
**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): November 10, 2009

Mercury Computer 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 Computer Systems, Inc. ("Mercury") will present an overview of Mercury's business on November 10, 2009, at Mercury's Tenth Annual Investor 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 November 10, 2009 (filed herewith).

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: November 10, 2009

MERCURY COMPUTER SYSTEMS, INC.

By: _____ /s/ **ALEX A. VAN ADZIN**
Alex A. Van Adzin
Vice President, General Counsel,
and Corporation Secretary

Exhibit Index

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Tenth Annual Investor's Conference

November 10, 2009

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 anticipated fiscal 2010 business performance and beyond. You can identify these statements by our use of the words "may," "will," "should," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," 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, 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, continued funding of defense programs, the timing of such funding, 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, the inability to fully realize the expected benefits from acquisitions or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, and difficulties in retaining key customers. These risks and uncertainties also include such additional risk factors as are discussed in the Company's recent filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended June 30, 2009. 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

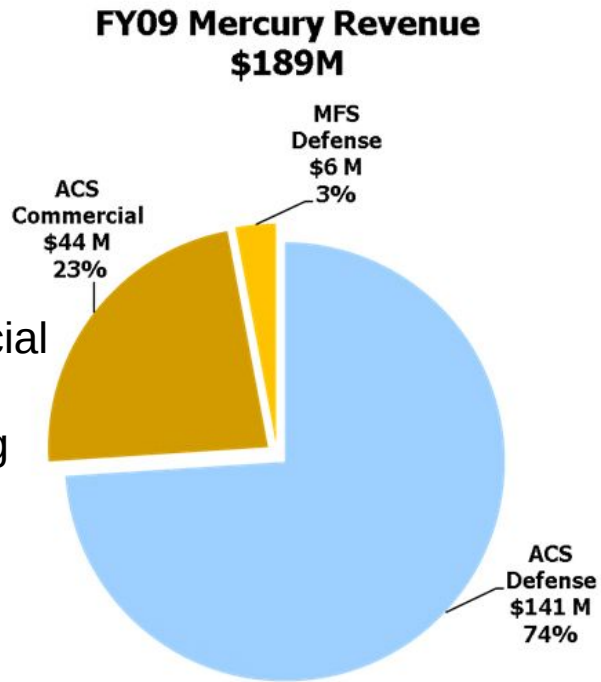
In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides non-GAAP financial measures adjusted to exclude certain specified charges, which the Company believes are useful to help investors better understand its past financial performance and prospects for the future. However, the presentation of non-GAAP financial measures is not meant to be considered in isolation or as a substitute for financial information provided in accordance with GAAP. Management believes these non-GAAP 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 their 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 measures discussed in this presentation is contained in the Company's First Quarter of Fiscal Year 2010 earnings release which can be found on our website at www.mc.com/mediacenter/pressreleaseslist.aspx.

Agenda

- Corporate Overview
 - Mark Aslett, CEO, Mercury Computer Systems
 - Mercury Situational Business Analysis
 - Plans for ACS Defense –the Need for a Converged Sensor Network
 - Mercury Federal – Evolving our COTS business Model
- Keynote: John J. Young
- *Coffee Break (15 min)*
- Advanced Computing Solutions
- Mercury Federal Systems (MFS)
- Financial Review
- Closing Remarks / Q&A

