
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): February 4, 2015

Mercury Systems, Inc.
(Exact Name of Registrant as Specified in Charter)

Massachusetts
(State or Other Jurisdiction
of Incorporation)

000-23599
(Commission File Number)

04-2741391
(IRS Employer
Identification No.)

201 Riverneck Road, Chelmsford, Massachusetts 01824
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (978) 256-1300

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

The management of Mercury Systems, Inc. (“Mercury”) will present an overview of Mercury’s business on February 4, 2015 at the Cowen & Company 36th Annual Aerospace & Defense Conference. Attached as Exhibit 99.1 to this Current Report on Form 8-K (the “Report”) is a copy of the slide presentation to be made by Mercury at the conference.

This information is being furnished pursuant to Item 7.01 of this Report and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section and will not be incorporated by reference into any registration statement filed by Mercury under the Securities Act of 1933, as amended, unless specifically identified as being incorporated therein by reference. This Report will not be deemed an admission as to the materiality of any information in this Report that is being disclosed pursuant to Regulation FD.

Please refer to page 2 of Exhibit 99.1 for a discussion of certain forward-looking statements included therein and the risks and uncertainties related thereto, as well as the use of non-GAAP financial measures included therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation materials dated February 4, 2015

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.

Dated: February 4, 2015

MERCURY SYSTEMS, INC.

By: /s/ Gerald M. Haines II

Gerald M. Haines II

Executive Vice President, Chief Financial Officer, and Treasurer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation materials dated February 4, 2015

Cowen 36th Annual A&D Conference

Mark Aslett
President and CEO

Gerry Haines
Executive Vice President and CFO

February 4, 2015



Forward-looking safe harbor statement

This presentation contains certain forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, including those relating to the products and services described herein. You can identify these statements by the use of the words “may,” “will,” “could,” “should,” “would,” “plans,” “expects,” “anticipates,” “continue,” “estimate,” “project,” “intend,” “likely,” “forecast,” “probable,” “potential,” and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Such risks and uncertainties include, but are not limited to, continued funding of defense programs, the timing and amounts of such funding, general economic and business conditions, including unforeseen weakness in the Company’s markets, effects of continued geopolitical unrest and regional conflicts, competition, changes in technology and methods of marketing, delays in completing engineering and manufacturing programs, changes in customer order patterns, changes in product mix, continued success in technological advances and delivering technological innovations, changes in, or in the U.S. Government’s interpretation of, federal export control or procurement rules and regulations, market acceptance of the Company’s products, shortages in components, production delays due to performance quality issues with outsourced components, inability to fully realize the expected benefits from acquisitions, divestitures and restructurings, or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, changes to export regulations, increases in tax rates, changes to generally accepted accounting principles, difficulties in retaining key employees and customers, unanticipated costs under fixed-price service and system integration engagements, and various other factors beyond our control. These risks and uncertainties also include such additional risk factors as are discussed in the Company’s filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended June 30, 2015. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

Use of Non-GAAP (Generally Accepted Accounting Principles) Financial Measures

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides adjusted EBITDA, which is a non-GAAP financial measure. Adjusted EBITDA excludes certain non-cash and other specified charges. The Company believes this non-GAAP financial measure is useful to help investors better understand its past financial performance and prospects for the future. However, the presentation of adjusted EBITDA is not meant to be considered in isolation or as a substitute for financial information provided in accordance with GAAP. Management believes the adjusted EBITDA financial measure assists in providing a more complete understanding of the Company’s underlying operational results and trends, and management uses this measure along with the corresponding GAAP financial measure to manage the Company’s business, to evaluate its performance compared to prior periods and the marketplace, and to establish operational goals. A reconciliation of GAAP to non-GAAP financial results discussed in this presentation is contained in the Appendix hereto.

Introducing Mercury Systems

- MRCY on NASDAQ 1998
- High tech company; commercial business model
- Focused on Defense and Intelligence priorities
- Deployed on ~300 programs with 25+ Prime contractors
- FY14 \$209M revenue
Growth YoY: 7% revenue, 18% bookings, 28% backlog
- FY15 guidance*:
Revenue \$228M-\$236M,
Adj. EBITDA \$41M-\$44M



Commercial secure and sensor processing subsystems

Pioneering a next generation defense electronics company

Proven Management Team	Successful business transformation, double-digit defense revenue growth with improved profitability
Leading Market Position	Pure play defense electronics company embedded on key growth programs aligned to DoD priorities
Aligned with Industry Growth Drivers	Pacific pivot, aging platform modernization, foreign and international military sales, SOF quick reaction capabilities
Next Generation Defense Electronics Business Model	US commercially developed: prime, sensor and platform agnostic capabilities improves affordability, time to market and trust
Innovative Technology Leader	Secure and sensor processing subsystems, software and services for critical Defense and Intelligence applications
Low Risk Organic Growth Strategy	RFM and secure processing content expansion strategy targeting key DoD production programs
Business Platform Built to Scale	Scalable business, engineering and manufacturing platform that facilitates accretive future acquisitions

Mercury's vision is to be the...

Leading high-tech commercial
provider of more affordable
secure and sensor processing
subsystems designed and
made in the USA



Defense will likely remain a \$500B+ industry...



