CHECK POINT SOFTWARE TECHNOLOGIES LTD
Form 6-K
May 28, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of May, 2010

Commission File Number 0-28584

CHECK POINT SOFTWARE TECHNOLOGIES LTD.

(Translation of registrant's name into English)

5 Ha'solelim Street, Tel Aviv, Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form, is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o   No x

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-________

CHECK POINT SOFTWARE TECHNOLOGIES LTD.
5 Ha'solelim Street
Tel Aviv, Israel

PROXY STATEMENT

ANNUAL GENERAL MEETING OF SHAREHOLDERS

June 29, 2010

We invite you to attend the Annual General Meeting of Shareholders of Check Point Software Technologies Ltd. The meeting will be held on June 29, 2010 at 5:00 P.M. (Israel time), at Check Point's principal executive offices at 5 Ha'solelim St., Tel Aviv, Israel.

We are sending you this Proxy Statement because you hold Check Point ordinary shares. Our board of directors is asking that you sign and send in your proxy card, attached to this Proxy Statement, in order to vote at the meeting or at any adjournment of the meeting.

Agenda Items

The following matters are on the agenda for the meeting:

(1) to elect six directors – the terms of six of our current directors will expire at the meeting, and we are proposing to reelect these six directors;

(2) to ratify the appointment and compensation of Kost, Forer, Gabbay & Kasierer, a member of Ernst & Young Global, as our independent registered public accounting firm for 2010 – Israeli law requires that we ask you, on an annual basis, to approve our auditors; when this proposal is raised, you will also be invited to discuss our 2009 consolidated financial statements; and

(3) to approve compensation to our Chief Executive Officer who is also the Chairman of our board of directors.

How You Can Vote

You can vote your shares by attending the meeting or by completing and signing a proxy card. Attached is the proxy card for the meeting that is being solicited by our board of directors. Please follow the instructions on the proxy card. You may change your mind and cancel your proxy card by sending us written notice, by signing and returning a proxy card with a later date, or by voting in person or by proxy at the meeting. We will not be able to count a proxy card unless we receive it at our principal executive offices at 5 Ha'solelim Street, Tel Aviv, Israel, or our registrar and transfer agent receives it in the enclosed envelope, by June 29, 2010 at 6:59 A.M. Israel time, which is June 28, 2010 at 11:59 P.M. Eastern daylight time. If you sign and return the enclosed proxy card, your shares will be voted in favor of all of the proposed resolutions, whether or not you specifically indicate a "FOR" vote, unless you abstain or vote against a specific resolution. In addition, by signing and returning the proxy card you are confirming that you do not have a "personal interest" in any proposed resolution, unless you specifically note on the proxy card that you have a "personal interest" with respect to a specific resolution.

Who Can Vote

You are entitled to notice of the meeting and to vote at the meeting if you were a shareholder of record at the close of business on May 20, 2010, or the "Record Date." You are also entitled to notice of the meeting and to vote at the meeting if you held our ordinary shares through a bank, broker or other nominee which was one of our shareholders of record at the close of business on the Record Date, or which appeared in the participant listing of a securities depository on that date. We are mailing copies of this Proxy Statement and the proxy cards to our shareholders of record on the Record Date on or about May 28, 2010, and we will solicit proxies primarily by mail and email. The original solicitation of proxies by mail and email may be further supplemented by solicitation by telephone, mail, email and other means by certain of our officers, directors and employees, but they will not receive additional compensation for these services. We will bear the cost of external solicitors and of the solicitation of the proxy cards, including postage, printing and handling, and will reimburse the reasonable expenses of brokerage firms and others for forwarding material to beneficial owners of our ordinary shares.

Quorum and Required Vote

On May 20, 2010 we had outstanding 207,621,402 ordinary shares. Each ordinary share is entitled to one vote upon each of the matters to be presented at the meeting. Under our Articles of Association, the meeting will be properly convened if at least two shareholders attend the meeting in person or sign and return proxies, provided that they hold shares representing more than 50% of our voting power. This is known as a quorum. If a quorum is not present within half an hour from the time scheduled for the meeting, the meeting will be adjourned for one week (to the same day, time and place), or to a day, time and place proposed by the chairman of our board of directors with the consent of the majority of the voting power represented at the meeting in person or by proxy and voting on the adjournment. Any two shareholders who attend an adjourned meeting in person or by proxy will constitute a quorum, regardless of the number of shares they hold or represent. Under Israeli law, broker non-votes and abstentions will be counted toward the required quorum, but will then have no effect on whether the requisite vote is obtained (that is, they will not be counted as voting for or against the proposals).

If a shareholder holds ordinary shares through a bank or broker it is critical for that holder to cast a vote if that holder wants it to count in the election of directors (Item 1 of this Proxy Statement). In the past, if a shareholder held ordinary shares through a bank or broker and did not indicate how the holder wanted the ordinary shares voted in the election of directors, the shareholder’s bank or broker was allowed to vote those ordinary shares on the shareholder’s behalf in the election of directors as it felt appropriate. Recent changes in regulations were made to take away the ability of a shareholder’s bank or broker to vote uninstructed shares in the election of directors on a discretionary basis. Thus, if a shareholder holds ordinary shares through a bank or broker and does not instruct the bank or broker how to vote in the election of directors, no votes will be cast on that shareholder’s behalf. The shareholder’s bank or broker will, however, continue to have discretion to vote any uninstructed shares on the ratification of the appointment and compensation of Check Point’s independent registered public accounting firm (Item 2 of this Proxy Statement) and on the approval of the compensation of our chief executive officer (Item 3 of this Proxy Statement).

Our board of directors unanimously recommends that you vote "FOR" all proposals under Items 1 through 3 below.

BENEFICIAL OWNERSHIP OF SECURITIES
BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows information as of May 3, 2010 for (i) each person who, to our knowledge, beneficially owns more than 5% of our outstanding ordinary shares, and (ii) our executive officers and directors as a group. The information in the table below is based on 208,587,848 ordinary shares outstanding as of May 3, 2010.

Name	Number of shares beneficially owned (1)	% of class of shares (2)		Number of options (3)	Exercise prices of options		Dates of expiration of options
Gil Shwed (4)	32,363,600	15.0	%	7,400,000	$	16.80-26.99	06/29/2011-07/28/2016
Marius Nacht (4)(5)	19,093,296	9.1	%	600,000	$	23.19-26.99	06/29/2011-09/26/2012
FMR LLC (6)	14,209,642	6.8	%	-		-	-
Ameriprise Financial, Inc.(7)	11,496,996	5.5	%	-		-	-
All directors and officers as a group (11 persons including Messrs. Shwed and Nacht).	53,322,410	24.4	%	9,751,750	$	16.80-79.19	07/27/2010-07/28/2016

(1) The number of ordinary shares shown includes shares that each shareholder has the right to acquire pursuant to stock options that are presently exercisable or exercisable within 60 days after May 3, 2010.

(2) If a shareholder has the right to acquire shares by exercising stock options, these shares are deemed outstanding for the purpose of computing the percentage owned by the specific shareholder (that is, they are included in both the numerator and the denominator) but they are disregarded for the purpose of computing the percentage owned by any other shareholder.

