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 22, 2004

BRINKER INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware	**1-10275**	**74-1914582**
(State of Incorporation)	(Commission File Number)	(IRS Employment Identification No.)

6820 LBJ Freeway
Dallas, Texas 75240
(Address of principal executive offices)

Registrant's telephone number, including area code 972-980-9917

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)).

Section 1 -

Item 1.02. Termination of a Material Definitive Agreement

Brinker International, Inc. (the "Company") will exercise its right to redeem all $431,640,000 principal amount at maturity of its outstanding zero coupon convertible senior debentures due 2021 at the price of $633.54 per $1,000 principal amount at maturity of the debentures. The redemption date is expected to be January 24, 2005. Under the indenture governing the debentures, debenture holders will have the right to convert each $1,000 principal amount at maturity of debentures into 18.08 shares of the Company's common stock at any time beginning December 23, 2004, until the close of business on January 20, 2005. Upon completion of the redemption, the debentures will cease to be issued and outstanding and the Indenture, dated as of October 10, 2001, between the Company and SunTrust Bank, as Trustee, will terminate and have no further force and effect. The Company will not incur any early termination penalties relating to the redemption of the debentures and termination of the Indenture.

Section 2 -

Item 2.02. Results of Operations and Financial Condition

On December 22, 2004, the Company issued a press release regarding the matters discussed under Item 4.02 below, which include adjustments to previously issued financial statements. The press release is attached as Exhibit 99 hereto.

Section 4 -

Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review

(a) This filing describes certain corrections which the Company will be making in the course of restating certain of its prior period financial statements. The Company is unaware of any evidence that the restatement is due to any material noncompliance by the Company, as a result of misconduct, with any financial reporting requirement under the securities laws. In addition, the corrections described in this filing will have no impact on the Company's cash flow, revenue, same store sales, or covenants under its credit facility or other debt instruments.

Following a review of its accounting policy and in consultation with its independent registered public accounting firm, KPMG LLP, the Company has determined that it had incorrectly calculated its straight-line rent expense and related deferred rent liability and has modified its computation to correct this issue. As a result, on December 21, 2004, the Audit Committee of the Company's Board of Directors concluded that the Company's previously filed financial statements should be restated. This move is similar to recent restatements announced by other KPMG client restaurant companies.

Historically, when accounting for leases with renewal options, rent expense has been recorded on a straight-line basis over the initial non-cancelable lease term. Buildings and leasehold improvements on those properties are depreciated over a period equal to the shorter of the term of the lease - including option periods provided for in the lease - or the useful life of the assets. The Company will recognize rent expense on a straight-line basis over sufficient renewal periods to equal the depreciable life of 20 years, including cancelable option periods where failure to exercise such options would result in an economic penalty.

The Company also evaluated the accounting of an intangible asset related to franchise rights acquired in fiscal 1998 and has determined that it would have been more appropriate to expense the purchase price of the franchise rights.

As a result of the above items, the Company will restate its financial statements through the first quarter of fiscal 2005. The Company estimates that the cumulative effect of the restatement through fiscal 2004 will be an increase in the deferred rent liability of approximately $20.7 million and a decrease in intangible franchise rights of $4.4 million. In addition, the deferred income tax liability at the end of fiscal 2004 will decrease by approximately $9.4 million, and retained earnings at the end of fiscal 2004 will decrease by approximately $15.7 million. Rent expense for fiscal years ended 2002, 2003 and 2004 will increase by approximately $3.3 million, $3.9 million and $4.9 million, respectively, and for the first quarter of fiscal 2005 by approximately $1.3 million.

The restatement will decrease diluted net earnings per share by approximately $0.02, $0.02 and $0.03 for the fiscal years ended 2002, 2003 and 2004, respectively, and approximately $0.01 for the first quarter of fiscal 2005.

These estimates are subject to change as the Company's independent registered public accounting firm completes its review. The Company will amend the appropriate filings with the Securities and Exchange Commission ("SEC") to include the restated financial statements. As a result of the restatement, the financial statements contained in the Company's prior filings with the SEC should no longer be relied upon.

Section 8 - Other Events

Item 8.01. Other Events.