Political Dysfunction:

Sequestration-driven cuts and repeated Continuing Resolutions disrupting DoD budget process and spending



Crowding Out of Defense Spending and Investment:

Rising interest rates, healthcare and social spending; MilPer expense growth, aging military platforms' O&M costs rising



Defense Procurement Reform 3.0:

Firm-fixed-price contracts and less government-funded R&D
changing economics and competitive dynamics of defense industry

...despite the ongoing political and budget uncertainty

BBP 3.0 recommendations encourage innovation and affordability...



- Continue to focus on improving affordability
- Achieve dominant capabilities through innovation
- Remove barriers to commercial technology utilization
- Require platform open architectures
- Commercial default for non-platform procurements
- Separate components procurement from platform
- Separate component 'buy' decisions from primes

...while the Defense Business Board promotes continued procurement reform

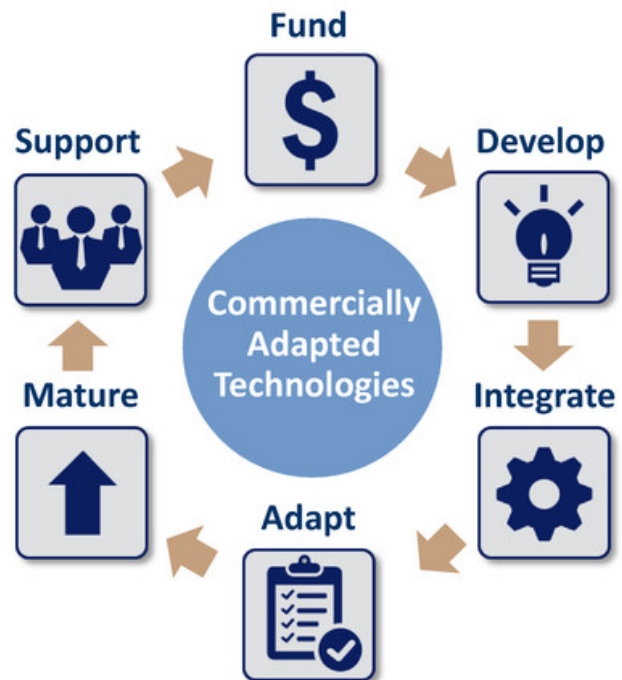


Sources:

- Better Buying Power 3.0 Whitepaper, September 2014
- Defense Business Board Report, July 2014 (<http://dbb.defense.gov/Meetings/MeetingJuly2014.aspx>)

How we operate as a high-tech commercial company...

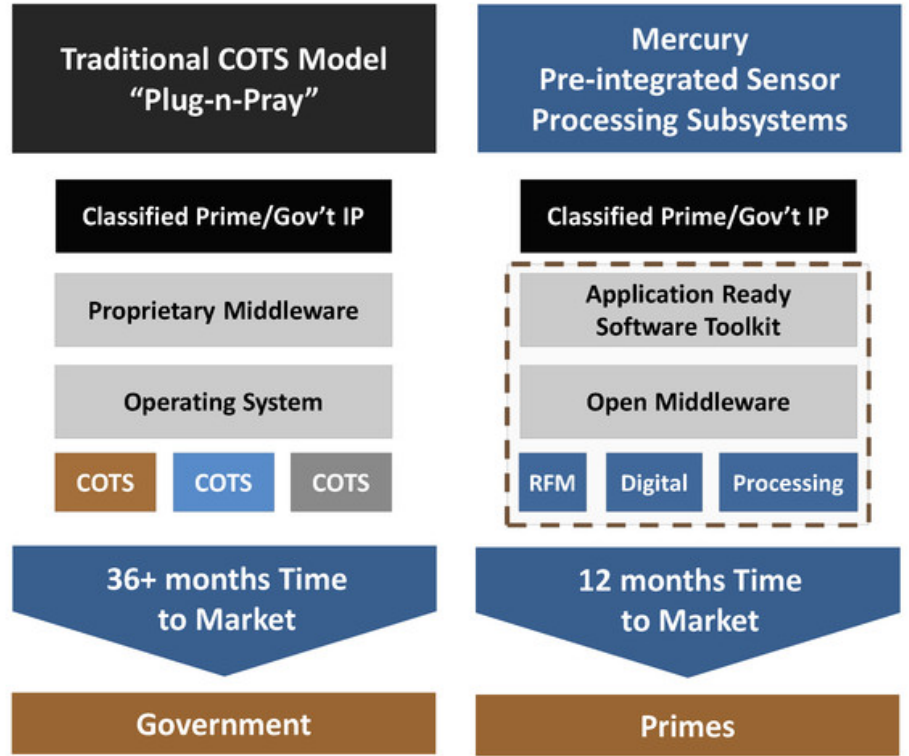
- Internal R&D funds the development of modular, reusable open innovations
- Pre-integration improves affordability and time to market
- Rapid customization and adaptation to platform
- Technology and manufacturing maturation lowers cost and reduces risk
- Support rapidly changing commercial technology for a decade or more



...serving the US defense electronics industry

Our business model is built for speed, innovation and affordability...