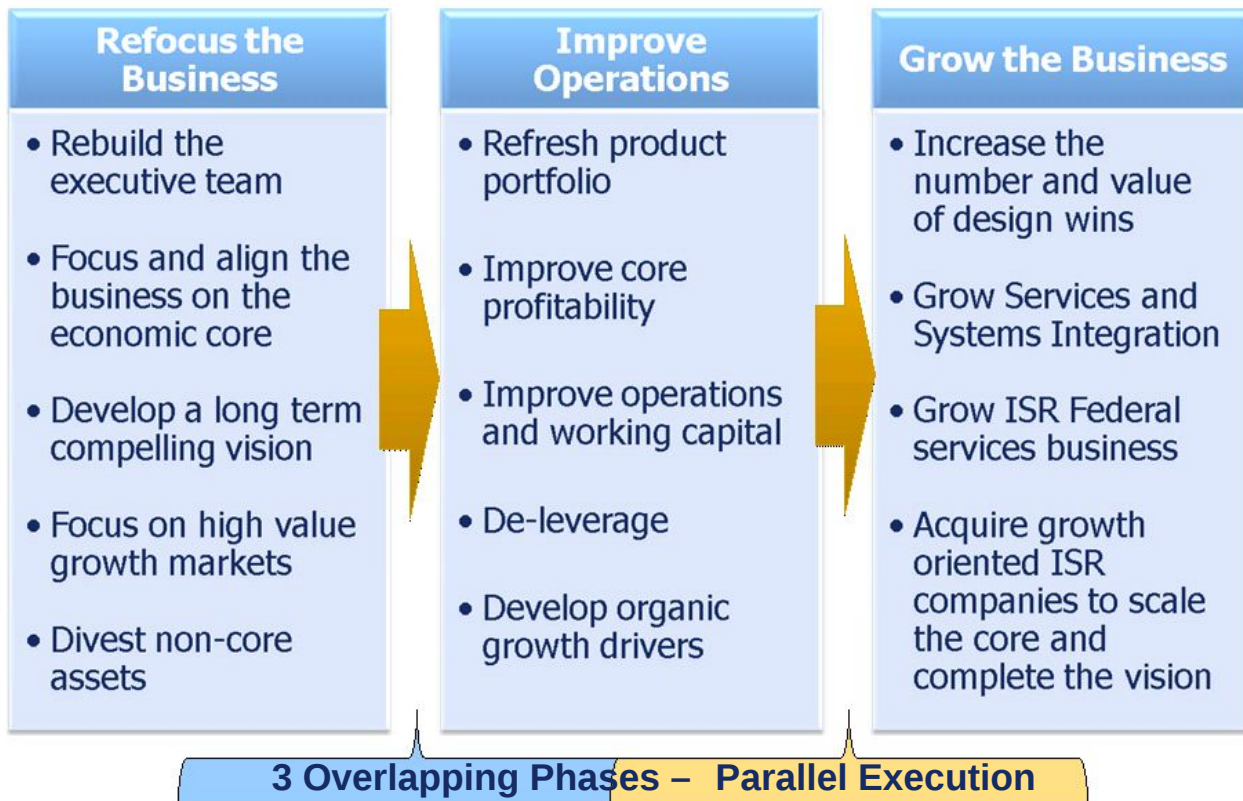
Mercury is a platform-independent, best-of-breed ISR systems and services company

- Founded in 1981
- HQ in Massachusetts; R&D in MA, VA, AL
- 517 employees
- Leading provider of commercial high-performance signal, image and sensor processing
- Focused on growing defense ISR market
- FY2009 revenues of \$189M
- NASDAQ: MRCY