(3) Number of shares subject to options that were immediately exercisable or are exercisable within 60 days from May 3, 2010. The exercise price of some of these options is greater than the current market price of our ordinary shares.

(4) The address for Messrs. Shwed and Nacht is c/o Check Point Software Technologies Ltd., 5 Ha'solelim St., Tel Aviv, Israel. Except as may be provided by applicable community property laws, Messrs. Shwed and Nacht have sole voting and investment power with respect to their ordinary shares.

(5) In addition to the amount above for which Mr. Nacht claims beneficial ownership, Mr. Nacht is the beneficiary of a trust that holds 1,917,800 shares. The trust, which was initially established in May 2005, is irrevocable and is currently scheduled to expire in May 2011. Mr. Nacht does not control the trust and has limited access to information concerning activities and holdings of the trust. Mr. Nacht disclaims beneficial ownership of the shares held in the trust.

(6) As of March 31, 2010, based on information contained in a Schedule 13F-HR filed by FMR LLC with the Securities and Exchange Commission on May 17, 2010. The address for FMR LLC is 82 Devonshire Street, Boston, Massachusetts 02109.

(7) As of March 31, 2010, based on information contained in a Schedule 13F-HR filed by Ameriprise Financial, Inc. with the Securities and Exchange Commission on May 14, 2010. The address for the parties is c/o Ameriprise Financial, Inc., 145 Ameriprise Financial Center, Minneapolis, Minnesota 55474.

ITEM 1 - ELECTION OF DIRECTORS (OTHER THAN OUTSIDE DIRECTORS)

You are being asked to reelect the following directors: Gil Shwed, Marius Nacht, Jerry Ungerman, Dan Propper, David Rubner and Dr. Tal Shavit.

Under our Articles of Association, the maximum number of our directors is fixed at twelve. We currently have ten directors. Four of these directors, Yoav Chelouche, Irwin Federman, Guy Gecht and Ray Rothrock, are our "outside directors" under the Israeli Companies Law, and they are not required to stand for reelection at the meeting. The term of office of Messrs. Federman and Rothrock will expire in 2011 and the term of office of Messrs. Chelouche and Gecht will expire in 2012.

You are being asked to reelect all of our current directors who are not outside directors. If all of our board of directors nominees are elected, the foregoing six directors will continue to serve as directors following the meeting in addition to the outside directors.

In accordance with the Israeli Companies Law, each of the nominees for election to our board of directors (as well as our four outside directors) has certified to us that he or she meets all the requirements of the Israeli Companies Law for election as a director of a public company, and possesses the necessary qualifications and has sufficient time, to fulfill his or her duties as a director of Check Point, taking into account the size and special needs of Check Point.

Nominees for Director

The nominating committee of our board of directors, which consists of Irwin Federman, Ray Rothrock, David Rubner and Dr. Tal Shavit, recommended that the following six nominees be reelected to our board of directors at the meeting. Our board of directors approved this recommendation. Each director who is elected at the meeting will serve until next year's annual general meeting of our shareholders.

Gil Shwed is the founder, Chairman of our board of directors, and our Chief Executive Officer. Mr. Shwed is considered the inventor of the modern Firewall and holds several patents, such as the company's Stateful Inspection technology. Mr. Shwed has received numerous prestigious accolades for his individual achievements and industry contributions, including an honorary Doctor of Science from the Technion – Israel Institute of Technology, the World Economic Forum's Global Leader for Tomorrow for his commitment to public affairs and leadership in areas beyond immediate professional interests, and the Academy of Achievement's Golden Plate Award for his innovative contribution to business and technology. Mr. Shwed is a member of the Board of Trustees of Tel Aviv University and the Chairman of the Board of Trustees of the Youth University of Tel Aviv University.

Marius Nacht, one of our founders, has served as Vice Chairman of our board of directors since 2001. Mr. Nacht has served as one of our directors since we were incorporated in 1993. From 1999 through 2005, Mr. Nacht served as our Senior Vice President. Mr. Nacht earned a B.S. (cum laude) in Physics and Mathematics from the Hebrew University of Jerusalem in 1983, and an M.S. in Electrical Engineering and Communication Systems from Tel Aviv University in 1987.

Jerry Ungerman has served as Vice Chairman of our board of directors since 2005. From 2001 until 2005, Mr. Ungerman served as our President and before that, from 1998 until 2000, he served as our Executive Vice President. Prior to joining us, Mr. Ungerman accumulated more than 30 years of high-tech sales, marketing and management experience at Hitachi Data Systems (HDS), a data storage company and a member of the Hitachi, Ltd. group. He began his career with International Business Machines Corp. (IBM), a global technology products and services company, after earning a B.A. in Business Administration from the University of Minnesota.

Dan Propper has served as one of our directors since 2006. Mr. Propper is the Chairman of the Board of the Osem group, a leading Israeli manufacturer of food products. Mr. Propper served as the Chief Executive Officer of Osem for 25 years until April 2006. In addition to his role at Osem, from 1993 until 1999, Mr. Propper served as President of the Manufacturers' Association of Israel, an independent umbrella organization representing industrial enterprises in Israel, and as Chairman of the Federation of Economic Organizations in Israel, which unites economic and business organizations that represents all business sectors in Israel. Mr. Propper has received numerous awards for his contributions to the Israeli industry and economy, including an honorary Doctorate from the Technion – Israel Institute of Technology in 1999. Mr. Propper serves as a member of the board of directors of Teva Pharmaceuticals, Osem Investments Ltd. and a number of private companies. Mr. Propper is also a member of the board of the Technion, the Weizmann Institute of Science and Ben-Gurion University in Israel. Mr. Propper earned a B.Sc. (summa cum laude) in Chemical Engineering and Food Technology from the Technion.

David Rubner has served on our board of directors since 1999. Mr. Rubner is Chairman and Chief Executive Officer of Rubner Technology Ventures Ltd., a venture capital firm, and is a general partner in Hyperion Israel Advisors Ltd., a venture capital fund. Prior to founding Rubner Technology Ventures, Mr. Rubner served as President and Chief Executive Officer of ECI Telecommunications Ltd., a provider of telecommunications networking infrastructure solutions from September 1991 to February 2000. Prior to his appointment as President and Chief Executive Officer, Mr. Rubner held various management positions in ECI Telecom. Mr. Rubner serves as a member of the board of directors of Elbit Imaging Ltd., Messaging International Ltd., Radware Ltd. and a number of private companies. Mr. Rubner is also a member of the Board of Trustees of Bar-Ilan University and Shaare Zedek Hospital, and chairman of the Petach-Tikva Foundation. Mr. Rubner holds a B.S. in Engineering from Queen Mary College, University of London and an M.S. in Electrical Engineering from Carnegie Mellon University, and he was a recipient of the Industry Prize in 1995.

Dr. Tal Shavit has served on our board of directors since 2000. Dr. Shavit is an organizational consultant specializing in international collaboration between Israeli and American companies, consulting in the management of cultural differences in order to forge effective collaboration. Her work with leading management teams includes a defining of organizational culture as the engine of the company's activities. She consults with companies undergoing structural change with emphasis on organizational growth through effective mergers and acquisitions and a redefining of management roles in order to meet market changes.