- Traditional COTS board model broken (“Plug-n-Pray”)
 - Product procurement cost low
 - Large hidden integration costs
 - Lower prime IRAD spending
 - COTS lifecycle support difficult
- Defense procurement reform
 - Cost-plus Government-funded integration
 - Under firm fixed price, Prime bears the risk and expense
- Acquired and pre-integrating sensor chain technologies
 - More affordable, lower risk, simplifies supply chain
 - Open architectures and open middleware speeds adoption and improves affordability



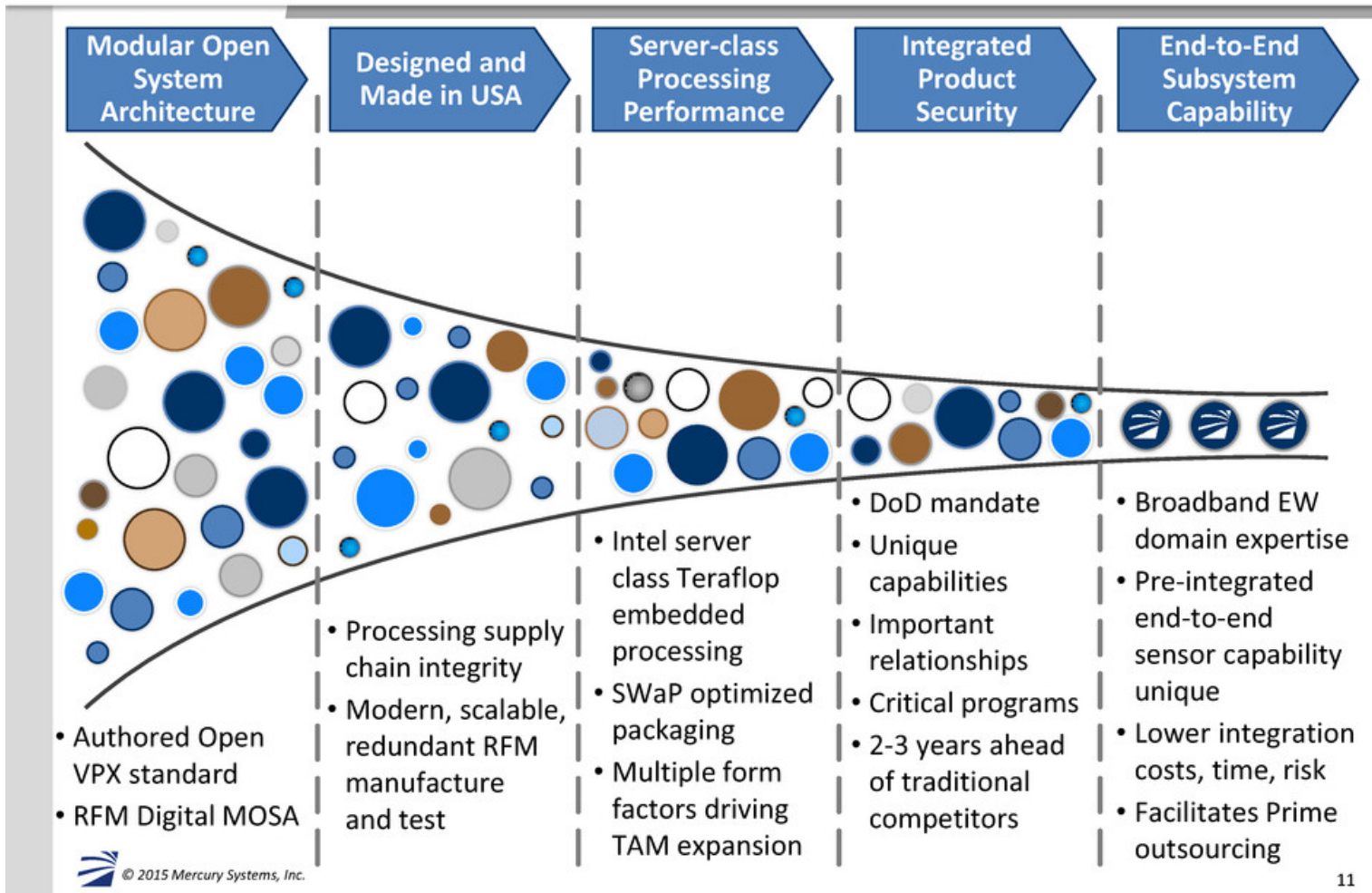
...as customers seek more affordable outsourced subsystems

From highly leveraged Teraflop modules and RFM subassemblies...



...to blade servers and pre-integrated sensor processing subsystems

These factors lead to a unique market position for Mercury



Mercury has unique and differentiated capabilities today...



Pacific Pivot:

Sensors going long, wide and high. Platforms need improved sensors, autonomy, electronic protection and attack, on-board exploitation



Aging Platform Modernization:

Port customer software to available state-of-the-art open architectures to rapidly and affordably upgrade electronics on aging military platforms



International and Foreign Military Sales:

Upgrade subsystems for export to expand addressable market, grow foreign sales and international customer R&D funding



Special Operations Forces Quick Reaction Capability:

Provide rapid reaction and affordable new capabilities to support anti-terror and other special forces missions globally

...that are aligned to the key industry growth drivers

Defense industry growth drivers translate into specific...



