
**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 7, 2013

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))
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Item 7.01 Regulation FD Disclosure.

The management of Mercury Systems, Inc. ("Mercury") will present an overview of Mercury's business on February 7, 2013 at the Cowen & Company 34th 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 7, 2013

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 7, 2013

MERCURY SYSTEMS, INC.

By: /s/ Kevin M. Bisson

Kevin M. Bisson

Senior Vice President, Chief Financial Officer, and Treasurer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation materials dated February 7, 2013



**Cowen & Companyth 3rd Annual
Aerospace & Defense
Conference**

**Mark Aslett
President and CEO**

**Kevin Bisson
SVP and CFO**

February 7, 2013



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 business performance and the Company's plans for growth and improvement in profitability and cash flow. You can identify these statements by the use of the words "may," "could," "should," "would," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," "likely," "forecast," "probable" 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 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 the U.S. Government's interpretation of federal 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 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, 2012. 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 and free cash flow, which are non-GAAP financial measures. Adjusted EBITDA excludes certain non-cash and other specified charges. Free cash flow is defined as cash flow from operating activities less capital expenditures. The Company believes these non-GAAP financial measures are useful to help investors better understand its past financial performance and prospects for the future. However, the presentation of adjusted EBITDA and free cash flow 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 and free cash flow financial measures assist in providing a more complete understanding of the Company's underlying operational results and trends, and management uses these measures along with the corresponding GAAP financial measures 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
- Real-time image, signal, Big Data processing subsystems
- Commercial Item company; unique business model
- Focused on Defense and Intelligence priorities
- Deployed on ~300 programs with 25+ Primes
- FY12 \$245M revenues; 20% Adj. EBITDA margin. 770+ employees
- Defense revenue 76% growth (15% CAGR) FY08–FY12



Best-of-breed provider of sensor and Big Data processing solutions

Defense industry environment will remain challenging

- Potential for sequestration spending cuts
 - ‘Soft’ sequestration already underway
- Potential for a full year continuing resolution
 - Existing CR expires March 2013
- New DoD roles and missions announced
 - Smaller force structure to protect readiness
 - Increased investment in key areas e.g. ISR, EW
 - Build capacity and capability of international partners
- Defense procurement reform also underway

...due to budget and political uncertainty

Mercury investor highlights

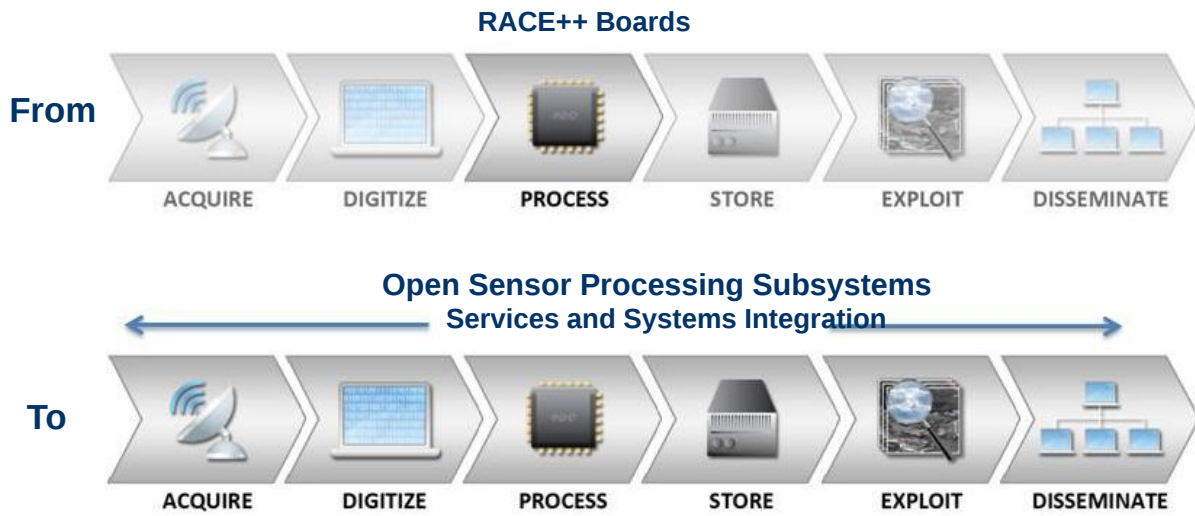
Leading Market Position	Pure-play C4ISR electronics company embedded on a diverse mix of programs and platforms aligned with existing and emerging priorities
Differentiated Capabilities	Best-of-breed provider of open sensor and Big Data processing subsystems to defense Primes and to the Intelligence Community
Favorable Macro Industry Trends	Increased ISR use, shift to onboard processing / exploitation, new EW threats and Big Data driving greater demand for Mercury solutions
Unique Business Model	Well positioned to benefit from DoD procurement reform and slower defense spending, which are increasing outsourcing by defense Primes
Proven Management Team	Well-defined strategy with a demonstrated track record of double-digit defense revenue growth and improved profitability
Well Positioned for Growth	Successful transformation has positioned the business for rebound in organic growth supplemented through strategic acquisitions