Note: \$189M Total Revenue includes \$2M interco eliminations

Phases of Mercury's transformation



Mercury operational and financial highlights

Operations

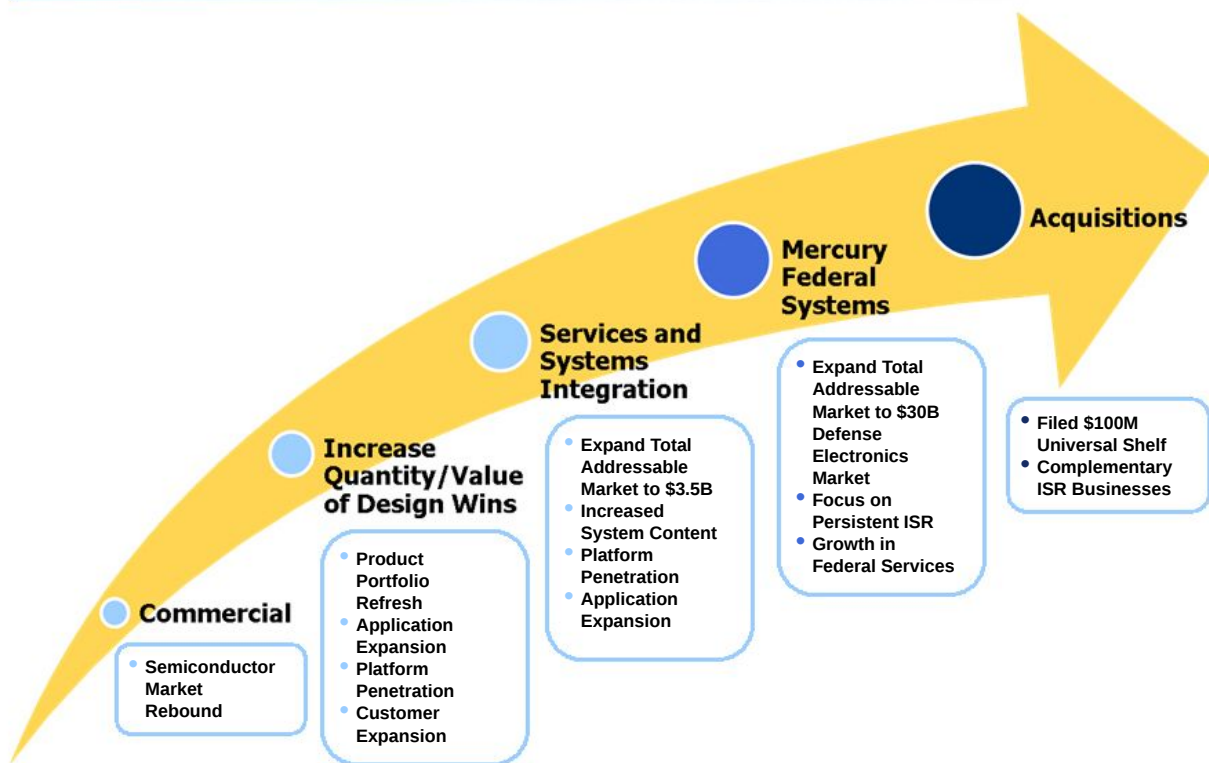
- Refocused the business
- Completed divestiture of all non-core assets
- Improved working capital
- Refreshing product portfolio
- Developed a strong growing position in ISR market
- Growing services and systems integration business

Financial

- Restored profitability
- Double-digit bookings and backlog growth
- Increased operating cash flows
- Repaid \$125m debenture
- Robust target business model
17-18% Adj. EBITDA
- \$100M shelf registration effective

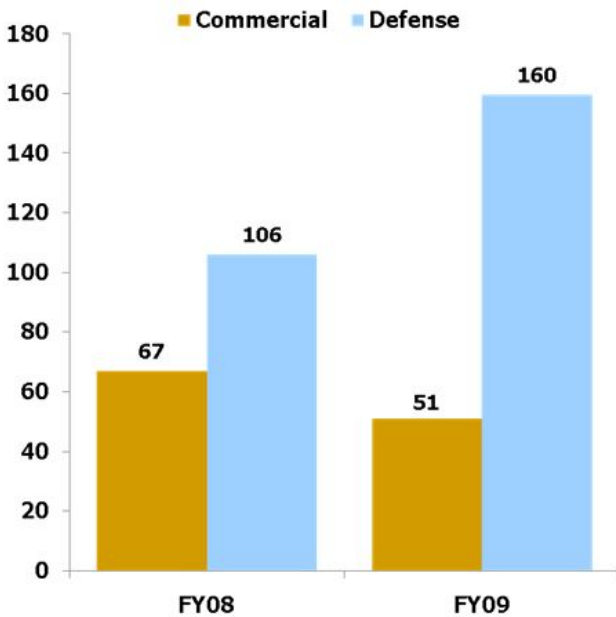
We enable the military to gather more relevant information, evaluate it faster, share and act upon it sooner