If you sign and return the enclosed proxy card, your shares will be voted "FOR" the election of the individuals named above as directors, unless you specifically specify to the contrary. We do not know of any reason that any of the individuals proposed for election as directors would not be able to serve.

We are proposing to adopt the following resolution:

"RESOLVED, that the election of the following six persons to the board of directors of Check Point be, and it hereby is, approved: Gil Shwed, Marius Nacht, Jerry Ungerman, Dan Propper, David Rubner and Dr. Tal Shavit."

The affirmative vote of the holders of a majority of the voting power represented and voting on this proposal in person or by proxy is required to elect each of the individuals named above as directors.

Biographical information concerning our outside directors, who are not standing for reelection at the meeting, is set forth below for informational purposes only.

Yoav Chelouche has served on our board of directors since 2006. Mr. Chelouche has also served as one of our outside directors under the Israeli Companies Law since 2006. Mr. Chelouche has been Managing Partner of Aviv Venture Capital since August 2000. Prior to joining Aviv Venture Capital, Mr. Chelouche served as President and Chief Executive Officer of Scitex Corp., a world leader in digital imaging and printing systems, from December 1994 until July 2000. From August 1979 until December 1994, Mr. Chelouche held various managerial positions with Scitex, including VP Strategy and Business Development, VP Marketing and VP Finance for Europe. Mr. Chelouche is the Chairman of the Board of Rosetta Genomics Ltd., and a member of the board of directors of a number of private companies. He is also Chairman of Taasiyeda, an Israeli nonprofit organization that promotes the development of leadership and technology skills in children. Mr. Chelouche earned a B.A. in Economics and Statistics from Tel Aviv University, and an M.B.A. from INSEAD University in Fontainebleau, France. In 2010, Mr. Chelouche was nominated by INSEAD University as "one of 50 alumni who changed the world.”

Guy Gecht has served on our board of directors since 2006. Mr. Gecht has also served as one of our outside directors under the Israeli Companies Law since 2006. Mr. Gecht is the Chief Executive Officer of Electronics For Imaging, Inc. (EFI), a company that provides digital imaging and print management solutions for commercial and enterprise printing. Mr. Gecht has served in this position since January 2000. From October 1995 until January 2000, Mr. Gecht held various positions with EFI, including President of the company. Prior to joining EFI, Mr. Gecht held various software engineering positions with technology companies. Mr. Gecht holds a B.S. in Computer Science and Mathematics from Ben-Gurion University in Israel.

Irwin Federman has served on our board of directors since 1995. Mr. Federman has also served as one of our outside directors under the Israeli Companies Law since 2000. Mr. Federman has been a General Partner of U.S. Venture Partners, a venture capital firm, since 1990. Mr. Federman serves as director of SanDisk Corp., Mellanox Technologies Ltd. and a number of private companies. Mr. Federman received a B.S. in Economics from Brooklyn College.

Ray Rothrock has served on our board of directors since 1995. Mr. Rothrock has also served as one of our outside directors under the Israeli Companies Law since 2000. Mr. Rothrock is Managing General Partner of Venrock, a venture capital firm, where he has been a member since 1988 and a general partner since 1995. Mr. Rothrock is also a director of a number of private companies. Mr. Rothrock received a B.S. in Engineering from Texas A&M University, an M.S. from the Massachusetts Institute of Technology, and an M.B.A. from the Harvard Business School.

ITEM 2 – PROPOSAL TO RATIFY THE APPOINTMENT AND COMPENSATION OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM; REVIEW AND DISCUSSION OF OUR 2009 CONSOLIDATED FINANCIAL STATEMENTS

Our board of directors has appointed Kost, Forer, Gabbay & Kasierer, an Israeli accounting firm that is a member of Ernst & Young Global, as our independent registered public accounting firm for 2010. Kost, Forer, Gabbay & Kasierer have audited our books and accounts since we were incorporated.

Representatives of Kost, Forer, Gabbay & Kasierer will attend the meeting and will be invited to make a statement. They will be available to respond to appropriate questions raised during the meeting. In accordance with Section 60(b) of the Israeli Companies Law, you are invited to discuss our 2009 consolidated financial statements, and questions regarding the financial statements may be addressed to us or to our auditors. Our Annual Report on Form 20-F for the year ended December 31, 2009, including our 2009 audited consolidated financial statements, is available on our website at www.checkpoint.com. To have a printed copy mailed to you, please contact our Investor Relations department at 800 Bridge Parkway, Redwood City, California 94065; Telephone: 650-628-2000, email:

ir@us.checkpoint.com.

We are proposing to adopt the following resolution:

"RESOLVED, that the appointment of Kost, Forer, Gabbay & Kasierer, a member of Ernst & Young Global, as Check Point's independent registered public accounting firm for 2010 be, and it hereby is, ratified, and the board of directors (or, the audit committee, if authorized by the board of directors) be, and it hereby is, authorized to fix the remuneration of such independent registered public accounting firm in accordance with the volume and nature of their services."

The affirmative vote of the holders of a majority of the voting power represented and voting on this proposal in person or by proxy is necessary to approve the resolution to ratify the appointment and compensation of our independent registered public accounting firm.

ITEM 3 – PROPOSAL TO APPROVE COMPENSATION TO OUR CHIEF EXECUTIVE OFFICER WHO IS ALSO THE CHAIRMAN OF OUR BOARD

The Israeli Companies Law provides that the compensation of our directors, whether as directors, officers or consultants, requires shareholder approval. This includes cash compensation as well as compensation in the form of stock options.

Gil Shwed, who is the Chairman of the board of directors of Check Point, is also our Chief Executive Officer. Therefore, Mr. Shwed's compensation requires shareholder approval. Our compensation committee, audit committee, board of directors and shareholders have previously approved Mr. Shwed's cash compensation.

Mr. Shwed has requested to forego his salary and bonus for 2010. Our compensation committee, audit committee and board of directors have reviewed Mr. Shwed's request and determined that Mr. Shwed will not receive a bonus for 2010, and will not receive any salary for 2010 except for an amount equal to the minimum wage required under Israeli law. Currently, other than the minimum wage required by law, Mr. Shwed's sole compensation for 2010 will be the option grant recommended below, if approved by the shareholders at the meeting. Our goal is to clearly align Mr. Shwed's compensation with the objectives of our shareholders.

Our compensation committee has recommended and our audit committee and the board of directors have approved the grant to Mr. Shwed of options to purchase 1,500,000 ordinary shares at an exercise price equal to 100% of the closing price of the ordinary shares on the NASDAQ Global Select Market on the date of the meeting. We are therefore proposing that you now approve the option grant to Mr. Shwed. The number of ordinary shares beneficially owned by Mr. Shwed, and the number of ordinary shares he beneficially owns pursuant to stock options exercisable within 60 days after May 3, 2010, are set forth above under the caption "Beneficial Ownership of Securities by Certain Beneficial Owners and Management."

In making its recommendation, the compensation committee considered several factors, including comparable industry data, data of peer companies in our industry, the responsibilities and duties performed by Mr. Shwed, the equity and compensation for comparably situated CEOs, the estimation of Mr. Shwed's expected contributions to the future growth and profitability of Check Point, as well as certain other factors.