Outsourced Secure Processing Subsystems:

Expand beyond sensor processing to provide MOSA secure processing subsystems for other onboard mission-critical compute applications



RF and Microwave Outsourcing:

Grow share in integrated RF and microwave assemblies and MOSA RF subsystems by providing customers a better alternative



Outsourced Pre-Integrated Sensor Processing Subsystems:

Provide more affordable pre-integrated MOSA sensor processing subsystems that preserves customer software value-add

...company growth drivers that we are pursuing

We are deployed on 300+ programs with 25+ Primes

RADAR	F-16	F-35	Triton; NATO AGS Global Hawk	Patriot	AEGIS AEGIS Ashore
					
EW	F-15	AH-64 Apache	Global Hawk	Badger/Buzzard	SEWIP
					
EO/IR – C4I	F-16	Reaper/Gorgon Stare	F-35	P-8	Fury
					

LOCKHEED MARTIN

NORTHROP GRUMMAN

BAE SYSTEMS



BOEING

Raytheon

TELEPHONICS
A Griffon Company

argon ST

EXELIS

snc
SIERRA NEVADA CORPORATION



UTC Aerospace Systems

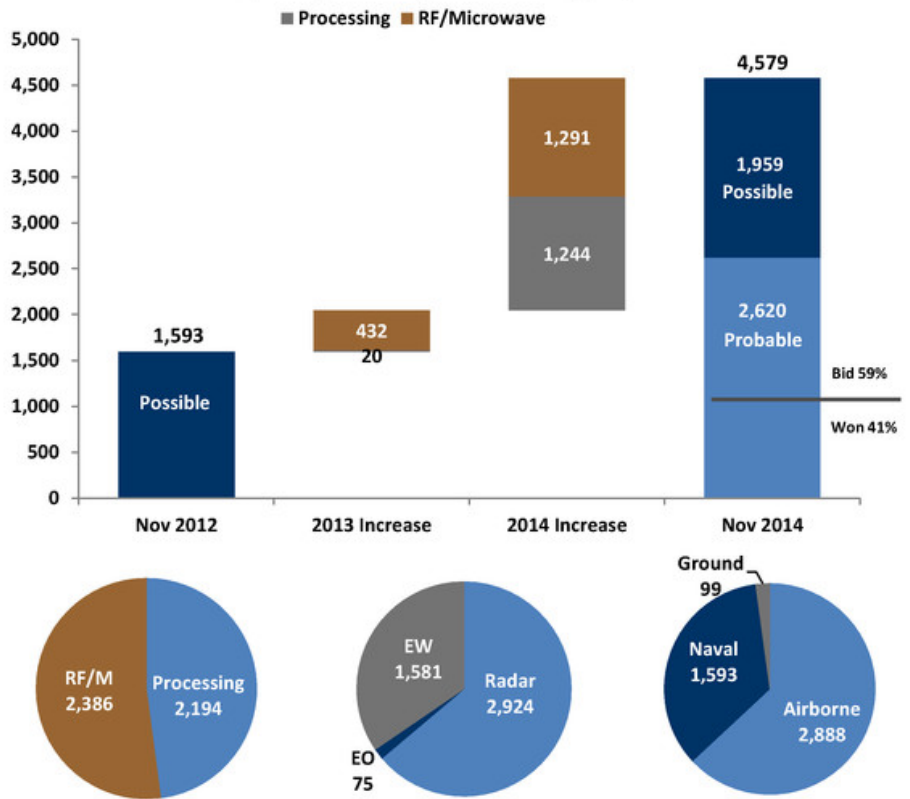


GENERAL ATOMICS

Acquisitions and investments driving significant opportunity growth

- Low-risk content expansion growth strategy
- Key production programs
- Total value increased 3x to \$4.5B in 2 years
- Converted 1.6x of possible to probable value in 2 years
- RFM expansion doubled potential opportunities
- Opportunities driven by Radar (65%) and EW (35%)

Key Programs Pipeline Value (\$M)



Strategy and investments have positioned Mercury well

- Pioneering a next-generation defense electronics business model
- Unique technology and capabilities on key production programs
- Low-risk content expansion growth strategy with demonstrable progress
- Above industry average growth and dramatic improvement in profitability
- Expect to achieve target business model for FY15
- Business platform built to grow and scale through acquisitions