5 key business growth drivers



ACS 5-year design win value increased 22% overall in FY09 with 51% growth in defense

ACS Design Wins - 5 Year Probable Revenue (\$M)



Defense Highlights

- Aegis – Naval BMD, C4I
- Missile Defense – Ground Radar
- Argon – Naval SIGINT
- Predator – Airborne Radar
- JCREW – Ground SIGINT
- Rivet Joint – Airborne SIGINT
- Gorgon Stare – Airborne ISR
- NASP – Airborne Sonar
- Guardrail – Airborne SIGINT

Commercial Highlights

- KLA Tencor – Semiconductor
- Hughes – Satellite Comms
- Rapiscan – Baggage Scanning
- L3 – Baggage Scanning
- ASML – Semiconductor

Note: Potential is 5 year probable value based on customer-supplied information at time design win awarded. Actual program value may be higher or lower

Success in semiconductor equipment – position controller for lithography

Application Requirement:

- Low-latency, deterministic processing for precision control in Stepper/Scanners

Initial Deal:

- \$10M pre-production orders booked and partially shipped
- Starting to receive production orders
- Integrated platforms for production (immersion/EUV, new/upgrades)

Advanced processing technology:

- AdvancedTCA utilizing serial RapidIO



Total Opportunity Potential: ~\$100M over 5 years

Note: Potential is 5 year probable value based on customer-supplied information at time design win awarded. Actual program value may be higher or lower

Services and Systems Integration drove significant revenue growth in its first full year of operation



- Expand ACS total addressable market
- From startup in FY08, FY09 bookings growth +106%, revenue growth +157%
- FY09 proved the business model and potential
- Enables substitute and 3rd party technologies e.g. blade computing
- Enables faster time to revenue on programs and increased deal sizes

Success in Services & System Integration – Radar Digital Processor

Project Requirement:

- Phased Array Radar for Ground Missile Defense (FMS)

Initial Deal:

- \$12M engineering services and system integration
- \$6M production order (1 country)

Advanced processing technology:

- OpenVPX™ embedded computing



**Future Opportunity Potential:
\$12M total production for next 2 countries;
~15-20 countries expected to follow**

Note: Potential is 5 year probable value based on customer-supplied information at time design win awarded. Actual program value may be higher or lower

Mercury Federal Systems (MFS) delivered significant first year bookings and revenue



- Strong revenue (\$5.7M) and bookings (\$11.9M) in FY09
- Concurrently, generating new opportunities for ACS
- 8 active engagements; 3 direct prime contracts
- Recognized by the DoD as advanced processing architects for next-gen airborne ISR systems

MFS success story – Wide Area Airborne Surveillance

Project Requirement:

- Concurrent near real-time situational awareness for MQ-9 Reaper UAV (Gorgon Stare)



Initial Deal:

- \$7M bookings
- 1/2 hardware / software
- 1/2 engineering services

Advanced processing technology:

- Embedded GPUs w/IO

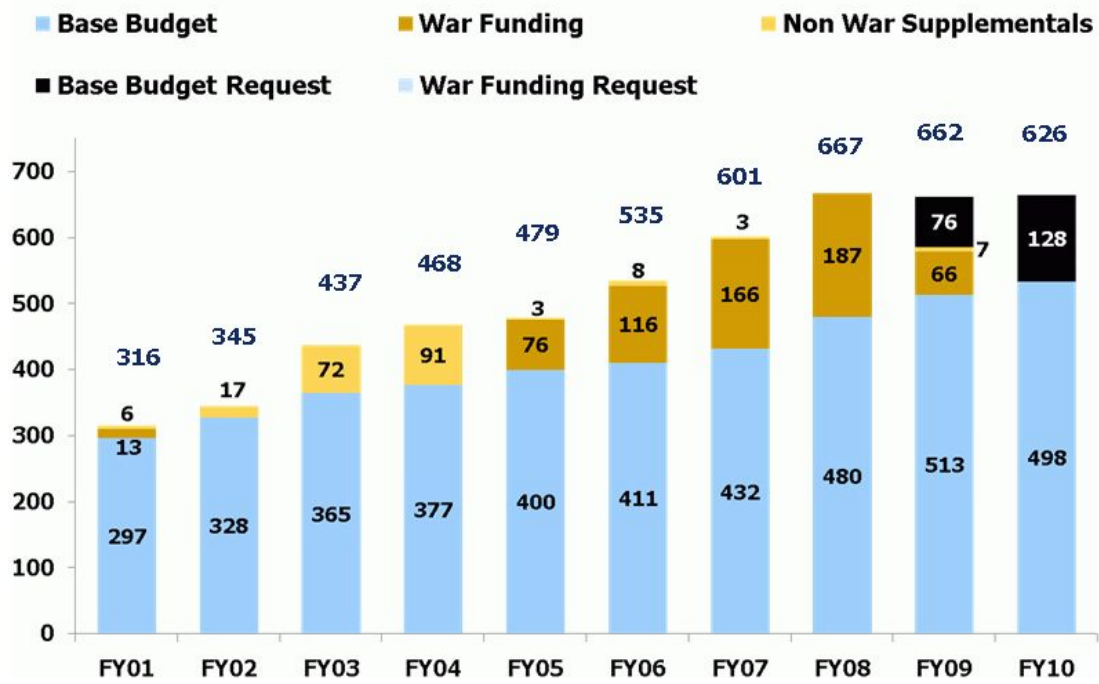


Total Opportunity Potential: ~ \$20M

Note: Potential is 5 year probable value based on customer-supplied information at time design win awarded. Actual program value may be higher or lower

Defense department spending FY10 forecast

FY2001 - FY2010 Spending (\$B)

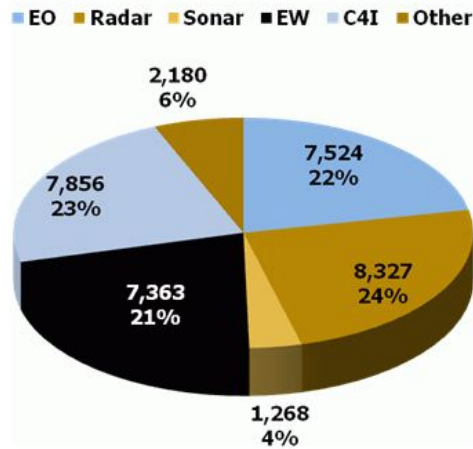


Source: Defense Appropriations Act FY200-2009, National Defense Budget Estimates FY200, OMB Historical Tables FY2009

Military electronics is a market sweet spot

- Retrofit and upgrades remain strong for legacy programs
- Increased need for EW; intelligence, surveillance, reconnaissance assets
- Networked nodal platforms, time to information
- Next-gen onboard processing, exploitation and dissemination architecture critical

World Defense Electronics Funding Available to the US FY10 \$M Total > \$34B



\$90B or 27% of the cumulative military electronics market spend over the next 10 years will be available for new primes

Sources : The Military Electronics Briefing, 2008 Ed. , The TEAL Group, Frost & Sullivan, U.S C4ISR Market 2007

Key defense platforms and programs driving growth

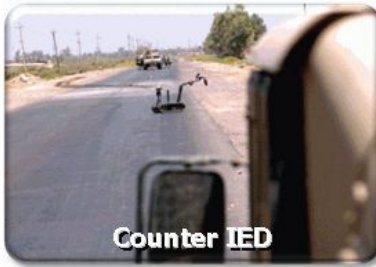
Global Hawk
Predator/Reaper
Rivet Joint
Gorgon Stare
F-16
F-35 JSF
BAMS
MESA
P8-MMA
MP-RTIP