On December 22, 2004, the Company issued a press release announcing that it has resolved its previously disclosed dispute with the Internal Revenue Service concerning the Tip Reporting Alternative Commitment (TRAC) agreement. The Company paid an assessment of $17.3 million in December 2004 for employer-only Federal Insurance Contributions Act (FICA) taxes on unreported cash tips for calendar years 2000 through 2002. The Company will record the $17.3 million payment in restaurant expenses in the second quarter of fiscal 2005 and expects to record an income tax benefit of approximately $16.9 million, consisting primarily of federal income tax credits related to excess FICA taxes. This will result in a negative impact on net income of approximately $400,000 in the second quarter of fiscal 2005.

The Company stated that due to the IRS' current interpretation of the TRAC program, it will not seek to reinstate the agreement. The press release regarding this matter is attached as Exhibit 99 hereto.

Section 9 - Financial Statement and Exhibits.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

99 Press Release, dated December 22, 2004.

SIGNATURE

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.

	BRINKER INTERNATIONAL, INC.
Date: December 22, 2004	By: /s/ Douglas H. Brooks
	Douglas H. Brooks, Chairman of the Board President and Chief Executive Officer

EXHIBIT 99

FOR IMMEDIATE RELEASE

Contacts: Louis Adams/Chris Barnes, Media Relations (972) 770-4968/(972) 770-4959
Lynn Schweinfurth, Investor Relations (972) 770-7228

BRINKER RESOLVES IRS DISPUTE, ANNOUNCES REDEMPTION OF DEBENTURES AND ISSUES RESTATEMENT

DALLAS (Dec. 22, 2004) -- Brinker International, Inc., (NYSE: EAT) today announced that it has resolved its previously disclosed dispute with the Internal Revenue Service concerning the Tip Reporting Alternative Commitment (TRAC) agreement.

Brinker paid an assessment of $17.3 million in December 2004 for employer-only Federal Insurance Contributions Act (FICA) taxes on unreported cash tips for calendar years 2000 through 2002. The company will record the $17.3 million payment in restaurant expenses in the second quarter of fiscal 2005 and expects to record an income tax benefit of approximately $16.9 million, consisting primarily of federal income tax credits related to excess FICA taxes. This will result in a negative impact on net income of approximately $400,000 in the second quarter of fiscal 2005.

Brinker continues to believe that it was in full compliance with the TRAC agreement and that the IRS' retroactive revocation was unjustified, particularly in light of compliance reviews conducted by the IRS prior to the revocation. Nevertheless, the company has agreed to the resolution to avoid potentially costly and protracted litigation.

The company further stated that due to the IRS' current interpretation of the TRAC program, it will not seek to reinstate the agreement.

Company announces redemption of debentures

Brinker also announced that it intends to exercise its right to redeem all of its outstanding zero coupon convertible senior debentures due 2021 at the price of $633.54 per $1,000 principal amount of the debentures at maturity. The redemption date is expected to be January 24, 2005.

Under the indenture governing the debentures, debenture holders will have the right to convert each $1,000 principal amount of the debentures at maturity into 18.08 shares of Brinker common stock at any time beginning December 23, 2004, until the close of business on January 20, 2005.

Company issues restatement

Following a review of its accounting policy and in consultation with its independent registered public accounting firm, KPMG LLP, the company has corrected its computation of straight-line rent expense and the related deferred rent liability. This move is similar to recent restatements announced by other KPMG client restaurant companies.

Historically, when accounting for leases with renewal options, rent expense has been recorded on a straight-line basis over the initial non-cancelable lease term. Buildings and leasehold improvements on those properties are depreciated over a period equal to the shorter of the term of the lease -- including option periods provided for in the lease -- or the useful life of the assets. Brinker will recognize rent expense on a straight-line basis over sufficient renewal periods to equal the depreciable life of 20 years, including cancelable option periods where failure to exercise such options would result in an economic penalty.

Brinker also evaluated the accounting of an intangible asset related to franchise rights acquired in fiscal 1998 and has determined that it would have been more appropriate to expense the purchase price of the franchise rights.

As a result of the above items, Brinker will restate its financial statements through the first quarter of fiscal 2005. The company estimates that the cumulative effect of the restatement through fiscal 2004 will be an increase in the deferred rent liability of approximately $20.7 million and a decrease in intangible franchise rights of $4.4 million. In addition, the deferred income tax liability at the end of fiscal 2004 will decrease by approximately $9.4 million, and retained earnings at the end of fiscal 2004 will decrease by approximately $15.7 million. Rent expense for fiscal years ended 2002, 2003 and 2004 will increase by approximately $3.3 million, $3.9 million and $4.9 million, respectively, and for the first quarter of fiscal 2005 by approximately $1.3 million.