The total direct cash compensation that we accrued for our directors and executive officers as a group for the year ended December 31, 2009 was approximately $1.4 million.

We are proposing to adopt the following resolution:

"RESOLVED, that the grant to Gil Shwed of options to purchase 1,500,000 ordinary shares at an exercise price equal to 100% of the closing price of the ordinary shares on the NASDAQ Global Select Market on the date of the meeting and upon the terms recommended by Check Point's compensation committee and approved by Check Point's audit committee and board of directors be, and it hereby is, approved."

The affirmative vote of the holders of a majority of the voting power represented and voting on this proposal in person or by proxy is necessary for the approval of the resolution to approve the grant of options to our Chief Executive Officer, who is also the Chairman of our Board. In addition, since Mr. Shwed is a director of Check Point and may be deemed to be a controlling shareholder under Israeli law, a special majority vote will be required for approval of this proposal. In order to approve the grant of options to our Chief Executive Officer, the affirmative vote of the ordinary shares must either include at least one-third of the ordinary shares voted by shareholders who do not have a personal interest in the matter, or the total shares of non-interested shareholders voted against this proposal must not represent more than one percent of the outstanding ordinary shares. For this purpose, you are asked to indicate on the enclosed proxy card whether you have a personal interest in the adoption of the proposal to grant options to our Chief Executive Officer, as described above. Please note, that under the Israeli Companies Law, you are also deemed to have a personal interest if any member of your immediate family or their spouse has a personal interest in the adoption of the proposal. In addition, you are deemed to have a personal interest if a company, other than Check Point, that is affiliated to you has a personal interest in the adoption of the proposal. Such company is a company in which you or a member of your immediate family serves as a director or chief executive officer, has the right to appoint a director or the chief executive officer, or owns 5% or more of the outstanding shares. However, you are not deemed to have a personal interest in the adoption of the proposal if your interest in such proposal arises solely from your ownership of our shares.

By Order of the Board of Directors.

GIL SHWED
Chairman of the Board of Directors

Dated: May 20, 2010

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.

CHECK POINT SOFTWARE TECHNOLOGIES LTD.

May 28, 2010

By: /s/ John Slavitt
John Slavitt
General Counsel

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717,052

Operating income

72,055

80,399

Interest income

	244
	236
Interest expense	
	11,750
	7,591
Equity in loss of affiliated company	
	855
	515
Earnings before income taxes	
	59,694
	72,529
Income taxes	
	23,281
	28,359

Net earnings	$ 36,413	$ 44,170
Weighted average basic shares outstanding	124,657	142,969
Basic earnings per share		

$

0.29

$

0.31

Weighted average diluted shares outstanding

127,914

146,474

Diluted earnings per share

$

		0.28
	$	0.30
Dividends declared per common share	$	0.10
	$	0.09

See accompanying Notes to Condensed Consolidated Financial Statements.

J.B. HUNT TRANSPORT SERVICES, INC.

Condensed Consolidated Balance Sheets

(in thousands)

	March 31, 2008 (unaudited)	December 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	$ 16,218	$ 14,957
Accounts receivable, net	340,420	330,202
Assets held for sale	33,214	39,747
Prepaid expenses and other	81,805	103,988
Total current assets	471,657	488,894
Property and equipment, at cost	2,103,202	2,080,893
Less accumulated depreciation	727,682	722,170
Net property and equipment	1,375,520	1,358,723
Other assets	10,892	15,129
	$ 1,858,069	$ 1,862,746
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 164,000	$ 234,000
Trade accounts payable	189,164	189,986
Claims accruals	18,768	19,402
Accrued payroll	44,120	34,310
Other accrued expenses	20,719	26,664
Deferred income taxes	20,039	20,070
Total current liabilities	456,810	524,432
Long-term debt	701,200	679,100
Other long-term liabilities	36,391	34,453
Deferred income taxes	292,471	281,564
Stockholders equity	371,197	343,197
	$ 1,858,069	$ 1,862,746

See accompanying Notes to Condensed Consolidated Financial Statements.

J.B. HUNT TRANSPORT SERVICES, INC.

Condensed Consolidated Statements of Cash Flows

(in thousands)

(unaudited)

	Three Months Ended March 31	
	2008	**2007**
Cash flows from operating activities:		
Net earnings	$ 36,413	$ 44,170
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	50,539	49,520
Share-based compensation	2,810	2,043
Gain on sale of revenue equipment and other	(208)	(326)
Provision (benefit) for deferred income taxes	10,876	(8,603)
Equity in loss of affiliated company	855	515
Changes in operating assets and liabilities:		
Trade accounts receivable	(7,048)	16,500
Income tax payable	788	25,246
Other assets	19,106	15,608
Trade accounts payable	(796)	4,490
Claims accruals	(634)	(1,526)
Accrued payroll and other accrued expenses	4,187	6,558
Net cash provided by operating activities	116,888	154,195
Cash flows from investing activities:		
Additions to property and equipment	(82,736)	(104,731)
Net proceeds from sale of equipment	22,284	10,173
Net distributions of available for sale investments	2,936	0
Decrease (increase) in other assets	211	(299)
Net cash used in investing activities	(57,305)	(94,857)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	0	200,000
Payments on long-term debt	(3,500)	(3,500)
Net repayments on revolving lines of credit	(44,427)	(143,900)
Issuance (purchase) of treasury stock and other	689	(101,661)
Tax benefit on stock options exercised	1,378	4,813
Dividends paid	(12,462)	(12,977)
Net cash used in financing activities	(58,322)	(57,225)
Net increase in cash and cash equivalents	1,261	2,113
Cash and cash equivalents at beginning of period	14,957	7,371
Cash and cash equivalents at end of period	$ 16,218	$ 9,484
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 17,693	$ 7,119
Income taxes	$ 9,521	$ 16,741

See accompanying Notes to Condensed Consolidated Financial Statements.

J.B. HUNT TRANSPORT SERVICES, INC.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. General

Basis of Presentation

The accompanying unaudited interim Condensed Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial information. We believe such statements include all adjustments (consisting only of normal recurring adjustments) necessary for the fair presentation of our financial position, results of operations and cash flows at the dates and for the periods indicated. Pursuant to the requirements of the Securities and Exchange Commission (SEC) applicable to quarterly reports on Form 10-Q, the accompanying financial statements do not include all disclosures required by GAAP for annual financial statements. While we believe the disclosures presented are adequate to make the information not misleading, these unaudited interim Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2007. Operating results for the periods presented in this report are not necessarily indicative of the results that may be expected for the calendar year ending December 31, 2008, or any other interim period. Our business is somewhat seasonal with slightly higher freight volumes typically experienced during the months of August through early November.

Recent Accounting Pronouncements

Effective January 1, 2008, we adopted Statement of Financial Accounting Standards No. 157*, Fair Value Measurements* (FAS 157) and Statement of Financial Account Standards No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities Including an Amendment of FASB Statement No. 115* (FAS 159). See Note 7, Fair Value Measurements, for the impact of this adoption. In February 2008, the FASB issued FASB Staff Position FAS 157-2, *Effective Date of FASB Statement No. 157,* which delayed the effective date of FAS 157 for all non-financial assets and liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis, until January 1, 2009. We have not yet determined the impact that the implementation of FAS 157 will have on our non-financial assets and liabilities which are not recognized on a recurring basis; however, we do not anticipate adoption to significantly impact our consolidated financial statements.

