in its fourth quarter of fiscal year 2009. Excluding the one-time effects of a \$4.2 million charge related to the anticipated settlement of a contract dispute, in its fourth quarter of fiscal year 2009, the company would have reported income from operations of \$2.8 million and net income of \$2.0 million, or \$0.14 per share.

In fiscal year 2010, revenues were \$127.5 million, income from operations was \$5.2 million, and net income was \$4.4 million or \$0.32 per share. This compares to revenues of \$132.6 million, income from operations of \$2.0 million and net income of \$1.2 million or \$0.08 per share in fiscal year 2009.

“We are pleased that the results of our efforts to stimulate sales growth seem to have had a positive effect, with modest year-over-year revenue growth for a second consecutive quarter” commented Learning Tree President and CEO Nicholas R. Schacht. “Client interest remained strong in Learning Tree AnyWare™, our patent-pending live online training platform. More than 4,000 people used AnyWare in fiscal 2010 to participate online in our live classroom courses. Additionally, we are pleased that our efforts to maintain profitability in this challenging environment have continued to produce positive results.”

Learning Tree International is a leading global provider of highly effective, hands-on training to managers and information technology professionals. Since 1974, over 65,000 organizations have relied on Learning Tree to enhance the professional skills of more than 2 million employees. Learning Tree develops, markets and delivers a broad, proprietary library of instructor-led courses focused on people and project management; leadership and business skills; Web development; operating systems; databases; networking; IT security; and software development. Courses are presented globally at Learning Tree Education Centers, on site at client facilities, and are available via Learning Tree AnyWare™, the Company’s proprietary live, online instructor-led training delivery option, which connects online participants to the actual classroom. For more information about Learning Tree products and services, call 1-888-THE-TREE (1-888-843-8733), or visit the Learning Tree Web site at www.learningtree.com.

Except for historical information contained herein, the matters addressed in this press release are forward-looking statements. Please do not put undue reliance on these forward-looking statements, since they are based on key assumptions about future risks and uncertainties. Although Learning Tree believes that its assumptions are reasonable, inevitably some will prove to be incorrect. As a result, Learning Tree’s actual future results can be expected to differ from those in this release, and those differences may be material. Learning Tree is not undertaking any obligation to update forward-looking statements. In order to help the reader assess the major risks in Learning Tree’s business, Learning Tree has identified many, but not all, of these risks in Item 1A, “Risk Factors” in Learning Tree’s Annual Report on Form 10-K (“Item 1A”). Please read that exhibit carefully. Some of the factors discussed in Item 1A that could affect Learning Tree include the following: risks associated with the timely development, introduction, and customer acceptance of Learning Tree’s courses; competition; international operations, including currency fluctuations; changing economic and market conditions; technology development and new technology introduction; efficient delivery and scheduling of Learning Tree’s courses; adverse weather conditions, strikes, acts of war or terrorism and other external events; and attracting and retaining qualified personnel.

Webcast

An investor conference call to discuss fourth quarter and fiscal year 2010 results is scheduled at 4:30 p.m. (EDT) December 9, 2010. Interested parties are invited to listen to the conference call by accessing the webcast live on Learning Tree's website www.learningtree.com/investor. The webcast will also be available at www.learningtree.com/investor for replay.

- tables follow -

[Table 1 – Summary consolidated financial statements and balance sheets]

[Table 2 – Reconciliation of certain non-GAAP measures]

LEARNING TREE INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(all amounts in thousands, except per share amounts)

	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>October 1, 2010</u>	<u>October 2, 2009</u>	<u>October 1, 2010</u>	<u>October 2, 2009</u>
Revenues	\$ 33,891	\$ 31,788	\$127,470	\$132,559
Cost of revenues	15,762	14,089	59,198	59,243
Gross profit	<u>18,129</u>	<u>17,699</u>	<u>68,272</u>	<u>73,316</u>
Operating expenses:				
Course development	1,946	1,627	7,304	7,442
Sales and marketing	8,204	7,011	30,461	31,962
General and administrative	5,804	10,486	25,310	31,929
Total operating expenses	<u>15,954</u>	<u>19,124</u>	<u>63,075</u>	<u>71,333</u>
Income (loss) from operations	2,175	(1,425)	5,197	1,983
Other income (expense), net	<u>(38)</u>	<u>31</u>	<u>557</u>	<u>1,048</u>
Income (loss) before income taxes	2,137	(1,394)	5,754	3,031
Provision for income tax	<u>970</u>	<u>24</u>	<u>1,366</u>	<u>1,828</u>
Net income (loss)	<u>\$ 1,167</u>	<u>\$ (1,418)</u>	<u>\$ 4,388</u>	<u>\$ 1,203</u>
Earnings (loss) per share—diluted	<u>\$ 0.08</u>	<u>\$ (0.10)</u>	<u>\$ 0.32</u>	<u>\$ 0.08</u>

LEARNING TREE INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(all amounts in thousands)

	<u>October 1, 2010</u>	<u>October 2, 2009</u>
Cash and cash equivalents	\$ 34,449	\$ 44,313
Available for sale securities	4,997	29,497
Trade accounts receivable, net	18,311	15,157
Prepaid expenses and other	7,008	7,776
Total current assets	<u>64,765</u>	<u>96,743</u>
Depreciable assets, net and other	<u>35,408</u>	<u>40,077</u>
Total assets	<u>\$100,173</u>	<u>\$136,820</u>
Accounts payable and accrued liabilities	\$ 16,484	\$ 22,327
Deferred revenues	35,745	38,103
Total current liabilities	<u>52,229</u>	<u>60,430</u>
Other	13,172	13,528
Total liabilities	<u>65,401</u>	<u>73,958</u>
Stockholders' equity	<u>34,772</u>	<u>62,862</u>
Total liabilities and stockholders' equity	<u>\$100,173</u>	<u>\$136,820</u>

Table 2

Reconciliation of certain Non GAAP Measures

	Three Months Ended			Non-GAAP October 2, 2009
	GAAP October 2, 2009	U.S. Govt Claim	Tax on Dividend	
Revenues	\$ 31,788			31,788
Cost of revenues	14,089			14,089
Gross profit	17,699	—	—	17,699
Operating expenses:				
Course development	1,627			1,627
Sales and marketing	7,011			7,011
General and administrative	10,486	(4,233)		6,253
Total operating expenses	19,124	(4,233)	—	14,891
Income (loss) from operations	(1,425)	4,233		2,808
Other income (expense), net	31			31
Income (loss) before income taxes	(1,394)	4,233	—	2,839
Provision for income tax	24	1,519	(666)	877
Net income (loss)	\$ (1,418)	2,714	666	1,962
Earnings (loss) per share—diluted	\$ (0.10)	0.19	0.05	0.14
	Twelve Months Ended			Non-GAAP October 2, 2009
	GAAP October 2, 2009	U.S. Govt Claim	Tax on Dividend	
Revenues	\$132,559			132,559
Cost of revenues	59,243			59,243
Gross profit	73,316	—	—	73,316
Operating expenses:				
Course development	7,442			7,442
Sales and marketing	31,962			31,962
General and administrative	31,929	(4,233)		27,696
Total operating expenses	71,333	(4,233)	—	67,100
Income (loss) from operations	1,983	4,233		6,216
Other income (expense), net	1,048			1,048
Income (loss) before income taxes	3,031	4,233	—	7,264
Provision for income tax	1,828	1,519	(666)	2,681
Net income (loss)	\$ 1,203	2,714	666	4,583
Earnings (loss) per share—diluted	\$ 0.08	0.18	0.04	0.30