The restatement will decrease diluted net earnings per share by approximately $0.02, $0.02 and $0.03 for the fiscal years ended 2002, 2003 and 2004, respectively, and approximately $0.01 for the first quarter of fiscal 2005. The restatement will not have any impact on the company's previously reported cash flows, sales or comparable store sales or compliance with any covenant under its credit facility or other debt instruments.

These estimates are subject to change as the company's independent registered public accounting firm completes its review. The company will amend the appropriate filings with the Securities and Exchange Commission to include the restated financial statements. As a result of the restatement, the financial statements contained in the company's prior filings with the SEC should no longer be relied upon.

Impact on EPS Guidance

As a result of the change in straight-line rent accounting and the IRS resolution, the company now expects that its second quarter and fiscal 2005 net earnings and earnings per diluted share estimates will be reduced by approximately $1.2 million and $3.8 million, and approximately $0.01 and $0.04, respectively. Accordingly, the company's current estimates of earnings per diluted share are now approximately $0.44 to $0.46 for the second quarter and approximately $2.02 to $2.15 for fiscal 2005. The fiscal 2005 estimates include the impact of EITF 04-8, exclude impairments and lease obligation charges associated with Big Bowl and Rockfish, and exclude potential refranchising gains.

The table below includes a reconciliation of second quarter and full year diluted earnings per share forecast:

	Forecast	
	Second Qtr. FY '05	Full Year FY '05
Adjusted diluted EPS	$0.47 - $0.49	$2.14 - $2.26
EITF 04-8, net of forward settlement	(0.02)	(0.08) - (0.07)
Rent expense restatement & IRS resolution	(0.01)	(0.04)
Diluted EPS after adjustments	$0.44 - $0.46	$2.02 - $2.15
Impairment and lease obligation charges	(0.03)	(0.28)
Refranchising gains	0.00	0.03
Diluted EPS	$0.41 - $0.43	$1.77- $1.90

Brinker International either owns, operates, franchises, or is involved in the ownership of 1,517 restaurants under the names Chili's Grill & Bar, Romano's Macaroni Grill, Maggiano's Little Italy, On The Border Mexican Grill & Cantina, Corner Bakery Cafe, Big Bowl Asian Kitchen, and Rockfish Seafood Grill.

The statements contained in this release that are not historical facts are forward-looking statements. These forward-looking statements involve risks and uncertainties and, consequently, could be affected by general business and economic conditions, the impact of competition, the seasonality of the company's business, adverse weather conditions, future commodity prices, fuel and utility costs and availability, terrorists acts, consumer perception of food safety, changes in consumer taste, changes in demographic trends, availability of employees, unfavorable publicity, the company's ability to meet its growth plan, acts of God, governmental regulations, and inflation.

BRINKER INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEET
SUMMARY OF RESTATEMENT IMPACTS
AS OF SEPT 29, 2004
(In thousands)
(Unaudited)

ASSETS	AS REPORTED	ADJUSTMENTS	AS RESTATED
Current Assets:			
Cash and cash equivalents	$ 50,718	-	$ 50,718
Accounts receivable	45,884	-	45,884
Inventories	42,556	-	42,556
Prepaid expenses and other	73,092	-	73,092
Deferred income taxes	19,592	-	19,592
Total current assets	231,842	-	231,842
Property and Equipment, at Cost:			
Land	286,635	-	286,635
Buildings and leasehold improvements	1,386,668	-	1,386,668
Furniture and equipment	686,403	-	686,403
Construction-in-process	75,498	-	75,498
	2,435,204	-	2,435,204
Less accumulated depreciation and amortization	(850,000)	-	(850,000)
Net property and equipment	1,585,204	-	1,585,204
Other Assets:			
Goodwill	136,021	-	136,021
Other	73,482	(4,405)	69,077
Total other assets	209,503	(4,405)	205,098
Total assets	$ 2,026,549	(4,405)	$ 2,022,144
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Current installments of long-term debt	$ 18,131	-	$ 18,131
Accounts payable	100,141	-	100,141
Accrued liabilities	208,867	-	208,867
Income taxes payable	-	-	-
Total current liabilities	327,139	-	327,139
Long-term debt, less current installments	640,319	-	640,319
Deferred income taxes	83,081	(9,931)	73,150
Other liabilities	92,472	21,987	114,459
Shareholders' Equity:			
Common stock	11,750	-	11,750
Additional paid-in capital	233,424	-	233,424
Accumulated other comprehensive income	658	-	658
Retained earnings	1,292,017	(16,461)	1,275,556
	1,537,849	(16,461)	1,521,388
Less:			
Treasury stock, at cost	(652,409)	-	(652,409)
Unearned compensation	(1,902)	-	(1,902)
Total shareholders' equity	883,538	(16,461)	867,077
Total liabilities and shareholders' equity	$ 2,026,549	(4,405)	$ 2,022,144