Financial Overview

Gerry Haines

Executive Vice President & CFO

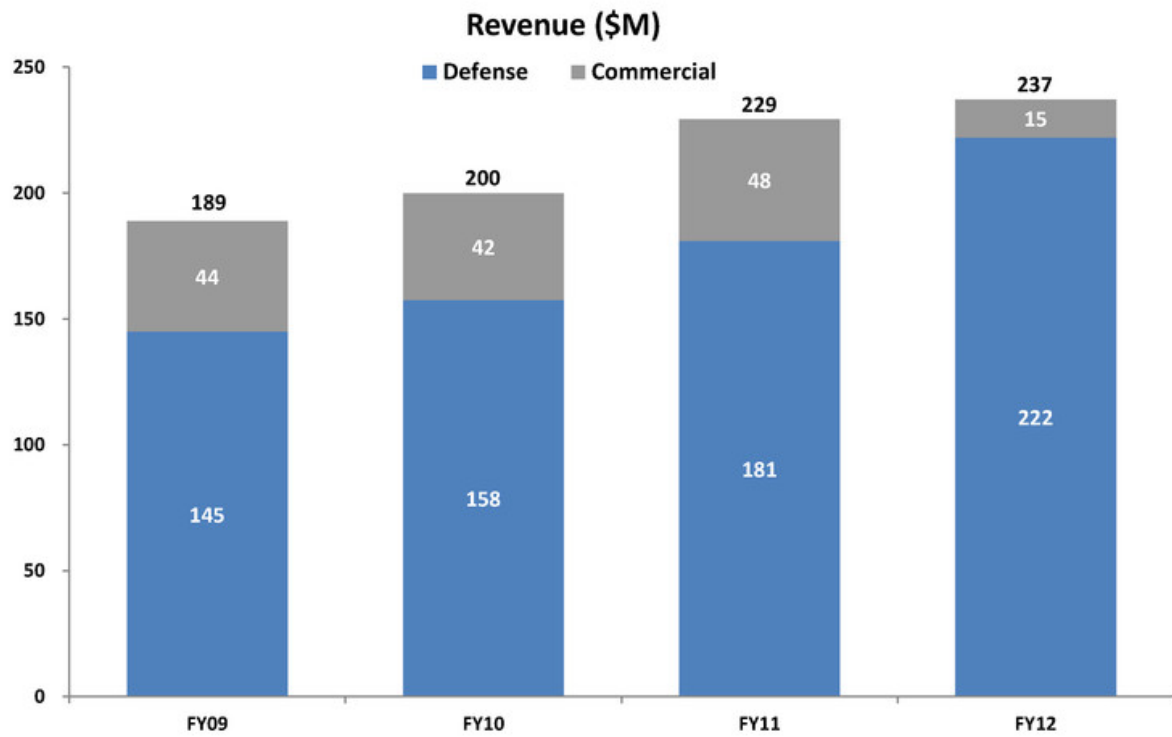


Mercury's business model and capabilities

Model Characteristics	Implications and Benefits
Merchant supplier of sensor processing subsystems	COTS product competitors remain but not subsystem
Commercially designed and made in the USA	Few if any competitors meet all new buying criteria
Engineered into military platforms lasting decades	High barriers to entry with annuity revenue stream
Pre-integrated sensor processing subsystems	Primes outsourcing more to reduce total acquired cost
11 – 13% of revenue on research and development	Value-based innovation. Modular design and reuse
Affordable and innovative platform modernization	DoD going direct to industry to eliminate profit layers

create a unique opportunity for growth and improved returns

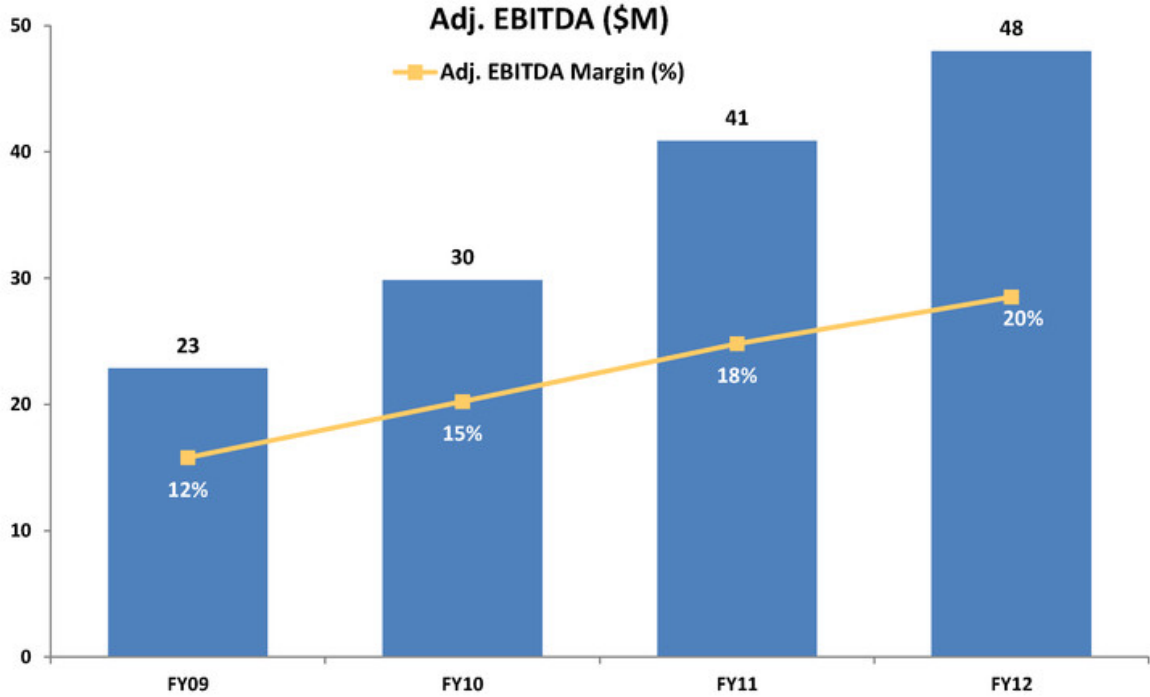
FY09-FY12 revenue summary by market



Defense revenue CAGR of 15% FY09-FY12

Adjusted EBITDA CAGR of 28% FY09-FY12

Achieved historic target business model in FY11



Notes:

- FY09 figures are as reported in the Company's fiscal 2010 Form 10K. FY10-12 figures are reported in the Company's fiscal 2015 Form 10K.
- Adjusted EBITDA is Income from continuing operations, less interest income and expense, income taxes, depreciation, amortization of acquired intangible assets, restructuring and other charges, impairment of long-lived assets, acquisition and financing costs and other related expenses, fair value adjustments from purchase accounting, and stock-based compensation costs.