Growth strategy summary

1. Expand our capabilities and offerings for sensor and Big Data processing
2. Grow business by sensor modality and within the Intelligence Community
3. Penetrate customers, programs and platforms through new design wins
4. Capitalize on Prime outsourcing and supply chain consolidation
5. Acquire to scale our sensor processing and intelligence businesses

Mercury has strategically positioned its business to grow

We are the only commercial item company with the end-to-end capabilities and differentiated technology ...



...to build today's sophisticated sensor processing subsystems targeting new platforms or upgrades

Increased demand for ISR and rapidly evolving threats ...

- More and better sensors. Overwhelming data.
- EW: new and rapidly evolving threats
- Radar: smaller, faster targets. New technologies
- EO/IR: leap in resolution, onboard exploitation and real-time tactical access
- C4I: Net-centric command, control and collaboration
- Time to actionable intelligence key



...drive demand for our onboard sensor processing solutions

We are deployed on 300+ programs with 25+ Primes

NORTHROP GRUMMAN

LOCKHEED MARTIN

BAE SYSTEMS

argon ST

Raytheon

BOEING



TELEPHONICS
A Griffon Company

snc SIERRA NEVADA CORPORATION

ITT EXELIS

UTC Aerospace Systems

GENERAL ATOMICS

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RADAR



EW



EO/IR -C4I



Aegis ballistic missile defense: SPY-1 BMD Radar

Countering rogue nation ballistic missile threats

- Highest performance radar processor Application Ready Subsystem
- \$9M booked in FY12, \$85M+ booked to date
- Additional 27 ship sets expected through GFY16
- AMDR selection in FY13
 - SPY-1 replacement Radar
 - FY16 introduction expected
 - Partnering with LM



Mercury's largest single program in production to date

SEWIP: Countering new emerging peer threats

Delivered best-of-breed RF, microwave and digital receiver subsystems

- Naval surface fleet EW upgrade: 100+ ships
- Block 2:
 - Upgrade to AN/SLQ-32 passive detection
 - Opportunity to expand through LNX & Micronetics
 - Entering LRIP; production expected GFY15
- Block 3:
 - Electronic attack
 - Lockheed and Raytheon partnering
 - Upside opportunity due to strategic supplier relationship with Lockheed on Block 2



Strong partnership with Prime driving Mercury content expansion

Patriot missile defense: Next-generation ground radar

Services-led design win – Prime outsourcing example

- Sophisticated radar processor Application Ready Subsystem
- Production awards received to date: \$41M
 - UAE, Taiwan, Saudi Arabia
- Potential future FMS awards
 - Up to 15 countries including Kuwait, Qatar and Turkey etc
- US Army Patriot upgrade
 - First PO received for US Army