BRINKER INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME
SUMMARY OF RESTATEMENT IMPACTS
THIRTEEN WEEK PERIOD ENDED SEPT 29, 2004
(In thousands, except per share amounts)
(Unaudited)

	AS REPORTED	ADJUSTMENTS	AS RESTATED
Revenues	$ 910,478	-	$ 910,478
Operating Costs and Expenses:			
Cost of sales	253,089	-	253,089
Restaurant expenses	509,401	1,292	510,693
Depreciation and amortization	45,939	-	45,939
General and administrative	37,152	-	37,152
Restructure charges and other impairments	48,256	-	48,256
Total operating costs and expenses	893,837	1,292	895,129
Operating income	16,641	(1,292)	15,349
Interest expense	7,119	-	7,119
Other, net	442	-	442
Income before tax benefit	9,080	(1,292)	7,788
Income tax benefit	5,639	482	6,121
Net income	$ 14,719	(810)	$ 13,909
Basic net income per share	$ 0.16	(0.01)	$ 0.15
Diluted net income per share	$ 0.16	(0.01)	$ 0.15
Basic weighted average shares outstanding	89,761		89,761
Diluted weighted average shares outstanding	90,930		90,930

BRINKER INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME
SUMMARY OF RESTATEMENT IMPACTS
THIRTEEN WEEK PERIOD ENDED SEPT 24, 2003
(In thousands, except per share amounts)
(Unaudited)

	AS REPORTED	ADJUSTMENTS	AS RESTATED
Revenues	$ 870,898	-	$ 870,898
Operating Costs and Expenses:			
Cost of sales	239,902	-	239,902
Restaurant expenses	486,358	1,163	487,521
Depreciation and amortization	42,409	-	42,409
General and administrative	33,296	-	33,296
Restructure charges and other impairments	-	-	-
Total operating costs and expenses	801,965	1,163	803,128
Operating income	68,933	(1,163)	67,770
Interest expense	3,318	-	3,318
Other, net	(257)	-	(257)
Income before tax expense	65,872	(1,163)	64,709
Income tax benefit expense	(21,277)	441	(20,836)
Net income	$ 44,595	(722)	$ 43,873
Basic net income per share	$ 0.46	(0.01)	$ 0.45
Diluted net income per share	$ 0.45	(0.01)	$ 0.44
Basic weighted average shares outstanding	97,404		97,404
Diluted weighted average shares outstanding	99,367		99,367

BRINKER INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEET
SUMMARY OF RESTATEMENT IMPACTS
AS OF JUNE 30, 2004
(In thousands)

	AS REPORTED	ADJUSTMENTS	AS RESTATED
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 226,762	-	$ 226,762
Accounts receivable	37,934	-	37,934
Inventories	38,113	-	38,113
Prepaid expenses and other	74,764	-	74,764
Deferred income taxes	23,347	-	23,347
Total current assets	400,920	-	400,920
Property and Equipment, at Cost:			
Land	283,777	-	283,777
Buildings and leasehold improvements	1,354,671	-	1,354,671
Furniture and equipment	666,415	-	666,415
Construction-in-process	72,818	-	72,818
	2,377,681	-	2,377,681
Less accumulated depreciation and amortization	(810,835)	-	(810,835)
Net property and equipment	1,566,846	-	1,566,846
Other Assets:			
Goodwill	158,068	-	158,068
Other	85,957	(4,405)	81,552
Total other assets	244,025	(4,405)	239,620
Total assets	$ 2,211,791	(4,405)	$ 2,207,386
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Current installments of long-term debt	$ 18,099	-	$ 18,099
Accounts payable	96,795	-	96,795
Accrued liabilities	227,225	-	227,225
Income taxes payable	37,043	-	37,043
Total current liabilities	379,162	-	379,162
Long-term debt, less current installments	639,291	-	639,291
Deferred income taxes	81,902	(9,449)	72,453
Other liabilities	85,363	20,695	106,058
Shareholders' Equity:			
Common stock	11,750	-	11,750
Additional paid-in capital	357,444	-	357,444
Accumulated other comprehensive income	737	-	737
Retained earnings	1,277,298	(15,651)	1,261,647
	1,647,229	(15,651)	1,631,578
Less:			
Treasury stock, at cost	(619,806)	-	(619,806)
Unearned compensation	(1,350)	-	(1,350)
Total shareholders' equity	1,026,073	(15,651)	1,010,422
Total liabilities and shareholders' equity	$ 2,211,791	(4,405)	$ 2,207,386