2. Earnings Per Share

We compute basic earnings per share by dividing net earnings available to common stockholders by the actual weighted average number of common shares outstanding for the reporting period. Diluted earnings per share reflects the potential dilution that could occur if holders of options or unvested restricted share units exercised or converted their holdings into common stock. The dilutive effect of stock options and restricted share units was 3.3 million shares during the first quarter 2008, compared to 3.5 million shares during first quarter 2007.

3. Share-Based Compensation

The following table summarizes the components of our share-based compensation program expense (in thousands):

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	Three Months Ended March 31 2008	2007
Stock options:		
Pre-tax compensation expense	$ 644	$ 1,002
Tax benefit	251	392
Stock option expense, net of tax	$ 393	$ 610
Restricted share units:		
Pre-tax compensation expense	$ 2,166	$ 1,042
Tax benefit	845	407
Restricted share unit expense, net of tax	$ 1,321	$ 635

As of March 31, 2008, we had $12.8 million and $32.1 million of total unrecognized compensation expense related to nonstatutory stock options and restricted share units, respectively, which is expected to be recognized over the remaining weighted-average period of approximately 2.64 years for stock options and 2.77 years for restricted share units.

4. Debt

Long-term debt consists of the following (in millions):

	March 31, 2008	December 31, 2007
Revolving lines of credit	$ 386.2	$ 430.6
Senior notes	400.0	400.0
Term loan	79.0	82.5
Less current portion of long-term debt	(164.0)	(234.0)
Total long-term debt	$ 701.2	$ 679.1

Revolving Lines of Credit

At March 31, 2008, we were authorized to borrow up to a total of $575 million under two different revolving lines of credit. The first line of credit is supported by a credit agreement with a group of banks for a total amount of $350 million, expiring March 29, 2012. The applicable interest rate under this agreement is based on either the prime rate or LIBOR, depending upon the specific type of borrowing, plus a margin based on the level of borrowings and our credit rating. At March 31, 2008, we had $236.2 million outstanding at an average interest rate of 3.91% under this agreement.

Our second line of credit is an Accounts Receivable Securitization program with a revolving credit facility up to $225 million, which matures July 28, 2008. The applicable interest rate under this agreement is the prevailing A1/P1 commercial paper rate in the market. At March 31, 2008, we had $150.0 million outstanding at an average interest rate of 3.59% under this agreement.

Senior Notes

Our senior notes consist of two separate issuances. The first is $200 million of 5.31% senior notes, which mature March 29, 2011. Interest payments are due semiannually in March and September of each year. The second is $200 million of 6.08% senior notes, which mature July 26, 2014. For this second issuance, principal payments in the amount of $50.0 million are due July 26, 2012 and July 26, 2013, with the remainder due upon maturity. Interest payments are due semiannually in January and July of each year.

Term Loan

Our $100 million term loan facility, maturing September 29, 2009, was arranged in connection with our purchase of used, dry-van trailers and is collateralized by a security interest in the trailing equipment. We are required to make minimum quarterly principal payments in the amount of $3.5 million, through June 29, 2009, with

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the remainder due upon maturity. Stated interest on this facility is a 3-month LIBOR variable rate. Concurrent with the loan and credit agreement, we entered into an interest rate swap agreement to effectively convert this floating rate debt to a fixed rate basis of 5.85%. The swap expires September 29, 2009, when the related term loan is due. At March 31, 2008, we had $79 million outstanding under this agreement.

Our revolving lines of credit and debt facilities require us to maintain certain covenants and financial ratios. We were in compliance with all covenants and financial ratios at March 31, 2008.

5. Capital Stock

On February 13, 2008, our Board of Directors declared a regular quarterly dividend of $0.10 per common share, payable on February 21, 2008, to stockholders of record on February 7, 2008.

6. Comprehensive Income

Comprehensive income includes changes in the fair value of the interest rate swap, which qualifies for hedge accounting. A reconciliation of net earnings and comprehensive income follows (in thousands):

	Three Months Ended March 31			
		2008		2007
Net earnings	$	36,413	$	44,170
Unrealized loss on derivative instruments		(1,344)		(481)
Income tax benefit		524		188
Comprehensive income	$	35,593	$	43,877

7. Fair Value Measurements

As stated in Note 1, General, effective January 1, 2008, we adopted FAS 157. FAS 157, among other things, defines fair value, establishes a framework for measuring fair value and expands disclosure about such fair value measurements. Assets and liabilities measured at fair value are based on one or more of three valuation techniques stated in FAS 157. The three valuation techniques are as follows:

Market Approach. Prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities.

Income Approach. Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques and option-pricing models).

Cost Approach. Amount that currently would be required to replace the service capacity of an asset (often referred to as replacement cost).

FAS 157 clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for evaluating such assumptions, FAS 157 establishes a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value as follows:

Level 1. Quoted prices in active markets for identified assets or liabilities;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions about what market participants would use in pricing the asset or liability.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following are assets and liabilities measured at fair value on a recurring basis at March 31, 2008 (in millions):

		Asset/(Liability) Balance	Valuation Technique	Input Level
Available for sale investments	$	5.6	Market	2
Trading investments		9.9	Market	1
Interest rate swap		(3.0)	Market	2

Available for sale investments are classified in Prepaid expenses and other in our condensed consolidated balance sheets, trading investments are classified in Other assets in our condensed consolidated balance sheets and the interest rate swap is classified in Other long-term liabilities in our condensed consolidated balance sheets. Adoption of FAS 157 increased our disclosures regarding fair value measurements only and did not have an effect on our operating income or net earnings. No assets or liabilities were elected for fair value measurement under FAS 159, and therefore adoption of FAS 159 had no impact on our financial statements.

8. Income Taxes

Our effective income tax rate was 39.0% for the three month period ended March 31, 2008, compared with 39.1% for the three month period ended March 31, 2007. In determining our quarterly provision for income taxes, we use an estimated annual effective tax rate, which is based on our expected annual income, statutory tax rates, best estimate of non-deductible and non-taxable items of income and expense and the ultimate outcome of tax audits. The 2008 effective income tax rate reflects changes in estimates of state income taxes and non-deductible and non-taxable items as they relate to expected annual income.

At March 31, 2008, we had a total of $14.0 million in gross unrecognized tax benefits, which is a component of other long-term liabilities on our balance sheet. Of this amount, $9.1 million represents the amount of unrecognized tax benefits that, if recognized, would impact our effective tax rate. The total amount of accrued interest and penalties for such unrecognized tax benefits was $5.7 million at March 31, 2008. For the three months ended March 31, 2008, we realized $3.1 million of settlements related to our unrecognized tax benefits.

9. Legal Proceedings

We are involved in certain claims and pending litigation arising from the normal conduct of business. Based on the present knowledge of the facts and, in certain cases, opinions of outside counsel, we believe the resolution of these claims and pending litigation will not have a material adverse effect on our financial condition, results of operations or liquidity.