Foreign Military and US Army potential upgrades driving growth

Major new design win summary



Northrop Grumman F-16 SABR

New AESA radar upgrade design win with one of the Prime contenders
Taiwan awarded 145 F-16 Radar to Lockheed Martin



Boeing P8-MMA

New design wins providing Radar and sonar processing
Flighttesting, in LRIP phase— 117 planes plus FMS opportunities



F15 Electronic Warfare Upgrades

Advanced radar warning and countermeasure capabilities
Contract from RSAF for 84 new F-15 C/D and 70 upgrade kits



JCREW: Counter-IED

Funding delays impacting JCREW I1B1

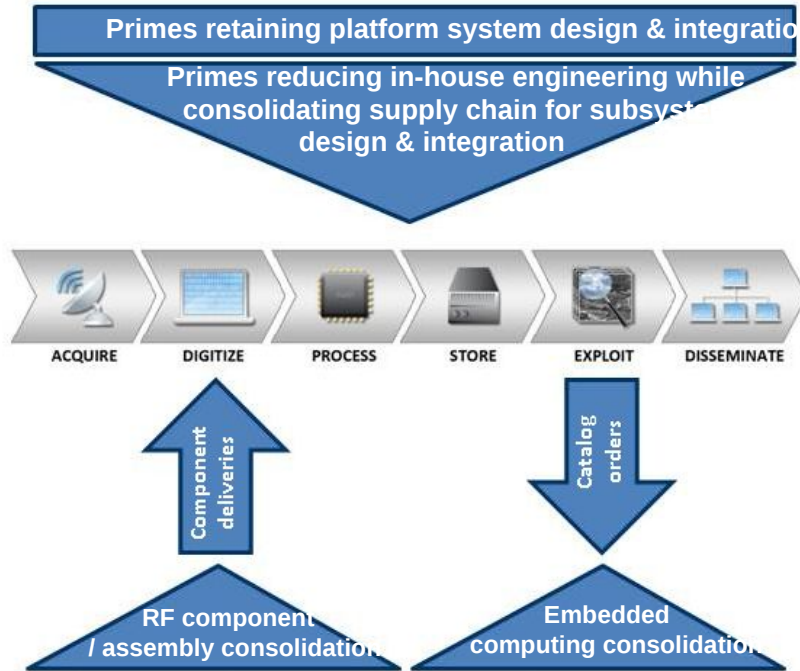


E2D Advanced Hawkeye

New Radar design win with one of the Prime contenders
Program aims to build 75 new aircraft

Outsourcing by large defense Prime contractors could substantially increase our market opportunity

- Reduce risk given firm-fixed price contracts
- Address high-fixed cost operating model
- Increase success rate on new programs and production recompetes
- Develop differentiated, more affordable solutions with fewer internal R&D dollars
- Compress upgrade development and deployment cycles
- Consolidate supply base at subsystem level



Mercury has strategically positioned its business to help

Through acquisition we have created a unique, scalable microwave, RF and digital solutions platform

Sensor Processing Chain



We view our market opportunity as providing end-to-end, open sensor processing subsystems to the Primes

Well positioned for market rebound

- Focused on important defense and intelligence priorities
- Well positioned on key programs and platforms
- Capabilities help address today's and tomorrow's threats
- Business model aligned with defense procurement reform
- Outsourcing partner to Primes for open sensor subsystems
- Pursuing acquisitions, when end market conditions improve, to gain additional capability and scale