FY13-14 restructuring and integration plans

Accelerating achievement of target business model

FISCAL 2013

- Restructuring actions align cost base with new environment

FISCAL 2014

- 12-month Acquisition Integration Plan (through mid-FY2015)
 - Facilities consolidation into new AMC in Hudson, NH, creating a scalable manufacturing platform
 - Centralized administrative and manufacturing operations, operating on common systems
 - Rebalancing of R&D investments into highest growth areas
- Gross annualized savings of \$16 million
 - All actions completed in Q2FY15
 - Increased operating leverage already evident in financial performance

Created a scalable platform for future growth

Financial improvement in FY14

Returned to growth; adjusted EBITDA more than doubled

GAAP (\$M)	FY13	FY14	Change
Bookings	209.7	246.8	18%
Revenue	194.2	208.7	7%
Gross Margin %	40%	45%	5 pts
Operating Expenses OpEx less restructuring (% of revenue) ⁽²⁾	103.0 49%	102.1 46%	(1%) (3) pts
EPS (continuing)	(0.46)	(0.13)	0.33
Adj. EBITDA	9.9	23.5	137%

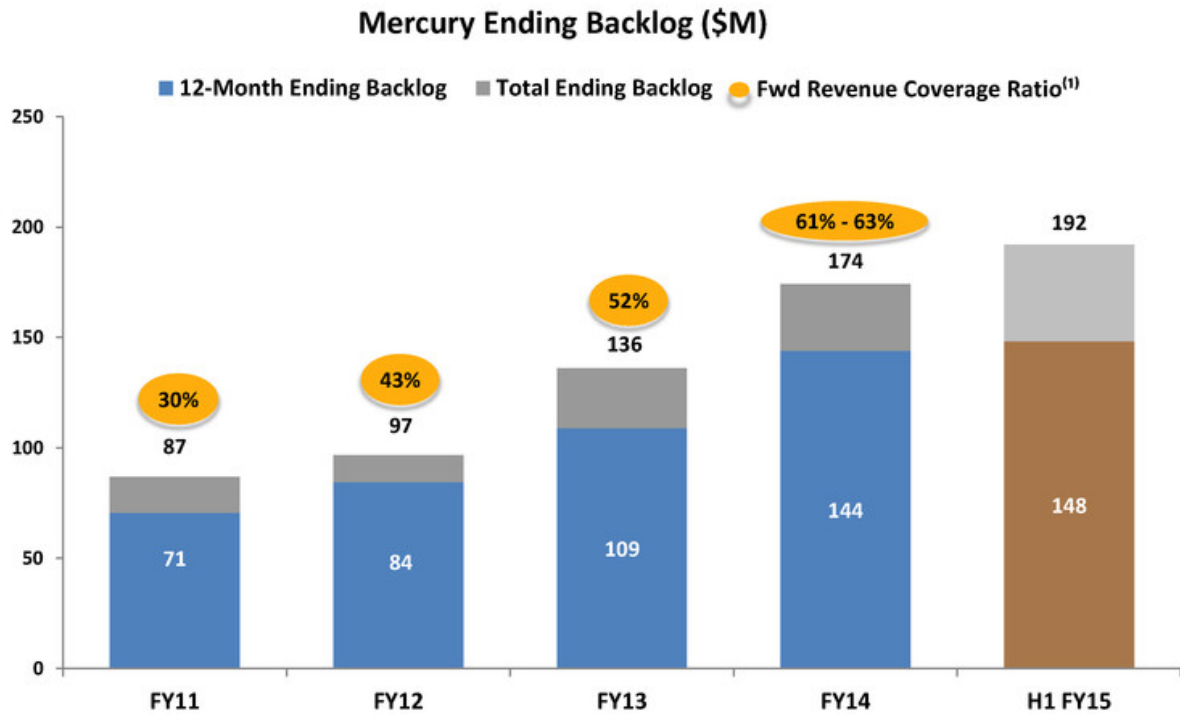
Notes:

(1) All numbers based on continuing operations.

(2) Excludes \$7.1M of restructuring and other charges from GAAP operating expenses in FY13 and \$5.4M in FY14.

Record backlog exiting FY14

121% growth since FY11; Revenue coverage doubles FY11-FY14



Well positioned for balance of FY15

Program focus driving substantial growth potential

Mercury's perspective on phase, timing and potential value

EMD LRIP FRP FMS

	FY15	FY16	FY17	Production Years	Bid vs. Won	Expansion		Probable	Possible
						Process	RFM	Total (\$M)	Total (\$M)
Aegis	Existing	→		FRP: FY16-25	Won	✓		90	144
	Processing	→		FRP: FY19-25	Bid	✓		116	420
	RFM	→	→		FRP: FY15-20	Won	✓	46	48
SEWIP	Block 2	→	→		FRP: FY15-23	Won	✓	316	344
	Small Ship	→	→		FRP: FY16-25	Won	✓	121	162
	Block 3	→	→	→	LRIP: FY16 FRP: FY18-26	Bid	✓	399	475
F-35	Existing	→		LRIP: Up to FY19	Won	✓		61	74
	Processing	→		LRIP: FY19	Bid	✓		661	1050
	RFM	→		LRIP: FY19	Bid		✓	275	805
Buzzard/Badger	→		→		FRP: FY14-19	Won	✓	88	170
Patriot	→		→		FRP: FY14-17	Won	✓	71	99
Gorgon Stare	→		→		FRP: FY14-15	Won	✓	39	75
Others	(Predator/Reaper, F-15 EW, E-2D Hawkeye, F-16 SABR, P-8, SIRFC/AIDEWS, BAMS/Triton, AWACS, Classified)							339	714
Total:								\$2,620	\$4,580
vs. Nov. 2013								1,355	2,045
% Growth:								93%	124%

Note: Refer to Appendix for definitions of "Bid", "Won", "Possible" and "Probable"

Momentum continues in H1 FY15

GAAP (\$M)	FY14 H1	FY15 H1	Change
Bookings	92.6	129.1	39%
Revenue	101.7	111.2	9%
Gross Margin %	45%	46%	1 pt
Operating Expenses OpEx less restructuring (% of revenue) ⁽²⁾	51.6 51%	46.8 40%	(9%) (11) pts
EPS (continuing)	(0.10)	0.11	0.21
Adj. EBITDA	8.6	18.7	119%

Notes:

(1) All numbers based on continuing operations.