10. Business Segments

We reported four distinct business segments during the three months ended March 31, 2008 and 2007. These segments included: Intermodal (JBI), Dedicated Contract Services (DCS), Truck (JBT), and Integrated Capacity Solutions (ICS). The operation of each of these businesses is described in Note 13, Segment Information, of our Annual Report (Form 10-K) for the year ended December 31, 2007. A summary of certain segment information is presented below (in millions):

	Assets (Excludes the impact of intercompany accounts) March 31			
	2008		2007	
JBI	$	733	$	566
DCS		421		436
JBT		526		588
ICS		18		6
Other (includes corporate)		160		177
Total	$	1,858	$	1,773

	Operating Revenues For The Three Months Ended March 31			
	2008		2007	
JBI	$	437	$	354
DCS		228		224
JBT		185		214
ICS		37		13
Inter-segment eliminations		(9)		(8)
Total	$	878	$	797

	Operating Income For The Three Months Ended March 31			
	2008		2007	
JBI	$	52	$	47
DCS		18		22
JBT		0		11
ICS		2		1
Other (includes corporate)		0		(1)
Total	$	72	$	80

	Depreciation and Amortization For The Three Months Ended March 31			
	2008		2007	
JBI	$	13	$	10
DCS		17		18
JBT		17		19
ICS		0		0
Other (includes corporate)		4		3
Total	$	51	$	50

ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should refer to the attached interim Condensed Consolidated Financial Statements and related notes and also to our Annual Report (Form 10-K) for the year ended December 31, 2007 as you read the following discussion. We may make statements in this report that reflect our current expectation regarding future results of operations, performance and achievements. These are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, and are based on our belief or interpretation of information currently available. You should realize there are many risks and uncertainties that could cause actual results to differ materially from those described. Some of the factors and events that are not within our control and could have a significant impact on future operating results are general economic conditions, cost and availability of diesel fuel, accidents, adverse weather conditions, competitive rate fluctuations, availability of drivers, adverse legal decisions and audits or tax assessments of various federal, state or local taxing authorities, including the Internal Revenue Service (IRS). Additionally, our business is somewhat seasonal with slightly higher freight volumes typically experienced during the months of August through early November. You should also refer to Item 1A of our Annual Report (Form 10-K) for the year ended December 31, 2007, for additional information on risk factors and other events that are not within our control. Current and future changes in fuel prices could result in significant fluctuations of quarterly earnings. Our future financial and operating results may fluctuate as a result of these and other risk factors as described from time to time in our filings with the SEC.

GENERAL

We are one of the largest full-load and multi-modal transportation companies in North America. We operate four distinct, but complementary, business segments and provide a wide range of general and specifically tailored freight and logistics services to our customers. We generate revenues primarily from the actual movement of freight from shippers to consignees and from serving as a logistics provider by offering or arranging for others to provide the transportation service. We account for our business on a calendar year basis with our full year ending on December 31 and our quarterly reporting periods ending on March 31, June 30 and September 30.

Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that impact the amounts reported in our Consolidated Financial Statements and accompanying notes. Therefore, the reported amounts of assets, liabilities, revenues, expenses and associated disclosures of contingent assets and liabilities are affected by these estimates. We evaluate these estimates on an ongoing basis, utilizing historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recognized in the accounting period in which the facts that give rise to the revision become known.

Information regarding our Critical Accounting Policies and Estimates can be found in our Annual Report (Form 10-K). The four critical accounting policies that we believe require us to make more significant judgments and estimates when we prepare our financial statements include those relating to self-insurance accruals, revenue equipment, revenue recognition and income taxes. We have discussed the development and selection of these critical accounting policies and estimates with the Audit Committee of our Board of Directors. In addition, Note 2, Summary of Significant Accounting Policies, to the financial statements in our Annual Report (Form 10-K) for the year ended December 31, 2007, contains a summary of our significant accounting policies. There have been no material changes to the methodology we apply for critical accounting estimates as previously disclosed in our Annual Report on Form 10-K.

Segments

We operated four segments during the first quarter 2008. The operation of each of these businesses is described in Note 13, Segment Information, of our Annual Report (Form 10-K) for the year ended December 31, 2007.

RESULTS OF OPERATIONS

Summary of Operating Segment Results

For the Three Months Ended March 31

(in millions)

	Operating Revenues			Operating Income	
	2008	2007	% Change	2008	2007
JBI	$ 437	$ 354	23%	$ 51.8	$ 46.6
DCS	228	224	2	18.3	22.0
JBT	185	214	(14)	0.0	11.4
ICS	37	13	189	2.0	0.5
Other (includes corporate)	0	0	0	0.0	(0.1)
Subtotal	887	805	10%	72.1	80.4
Inter-segment eliminations	(9)	(8)	10%		
Total	$ 878	$ 797	10%	$ 72.1	$ 80.4

Our total consolidated operating revenues increased to $878 million for the first quarter 2008, a 10% increase over the $797 million in the first quarter 2007. Significantly higher fuel prices resulted in fuel surcharge (FSC) revenues of $154.2 million during the current quarter, compared with $91.0 million in 2007. If FSC revenues were excluded from both periods, the increase of 2008 revenue over 2007 was 2.5%. The increased level of revenue, excluding FSC, was primarily attributable to higher volume in our Intermodal segment and significant growth in our ICS segment, which more than offset a reduction in our Truck segment. The combined tractor fleet declined from 11,971 units to 10,750. Containers and trailers grew from 54,814 to 59,600. Decreases in the tractor fleet were due to the weakness in freight demand in our Truck segment and our actions to move further away from an asset-heavy truckload model. The growth in trailing equipment was primarily to support additional Intermodal business.

JBI segment revenue increased 23%, to $437 million during the first quarter 2008, compared with $354 million in 2007. This increase in segment revenue was primarily a result of a 19% increase in load volume and slightly higher revenue per loaded mile, exclusive of fuel surcharges. Operating income of the JBI segment rose to $51.8 million in the first quarter 2008, from $46.6 million in 2007, primarily due to increase in revenue, which was partially offset by increases in fuel costs and increases in purchased transportation expense, due to volume growth.

DCS segment revenue grew 2%, to $228 million in 2008, from $224 million in 2007. This increase in DCS segment revenue was driven by increased fuel surcharges. Excluding fuel surcharges, revenue declined 4%, primarily due to a reduction in the average truck count of 376, compared to the first quarter 2007. The decline in this segment s truck count reflected fleet reductions in response to changes in our customers business demands and our actions to reduce the level of generic dedicated business. Operating income of our DCS segment decreased to $18.3 million in 2008, from $22.0 million in 2007. The decline in operating income was primarily due to increased costs of fuel.

JBT segment revenue totaled $185 million for the first quarter 2008, a decrease of 14% from $214 million in the first quarter 2007. This decrease in revenue was primarily a result of a 16% decrease in loads hauled, compared to the same quarter a year ago, as demand was much softer in the first quarter 2008. At the end of the first quarter, the fleet size declined 22%, or 1,149 units, compared to the first quarter 2007. Rate per loaded mile, excluding fuel surcharges, decreased by less than one percent, compared to the prior year period. Our JBT segment operated at a slight loss of approximately $50 thousand during the first quarter 2008, a decline from $11.4 million operating income in 2007. The decrease in operating income was the result of decreased revenue, higher fuel costs and increased maintenance costs.