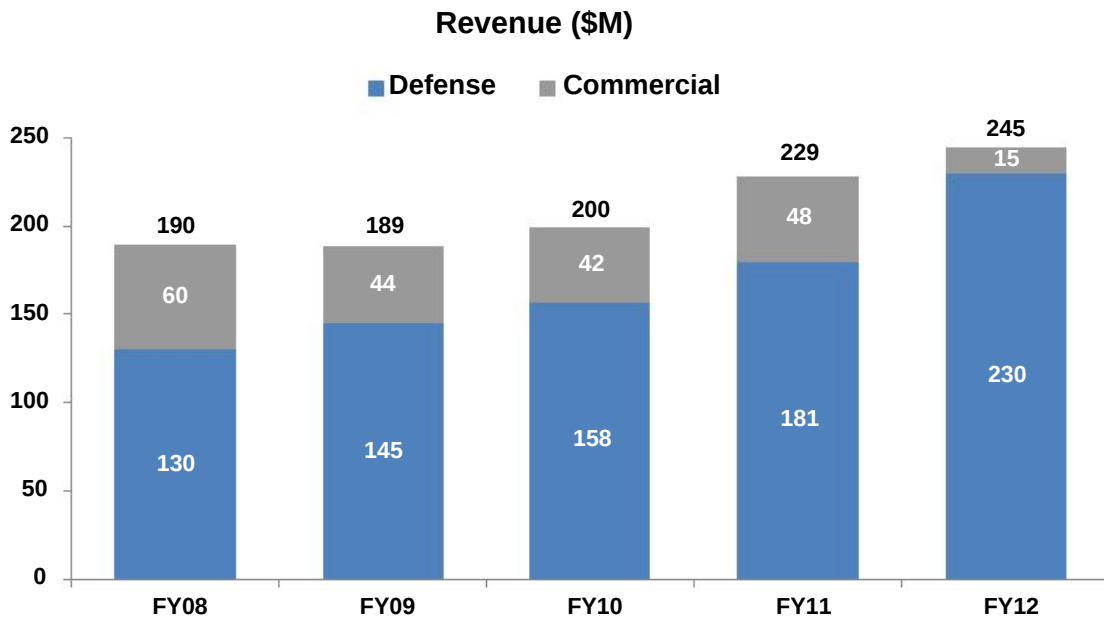


Financial Overview



Revenue summary by market

Defense revenue CAGR of 15% FY08-FY12



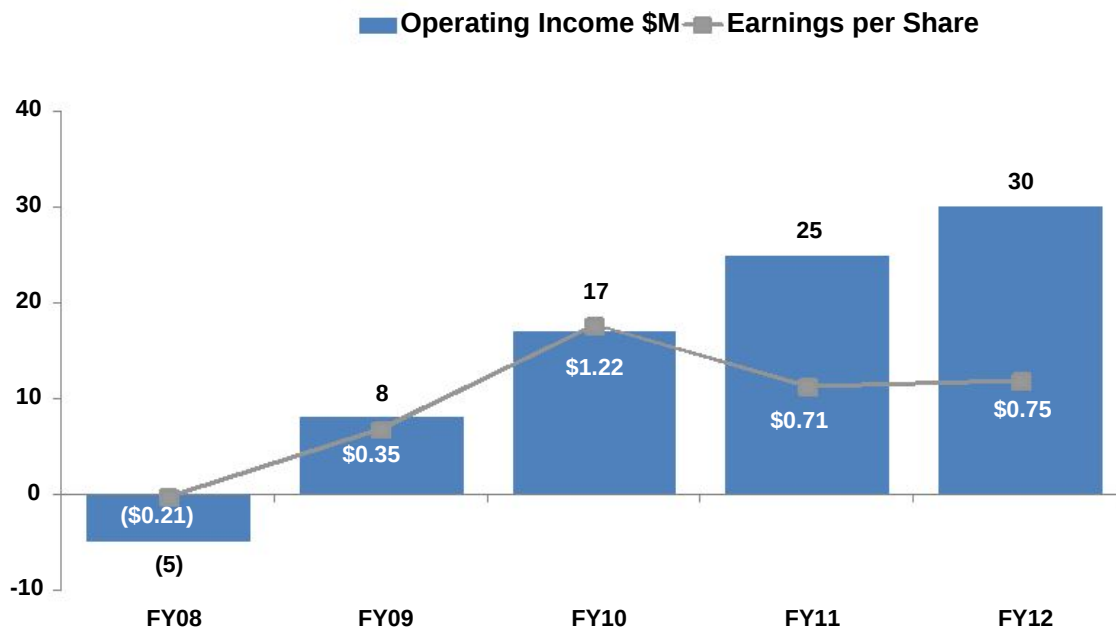
Notes:

- FY08-10 figures adjusted for discontinued operations.