BRINKER INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME
SUMMARY OF RESTATEMENT IMPACTS
FOR THE YEAR ENDED JUNE 30, 2004
(In thousands, except per share amounts)

	AS REPORTED	ADJUSTMENTS	AS RESTATED
Revenues	$ 3,707,486	-	$ 3,707,486
Operating Costs and Expenses:			
Cost of sales	1,024,724	-	1,024,724
Restaurant expenses	2,028,569	4,905	2,033,474
Depreciation and amortization	175,449	-	175,449
General and administrative	153,231	-	153,231
Restructure charges and other impairments	74,237	-	74,237
Total operating costs and expenses	3,456,210	4,905	3,461,115
Operating income	251,276	(4,905)	246,371
Interest expense	11,603	-	11,603
Other, net	1,742	-	1,742
Income before tax expense	237,931	(4,905)	233,026
Income tax expense	(83,970)	1,862	(82,108)
Net income	$ 153,961	(3,043)	$ 150,918
Basic net income per share	$ 1.60	(0.03)	$ 1.57
Diluted net income per share	$ 1.57	(0.03)	$ 1.54
Basic weighted average shares outstanding	96,072		96,072
Diluted weighted average shares outstanding	97,939		97,939

BRINKER INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME
SUMMARY OF RESTATEMENT IMPACTS
FOR THE YEAR ENDED JUNE 25, 2003
(In thousands, except per share amounts)

	AS REPORTED	ADJUSTMENTS	AS RESTATED
Revenues	$ 3,285,394	-	$ 3,285,394
Operating Costs and Expenses:			
Cost of sales	900,379	-	900,379
Restaurant expenses	1,798,752	3,887	1,802,639
Depreciation and amortization	158,153	-	158,153
General and administrative	131,763	-	131,763
Restructure charges and other impairments	29,744	-	29,744
Total operating costs and expenses	3,018,791	3,887	3,022,678
Operating income	266,603	(3,887)	262,716
Interest expense	12,449	-	12,449
Other, net	567	-	567
Income before tax expense	253,587	(3,887)	249,700
Income tax expense	(84,951)	1,451	(83,500)
Net income	$ 168,636	(2,436)	$ 166,200
Basic net income per share	$ 1.74	(0.03)	$ 1.71
Diluted net income per share	$ 1.70	(0.02)	$ 1.68
Basic weighted average shares outstanding	97,096		97,096
Diluted weighted average shares outstanding	99,135		99,135

BRINKER INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME
SUMMARY OF RESTATEMENT IMPACTS
FOR THE YEAR ENDED JUNE 26, 2002
(In thousands, except per share amounts)

	AS REPORTED	ADJUSTMENTS	AS REPORTED
Revenues	$ 2,887,111	-	$ 2,887,111
Operating Costs and Expenses:			
Cost of sales	796,714	-	796,714
Restaurant expenses	1,582,644	3,300	1,585,944
Depreciation and amortization	130,102	-	130,102
General and administrative	121,420	-	121,420
Restructure charges and other impairments	8,723	-	8,723
Total operating costs and expenses	2,639,603	3,300	2,642,903
Operating income	247,508	(3,300)	244,208
Interest expense	13,327	-	13,327
Other, net	2,332	-	2,332
Income before tax expense	231,849	(3,300)	228,549
Income tax expense	(79,136)	1,232	(77,904)
Net income	$ 152,713	(2,068)	$ 150,645
Basic net income per share	$ 1.56	(0.02)	$ 1.54
Diluted net income per share	$ 1.52	(0.02)	$ 1.50
Basic weighted average shares outstanding	97,862		97,862
Diluted weighted average shares outstanding	100,565		100,565