ICS segment revenue grew 189%, to $37 million in 2008, from $13 million in 2007, which was attributable to increases in load volume from both new and existing clients. Operating income of our ICS segment increased to $2.0 million, from $0.5 million in 2007 as operating leverage from higher revenue growth began to cover expenses primarily resulting from higher personnel and technology costs related to growing and investing in the ICS segment.

Our ICS staff grew 130% during the first quarter 2008, compared with 2007, which was largely in sales and operations, in connection with the growth in this segment.

Consolidated Operating Expenses

The following table sets forth items in our Condensed Consolidated Statements of Earnings as a percentage of operating revenues and the percentage increase or decrease of those items as compared with the prior period.

	Three Months Ended March 31		
	Dollar Amounts as a Percentage of Total Operating Revenues		Percentage Change of Dollar Amounts Between Quarters
	2008	2007	2008 vs. 2007
Total operating revenues	100.0%	100.0%	10.1%
Operating expenses:			
Rents and purchased transportation	37.6	33.4	24.1
Salaries, wages and employee benefits	24.3	27.5	(2.5)
Fuel and fuel taxes	15.3	13.2	27.6
Depreciation and amortization	5.8	6.2	2.1
Operating supplies and expenses	4.2	4.6	0.6
Insurance and claims	2.0	2.2	2.9
General and administrative expenses, net of gains on asset dispositions	1.1	1.1	5.0
Operating taxes and licenses	0.9	1.0	(3.9)
Communication and utilities	0.6	0.7	(2.6)
Total operating expenses	91.8	89.9	12.5
Operating Income	8.2	10.1	(10.4)
Interest income	0.0	0.0	3.4
Interest expense	1.3	0.9	54.8
Equity in loss of affiliated company	0.1	0.1	66.0
Earnings before income taxes	6.8	9.1	(17.7)
Income taxes	2.7	3.6	(17.9)
Net earnings	4.1%	5.5%	(17.6)%

Total operating expenses increased 12.5%, while operating revenues increased 10.1%, during the first quarter 2008, over the comparable period of 2007. Changes in fuel costs and FSC revenues can have an impact on the comparison of revenues and costs between reporting periods. Operating income declined to $72.1 million during the first quarter 2008, from $80.4 million in 2007.

Rents and purchased transportation costs increased 24.1% in 2008. This increase is a direct result of our increase in revenues in our JBI and ICS segments. JBI segment s rail purchased transportation increased by 25% due to increases in load volume and an increase in rates charged by our rail carriers, as well as an increase of outsourced freight through our ICS segment growth. The higher cost of fuel also increased dray and purchased transportation expenses as we shared portions of our higher FSC revenues with these third parties.

Salaries, wages and employee benefit costs decreased 2.5% in 2008 compared to 2007. This decrease is primarily related to reductions in the number of drivers in our JBT segment due to the reduction in business demand and freight movement.

Fuel costs increased 27.6% in 2008, compared with 2007. Our fuel cost per gallon during the current quarter increased nearly 42% due to the steep rise in fuel prices and slightly lower miles per gallon as compared to first quarter 2007. We have fuel surcharge programs in place with the majority of our customers. These programs typically involve a specified computation based on the change in national, regional or local fuel prices. While these programs may incorporate fuel cost increases as frequently as weekly, most also reflect a specified miles per gallon factor and require a certain minimum change in fuel costs (e.g. $0.05 per gallon) to trigger an increase in fuel surcharge revenue. When fuel prices increase rapidly, there is a lag associated with the majority of our fuel surcharge programs. This lag negatively impacts operating income.

There are also two additional factors related to fuel costs and fuel surcharge revenue that negatively impact operating income when fuel costs rise rapidly. Depending on our specific business and traffic lane, frequently 10% to 15% of our miles traveled are empty. While these empty miles also incur higher fuel costs, we typically are only able to charge fuel surcharge revenue on our loaded miles. In addition, most systems and software applications used in the transportation industry for measuring miles result in computations that average 10% to 12% fewer miles than what is actually travelled (i.e., hub miles). The combination of these two factors frequently results in no fuel surcharge revenue billed for approximately 20% to 25% of the miles our tractors actually travel. During times of changing fuel costs, operating income can be negatively impacted by these factors.

Depreciation and amortization expense increased 2.1% in 2008, which was primarily the result of the expansion of our container and chassis equipment fleet. This increase was partially offset by a decrease in tractor depreciation due to the reduction of tractor and trailer fleet counts. Operating supplies and expenses increased by less than one percent primarily due to higher maintenance costs, compared with the first quarter 2007. Insurance and claims expense grew 2.9% for 2008 compared with 2007, primarily due to higher collision claims incidents and higher liability insurance claims. Operating taxes and licenses decreased by 3.9% due to the decrease in miles and freight demand.

General and administrative expenses increased 5.0% for the current quarter over the comparable period in 2007, primarily as a result of an increase in shuttle yard rentals and an increase in bad debts. Net gains from sale of revenue equipment were $0.4 million in 2008, compared with $0.3 million in 2007.

Net interest expense increased significantly in 2008, primarily due to increased debt levels. Total debt increased to $865.2 million at March 31, 2008, from $449.0 million at March 31, 2007.

The equity in loss of affiliated company item on our Condensed Consolidated Statement of Earnings reflects our share of the operating results of Transplace, Inc. (TPI).

Our effective income tax rate was 39.0% in 2008 and 39.1% in 2007. In determining our quarterly provision for income taxes, we use an estimated annual effective tax rate, which is based on our expected annual income, statutory tax rates, best estimate of non-deductible and non-taxable items of income and expense and the ultimate outcome of tax audits.

Liquidity and Capital Resources

Cash Flow

Net cash provided by operating activities totaled $117 million during the first three months of 2008, compared with $154 million for the same period 2007. Operating cash flows decreased as a result of lower earnings, a decrease in collections of accounts receivable and an increase in payments to vendors due to timing. Net cash used in investing activities totaled $57 million in 2008, compared with $95 million in 2007. This decrease reflects a decline in purchasing of containers, chassis and trailing equipment off operating leases as compared with 2007. The decrease also relates to an increase in proceeds from the sale of equipment. Net cash used in financing activities was consistent in 2008, compared with 2007, increasing from $57 million in 2007 to $58 million in 2008.

	March 31, 2008	December 31, 2007	March 31, 2007
Working capital ratio	1.03	.93	.83
Current portion of long-term debt (millions)	$ 164.0	$ 234.0	$ 164.0
Total debt (millions)	$ 865.2	$ 913.1	$ 449.0
Total debt to equity	2.33	2.66	.65
Total debt as a ratio to total capital	.70	.73	.39

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Liquidity

Our need for capital has typically resulted from the acquisition of intermodal containers and chassis, trucks, tractors and trailers required to support our growth and the replacement of older equipment with new, late model equipment. We are frequently able to accelerate or postpone a portion of equipment replacements depending on market conditions. We have, during the past few years, obtained capital through cash generated from operations, revolving lines of credit and long-term debt issuances. We have also periodically utilized operating leases to acquire revenue equipment. To date, none of our operating leases contain any guaranteed residual value clauses.