FY08 - FY12: Improved financial performance

GAAP	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual
Bookings (\$M)	199	210	206	202	231
Revenue (\$M)	190	189	200	229	245
Gross Margin % Revenue	57.8%	55.8%	56.3%	56.8%	55.6%
Operating Expenses (\$M)	115	98	95	105	106
Amort/Acq. Costs	5	2	2	2	5
Restructuring Expense	4	2			3
Operating Income (\$M)	(5)	8	17	25	30
% Revenue	(2.8%)	4.1%	8.7%	10.9%	12.3%
EPS (Continuing)	(\$0.21)	\$0.35	\$1.22	\$0.71	\$0.75
EPS (Amort/Acq. Costs)				(\$0.06)	(\$0.12)
Adj EBITDA (\$M)	23	23	30	41	49
% Revenue	11.8%	12.1%	14.9%	17.9%	20.0%
Operating Cash Flow (\$M)	14	11	16	31	32

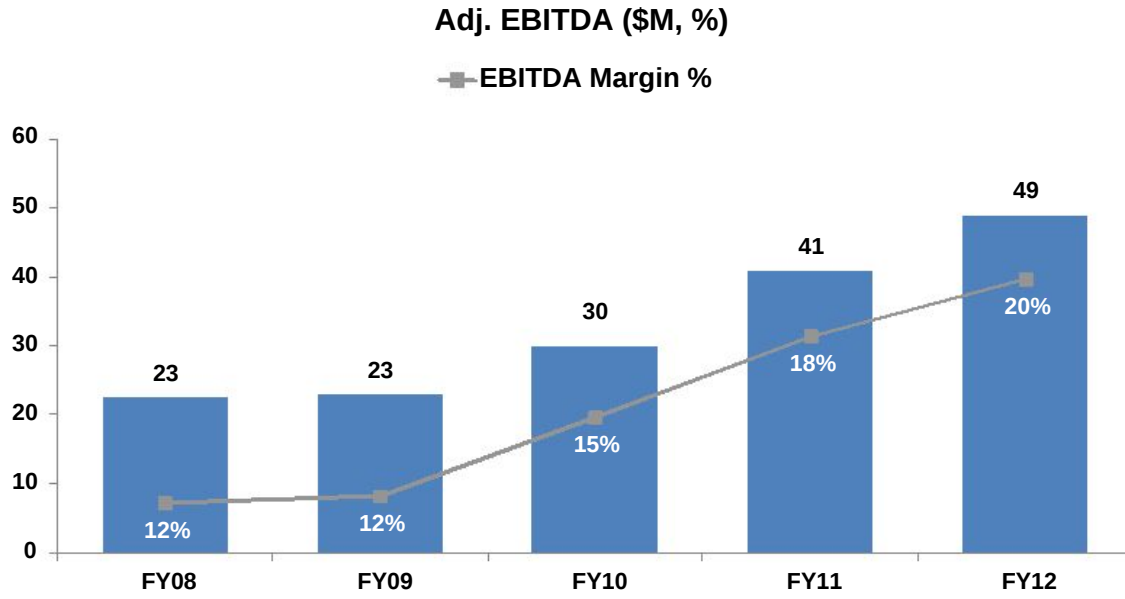
Profitability restored and improved through FY12



Notes:

- FY08 -FY12 figures are as reported in the Company's fiscal 2012 Form 10K.
- FY10 Earnings per Share of \$1.22 were positively influenced by \$0.68 from the partial reversal of the valuation allowance against deferred tax assets and an effective FY10 tax rate benefit of approximately 5%.
- FY11 and FY12 EPS includes the impact of 5.6M additional shares from our follow-on public stock offering on February 16, 2011.