(2) Excludes \$0.1M of restructuring and other charges from GAAP operating expenses in H1 FY14 and \$2.4M in H1 FY15.

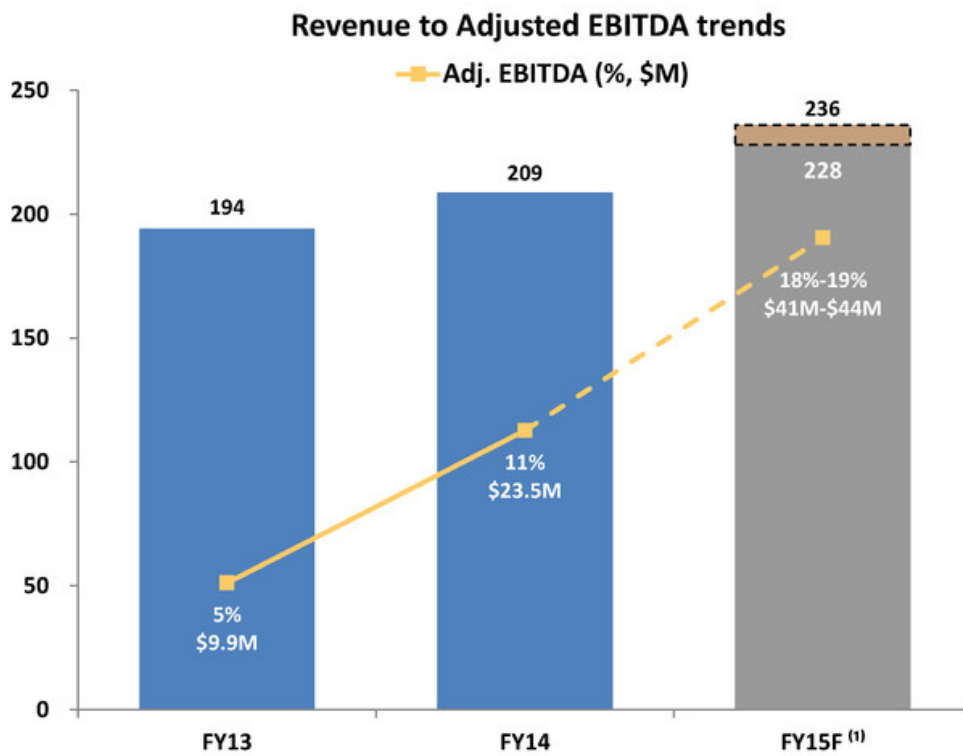
FY15 guidance (as of January 27th)

	FY14	Year Ending June 30, 2015 ⁽¹⁾		YoY Change
	Actual	Low	High	
Revenue	\$209	\$228	\$236	9%-13%
GAAP EPS (Continuing)	(\$0.13)	\$0.33	\$0.39	+\$0.46 to +\$0.52
Adj EBITDA	\$23.5	\$41.0	\$44.0	74%-87%
<u>Adj EBITDA Adjustments:</u>				
Income (loss) from continuing operations	(4.1)	10.8	12.8	
Interest expense, net	-	-	-	
Tax (benefit) expense	(1.8)	4.4	5.4	
Depreciation	7.6	6.7	6.7	
Amortization of acquired intangible assets	7.3	7.0	7.0	
Restructuring and other charges	5.4	2.6	2.6	
Acquisition and financing costs and other related expenses	-	0.4	0.4	
Impairment of long-lived assets	-	-	-	
Fair value adjustments from purchase accounting	-	-	-	
Stock-based compensation cost	9.0	9.1	9.1	
Adj EBITDA	\$23.5	\$41.0	\$44.0	74%-87%

Notes:

(1) The guidance included herein is from the Company's earnings release and is as of the date of the earnings release. The Company is neither reconfirming such guidance as of the date of this presentation nor assuming any obligations to update or revise such guidance.

Accelerating revenue growth and operating leverage



9-13% revenue growth yields 74-87% increase in FY15 Adj. EBITDA

Achievement of target business model for FY15

GAAP	FY14	FY15 ⁽¹⁾	Current Target Business Model
Revenue	100%	100%	100%
Gross Margin	45%	47%	45-50%
SG&A	26%	21-22%	Low 20's
R&D	17%	14%	11-13%
Amortization	4%	3%	2-3%
Adj EBITDA	11%	18-19%	18-22%

Notes:

(1) FY15 percentages are estimates only, as of January 27, 2015.