At March 31, 2008, we were authorized to borrow up to a total of $575 million under two different revolving lines of credit. The first line of credit is supported by a credit agreement with a group of banks for a total amount of $350 million, expiring March 29, 2012. The applicable interest rate under this agreement is based on either the prime rate or LIBOR, depending upon the specific type of borrowing, plus a margin based on the level of borrowings and our credit rating. At March 31, 2008, we had $236.2 million outstanding at an average interest rate of 3.91% under this agreement.

Our second line of credit is an Accounts Receivable Securitization program with a revolving credit facility up to $225 million, which matures on July 28, 2008. The applicable interest rate under this agreement is the prevailing A1/P1 commercial paper rate in the market. At March 31, 2008, we had $150.0 million outstanding at an average interest rate of 3.59% under this agreement.

Our revolving lines of credit and debt facilities require us to maintain certain covenants and financial ratios. We were in compliance with all covenants and financial ratios at March 31, 2008.

We believe that our liquid assets, cash generated from operations and revolving lines of credit will provide sufficient funds for our operating and capital requirements for the foreseeable future.

Contractual Cash Obligations
As of March 31, 2008
Amounts Due by Period
(in millions)

	Total	One Year Or Less	One to Three Years	Four to Five Years	After Five Years
Operating leases	$ 6	$ 3	$ 2	$ 1	$ 0
Long-term debt obligations	865	164	65	486	150
Commitments to acquire revenue equipment	104	104	0	0	0
Total	$ 975	$ 271	$ 67	$ 487	$ 150

Our net capital expenditures were approximately $60 million during the first three months of 2008, compared with $95 million for the same period 2007. Capital expenditures in 2008 were primarily for tractor trades, additional intermodal containers, chassis, and other trailing equipment. We are currently committed to spend approximately $104 million during the remainder of 2008, net of $44 million of expected proceeds from sale or trade-in allowances, on revenue equipment. We expect to spend approximately $200 million for total capital expenditures during calendar year 2008. The table above excludes $20 million of liabilities for uncertain tax positions as we are unable to reasonably estimate the ultimate timing of settlement.

Off-Balance Sheet Arrangements

Our only off-balance sheet arrangements are related to operating leases for trailing equipment and some data processing equipment and facilities. As of March 31, 2008, we had approximately 302 trailers and 1,005 containers/chassis that were subject to operating leases, and we had approximately $1.1 million of obligations remaining under these leases.

Risk Factors

You should refer to Item 1A of our Annual Report (Form 10-K) for the year ended December 31, 2007, under the caption Risk Factors for specific details on the following factors and events that are not within our control and could affect our financial results.

Our business is subject to general economic and business factors that are largely out of our control, any of which could have a material adverse effect on our results of operations.

We operate in a competitive and somewhat fragmented industry. Numerous factors could impair our ability to maintain our current profitability and to compete with other carriers and private fleets.

We derive a significant portion of our revenue from a few major customers, the loss of one or more of which could have a material adverse effect on our business.

We depend on third parties in the operation of our business.

Difficulty in attracting and retaining drivers could affect our profitability and ability to grow.

Ongoing insurance and claims expenses could significantly reduce our earnings.

Our operations are subject to various environmental laws and regulations, the violation of which could result in substantial fines or penalties.

We operate in a regulated industry, and increased direct and indirect costs of compliance with, or liability for violation of, existing or future regulations could have a material adverse effect on our business.

Rapid changes in fuel costs can impact our periodic financial results.

Extreme or unusual weather conditions can disrupt our operations, impact freight volumes and increase our costs, all of which could have a material adverse effect on our business results.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We had $865 million of debt outstanding at March 31, 2008, including our revolving lines of credit, term loan facility, and senior notes issuance. We currently have an interest rate swap agreement which effectively converts the amounts outstanding of our $100 million variable rate term loan facility to a fixed rate basis. Additionally, our senior notes have fixed interest rates of 5.31% and 6.08%. These fixed-rate facilities reduce the impact of changes to market interest rates on future interest expense. For those arrangements with variable interest rates, the rates are based on the prime rate or LIBOR plus an applicable margin. Our earnings would be affected by changes in these short-term interest rates. Risk can be quantified by measuring the financial impact of a near-term adverse increase in short-term interest rates. At our current level of borrowing, a one percent increase in our applicable rate would reduce annual pretax earnings by $3.9 million.

Although we conduct business in foreign countries, international operations are not material to our consolidated financial position, results of operations or cash flows. Additionally, foreign currency transaction gains and losses were not material to our results of operations for the three months ended March 31, 2008. Accordingly, we are not currently subject to material foreign currency exchange rate risks from the effects that exchange rate movements of foreign currencies would have on our future costs or on future cash flows we would receive from our foreign investment. As of March 31, 2008, we had no foreign currency forward exchange contracts or other derivative financial instruments to hedge the effects of adverse fluctuations in foreign currency exchange rates.

The price and availability of diesel fuel are subject to fluctuations due to changes in the level of global oil production, seasonality, weather and other market factors. Historically, we have been able to recover a majority of fuel price increases from our customers in the form of fuel surcharges. We cannot predict the extent to which high fuel price levels will continue in the future or the extent to which fuel surcharges could be collected to offset such increases. As of March 31, 2008, we had no derivative financial instruments to reduce our exposure to fuel price fluctuations.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our internal controls and disclosure controls. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2008, in alerting them on a timely basis to material information required to be disclosed by us in our periodic reports to the SEC.

In addition, there were no changes in our internal control over financial reporting during our first three months of 2008 that have materially affected, or are reasonably likely to materially effect, our internal control over financial reporting.

Part II. Other Information

ITEM 1. LEGAL PROCEEDINGS

We are involved in certain claims and pending litigation arising from the normal conduct of business. Based on the present knowledge of the facts and, in certain cases, opinions of outside counsel, we believe the resolution of these claims and pending litigation will not have a material adverse effect on our financial condition, our results of operations or liquidity.

ITEM 1A. RISK FACTORS

Information regarding risk factors appears in Part I, Item 2, Management s Discussion and Analysis of Financial Condition and Results of Operations of this report on Form 10-Q and in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2007.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Index to Exhibits

Exhibit Number	Exhibits
3(i)	Amended and Restated Articles of Incorporation dated May 19, 1988 (incorporated by reference from Exhibit 4A of S-8 Registration Statement filed April 16, 1991; Registration Statement Number 33-40028)
3(ii)	Restated Bylaws of J.B. Hunt Transport Services, Inc. dated February 27, 2008
31.1	Rule 13a-14(a)/15d-14(a) Certification
31.2	Rule 13a-14(a)/15d-14(a) Certification
32.1	Section 1350 Certification
32.2	Section 1350 Certification

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, in the city of Lowell, Arkansas, on the 30th day of April, 2008.

J.B. HUNT TRANSPORT SERVICES, INC.
(Registrant)

BY:	/s/ Kirk Thompson Kirk Thompson President and Chief Executive Officer
BY:	/s/ Jerry W. Walton Jerry W. Walton Executive Vice President, Finance and Administration, Chief Financial Officer
BY:	/s/ Donald G. Cope Donald G. Cope Senior Vice President, Controller, Chief Accounting Officer