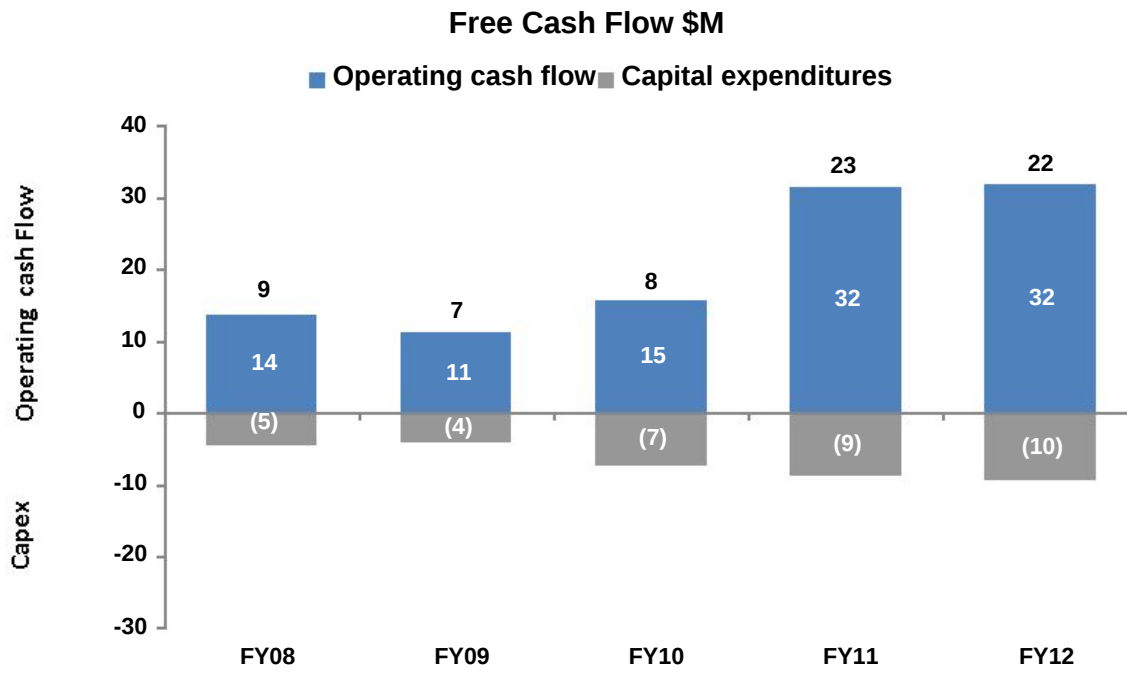
Adjusted EBITDA more than doubled FY08-FY12



Notes:

- FY08-FY09 figures are as reported in the Company's fiscal 2010 Form 10K. FY10-12 figures are as reported in the Company's fiscal 2012 Form 10K.
- Adjusted EBITDA excludes interest income and expense, income taxes, depreciation, amortization of acquired intangible assets, restructuring expense, impairment of long-lived assets, acquisition and other related expenses, fair value adjustments from purchase accounting, and stock-based compensation costs.