Solid balance sheet with zero debt

Ample liquidity, unused \$200M credit facility, \$500M Universal Shelf

(In millions)	FY13 Actual	FY14 Actual	Q2 FY15 Actual
ASSETS			
Cash & cash equivalents	39.1	47.3	57.0
Accounts receivable, net	46.5	59.7	67.2
Inventory, net	37.4	31.7	30.0
PP&E, net	14.5	14.1	13.0
Goodwill and intangibles, net	199.9	193.1	189.6
Other	22.9	21.6	25.2
Assets of discontinued operations ⁽¹⁾	14.1	6.2	3.3
TOTAL ASSETS	374.4	373.7	385.3
LIABILITIES AND S/E			
AP and other liabilities	43.2	44.2	48.8
Debt	0.0	0.0	0.0
Liabilities of discontinued operations ⁽¹⁾	2.7	2.4	2.3
Total liabilities	45.9	46.6	51.1
Stockholders' equity	328.5	327.1	334.2
TOTAL LIABILITIES AND S/E	374.4	373.7	385.3

Notes:

(1) Discontinued operations numbers are MIS.

Poised for profitable growth

- Growth and profitability accelerating in FY15
- Integration plan complete, yielding \$16M in gross annualized savings
- Strategy, operational discipline, yield significant operating leverage
- Strong, well-funded programs driving growth potential
- Record backlog drives achievement of target business model for FY15
- Solid balance sheet with zero debt facilitates future M&A



Adjusted EBITDA reconciliation

(000'S)	Years Ended June 30,						Full Year Guidance	
	2009	2010	2011	2012	2013	2014	2015 - Low	2015 - High
Income (loss) from continuing operations	\$ 7,909	\$ 28,069	\$ 18,507	\$ 22,323	\$(13,782)	\$ (4,072)	\$ 10,800	\$ 12,800
Interest expense (income), net	492	(151)	45	27	31	40	—	—
Income tax expense (benefit)	109	(9,377)	8,060	8,991	(10,501)	(1,841)	4,400	5,400
Depreciation	5,640	5,147	6,364	7,837	8,445	7,625	6,700	6,700
Amortization of acquired intangible assets	2,414	1,710	1,984	3,551	8,222	7,328	7,000	7,000
Restructuring and other charges	1,712	231	—	2,712	7,060	5,443	2,600	2,600
Impairment of long-lived assets	—	211	150	—	—	—	—	—
Acquisition and financing costs and other related expenses	—	—	412	1,219	318	—	400	400
Fair value adjustments from purchase accounting	—	—	(219)	(5,238)	2,293	—	—	—
Stock-based compensation costs	4,582	4,016	5,580	6,572	7,854	8,999	9,100	9,100
Adjusted EBITDA	\$ 22,858	\$ 29,856	\$ 40,883	\$ 47,994	\$ 9,940	\$ 23,522	\$ 41,000	\$ 44,000

Glossary

AEGIS	Aegis Ballistic Missile Defense System	EO/IR	Electro-optical / Infrared	O&M	Operations & Maintenance
AESA	Active Electronically Scanned Array	EW	Electronic Warfare	OpenVPX	System-level specification for VPX, initiated by Mercury
AGS	Alliance Ground Surveillance	FAR	Federal Acquisition Regulation	PoR	Program of Record
AIDEWS	Advanced Integrated Defensive Electronic Warfare Suite	FMS	Foreign Military Sales	RF	Radio Frequency
AMC	Advanced Microelectronics Center	FRP	Full Rate Production	SABR	Scalable Agile Beam Radar
AS9100	Widely adopted and standardized quality management system for aerospace industry	IDIQ	Indefinite Quantity / Indefinite Delivery	SEWIP	Surface Electronic Warfare Improvement Program
ATCA	Advanced Telecommunications Architecture	IMA	Integrated Microwave Assembly	SIGINT	Signals Intelligence
BAMS	Broad Area Maritime Surveillance	LRIP	Low-Rate Initial Production	SIRFC	Suite of Integrated RF Countermeasures
C4ISR	Command, Control, Communications, Computers, Intelligence, Surveillance, Reconnaissance	MCE	Mercury Commercial Electronics	SOF	Special Operations Forces
COTS	Commercial off-the Shelf	MDS	Mercury Defense Systems	SWaP	Size Weight and Power
DRFM	Digital Radio Frequency Memory	MILPER	Military Personnel	TAM	Total Addressable Market
EMD	Engineering and Manufacturing Development	MOSA	Modular Open Systems Architecture		

Sales-related definitions

Design Win	A design win means that the customer has selected us to provide services, products, or intellectual property for a program of record or equivalent. In addition, the customer has won the program and we have an initial purchase order from the customer.
Bid	We have a Design Win with a prime contractor who is bidding to win a program of record, or we are bidding to win content on a program of record that has been awarded to a prime contractor.
Won	We have a Design Win with a prime contractor for a program of record, and the prime contractor has won the program and received its contractual award.
Possible	Possible value is a projection based upon our current information and assumptions regarding the system configuration, systems or units utilized per platform or installation, current and potential future Design Wins, our average sales price for current and/or future content, the number of platforms, spares, and potential retrofits, as well as the potential for foreign military sales - all of which could change materially as and when new information becomes available or assumptions are revised. Possible value is the highest outcome we believe to be reasonable given a range of potential outcomes based upon available information and our current set of assumptions.
Probable	Probable value is a projection based upon our current information and assumptions regarding the system configuration, systems or units utilized per platform or installation, current and potential future Design Wins, our average sales price for current and/or future content, the number of platforms, spares, and potential retrofits, as well as the potential for foreign military sales - all of which could change materially as and when new information becomes available or assumptions are revised. Probable value is the outcome we believe to be most likely given a range of potential outcomes based upon available information and our current set of assumptions.