Ended FY12 with healthy free cash flow from operations

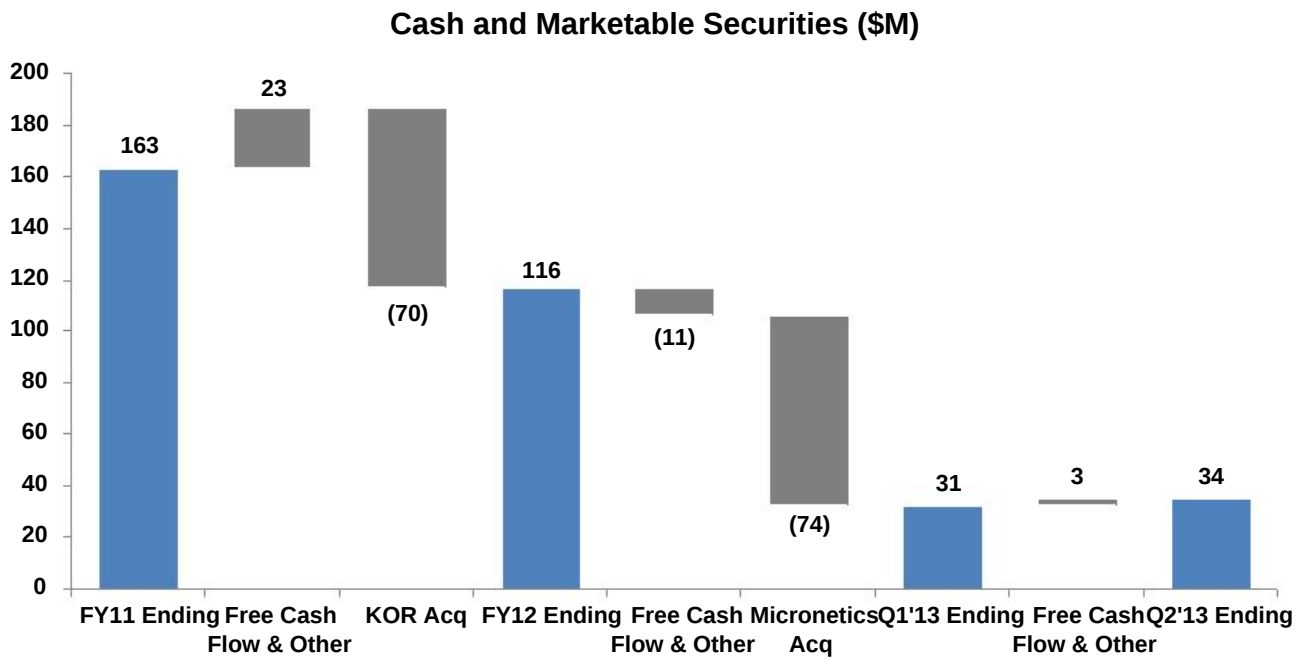


Note:

- Free cash flow is defined as cash provided by operating activities less capital expenditures.

Healthy balance sheet with sufficient liquidity

No debt and expanded credit facility



Other financing sources available

- \$500M Shelf Registration
- \$200M senior unsecured revolving line of credit (no drawdowns)

Achieved historic target business model in FY12

GAAP	FY08	FY09	FY10	FY11	FY12	Target Business Model
Revenue	100%	100%	100%	100%	100%	100%
Gross Margin	58%	56%	56%	57%	56%	54+%
SG&A and other OPEX ⁽¹⁾	37%	29%	27%	26%	25%	Low-mid 20's
R&D	24%	22%	21%	19%	19%	High Teens
Operating Income	(3%)	4%	9%	11%	12%	12-13%
Adj. EBITDA	12%	12%	15%	18%	20%	17-18%

(1) Other OPEX includes Amortization of Acquired Intangible Assets, Impairment of Goodwill and Long Lived Assets, Change in the fair value of the liability related to the LNX earn-out, Restructuring, Gain on Sale of Long Lived Assets, and Acquisition Costs and Other Related Expenses.

Guidance: Strong performance track record

		Q1		Q2		Q3		Q4	
		Reported	Guidance	Reported	Guidance	Reported	Guidance	Reported	Guidance
2008	Revenue (\$M)	49.2	48.0	52.6	51.0	56.5	53.0-55.0	55.2	53.0-56.0
	EPS (\$)	0.09	(0.08)	0.04	(0.05)	0.04	(0.04)-0.00	0.01	(0.05)-0.01
2009	Revenue (\$M)	49.1	47.0-49.0	50.7	47.0-49.0	50.6	48.0-50.0	48.4	46.0-48.0
	EPS (\$)	0.07	(0.07)-(0.03)	0.03	(0.05)-0.00	0.20	0.05-0.09	0.13	0.05-0.08
2010	Revenue (\$M)	47.4	43.0-45.0	45.2	40.0-42.0	43.6	41.0-43.0	63.6	58.0-60.0
	EPS (\$)	0.19	0.03-0.08	0.08	(0.08)-(0.04)	0.16	(0.15)-(0.11)	0.77	0.25-0.28
2011	Revenue (\$M)	52.1	48.0-50.0	55.5	54.0-55.0	59.9	58.0-60.0	61.2	57.0-59.0
	EPS (\$)	0.16	0.03-0.06	0.22	0.10-0.12	0.20	0.16-0.18	0.14	0.11-0.13
2012	Revenue (\$M)	49.1	54.0-56.0	68.0	67.0-69.0	67.0	65.0-68.0	60.9	60.0-66.0
	EPS (\$)	0.09	0.10-0.12	0.30	0.24-0.27	0.17	0.09-0.11	0.19	0.04-0.10
2013	Revenue (\$M)	49.4	51.0-57.0	49.8	43.0-49.0		44.0-50.0 ⁽¹⁾		
	EPS (\$)	(0.24)	(0.05)-0.00	(0.16)	(0.24)-(0.17)		(0.08)-(0.02) ⁽¹⁾		

Notes:

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

Defense industry conditions are currently challenging

- Adversely impacting financial results
- Restructuring lead to \$25M of recurring annualized savings
- Forecasting more conservatively
- Focused on managing controllable items to preserve liquidity
- Solid balance sheet with improved financial flexibility

Substantial operating leverage when defense market rebounds

Q3 FY13 guidance (as of January 29, 2013)⁽¹⁾

	Q2 FY13 Actual	Quarter Ending March 31, 2013	
		Low	High
Revenue	\$50	\$44	\$50
GAAP EPS (Continuing)	(\$0.16)	(\$0.08)	(\$0.02)
Adj EBITDA	\$1.0	(\$2.5)	\$1.0
Note -Adj EBITDA Adjustments:			
Net income (Continuing)	(4.8)	(2.3)	(0.5)
Interest (income) expense, net	0.0	0.0	0.0
Income tax (benefit) expense	(2.2)	(7.2)	(5.5)
Depreciation	2.2	2.1	2.1
Amortization of acquired intangible assets	2.2	2.4	2.4
Acquisition costs and other related expenses	0.1	0.0	0.0
Restructuring expenses	0.2	0.5	0.5
Fair value adjustments from purchase accounting	1.3	0.1	0.1
Stock-based compensation cost	2.0	1.9	1.9
Adj EBITDA	\$1.0	(\$2.5)	\$1.0

Notes:

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

Updated business model raises Adjusted EBITDA target

In a more normalized industry environment

GAAP	FY12	Historic Target Business Model	Current Target Business Model
Revenue	100%	100%	100%
Gross Margin	56%	54+%	45-50%
SG&A and other OPEX ⁽¹⁾	25%	Low-mid 20's	Low 20's
R&D	19%	High Teens	11-13%
Amortization ⁽²⁾	0%	—	2-3%
Operating Income	12%	12-13%	12-13%
Adj EBITDA	20%	17-18%	18-22%

(1) Other OPEX includes, Impairment of Goodwill and Long Lived Assets, Change in the fair value of the liability related to the LNX earn-out, Restructuring, Gain on Sale of Long Lived Assets, and Acquisition Costs and Other Related Expenses.

(2) Amortization includes fair value adjustment from purchase accounting and \$4.9M LNX earnout reversal in FY12.

Financial summary

- 15% Defense revenue CAGR FY08-FY12
- Profitability restored and improved through FY12
- Converted earnings growth to healthy free cash flows through FY12
- Healthy balance sheet; zero debt; \$200M revolving credit facility
- Exceeded historic target model in FY12; new targets established (for a more normalized industry environment)
- Reduced cost structure in response to challenging industry environment
- Substantial operating leverage when industry conditions improve