Aegis
RDP - Ground Missile
Defense Radar
THAAD

Representative Program List

JCREW
Software
Defined Jammer



Guardrail
SSEE(F)
CADF
Deepwater

FY10 budget reprioritization benefiting Mercury

- Increase ISR spend by \$2B
 - Build a 43 CAP fleet of Predator class UAVs by end of FY10
 - Increase manned turboprop ISR capabilities
 - Initiate ISR R&D for enhancements and experimental platforms
- Sustain air superiority
 - Increase F35 JSF from 14 aircraft in FY09 to 30 in FY10
 - Increase JSF funding from \$6.8B to \$10.4B
 - Purchase 513 F35s over next 5 years
 - Ultimately purchase 2,443 F35s
- Increase theatre missile defense
 - Additional \$41M for radar support of THAAD
 - Fund conversion of 6 more Aegis BMD ships
- Increase spending on counter IED i.e. JCREW

Government/DoD frustration leads to defense procurement reform

Today's Model

- Government frustrated with current model
- Platform-centric approach
- Proprietary closed system architectures
- Significant cost overruns
- Significant schedule slips

Emerging Model

- Best-of-breed model emerging
- More commercial items
- Open platform-independent architectures
- QRC –rapid deployment, lower cost and risk
- Likely to occur for signal processing and computing

Budget pressure and significant schedule slippage is leading to Defense procurement reforms that could benefit Mercury

To the warfighter, time to information is critical to address the growing gap between:

What's collected?

100TB per mission



What's analyzed?

100GB per mission



What's actionable?

For decision makers who need timely, actionable, and relevant information

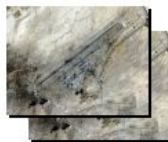
Forensics

Force Protection

Mission Critical



Last 18 hours



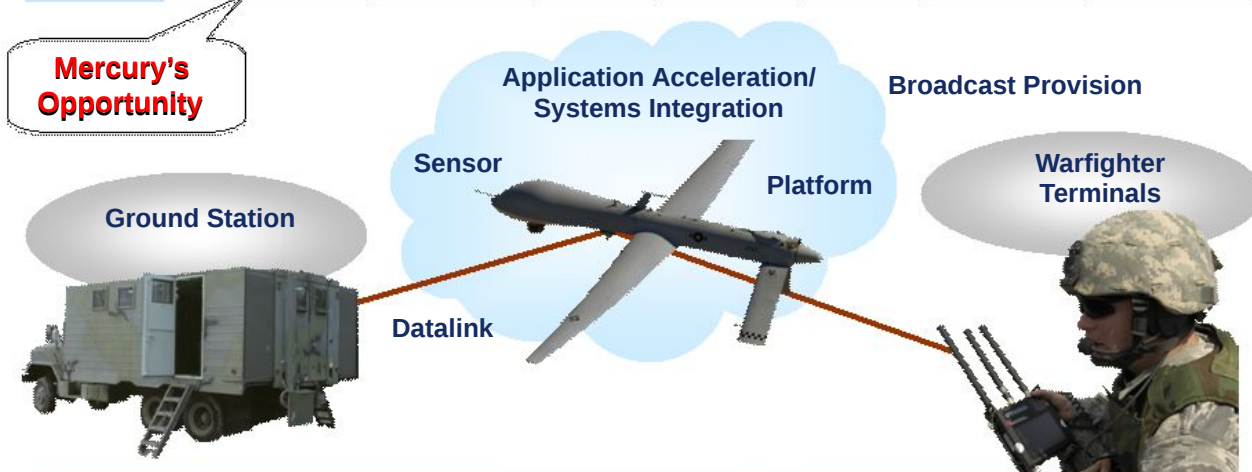
Recent minutes



Real-time

Airborne ISR R&D costs

	Signal Processing / Systems Integration	Platform	Sensor	Datalink	Ground Station	Warfighter Terminals	Broadcast Provision
1993	10%	40%	30%	5%	15%		
2008	45%	10%	15%	10%	10%	5%	5%

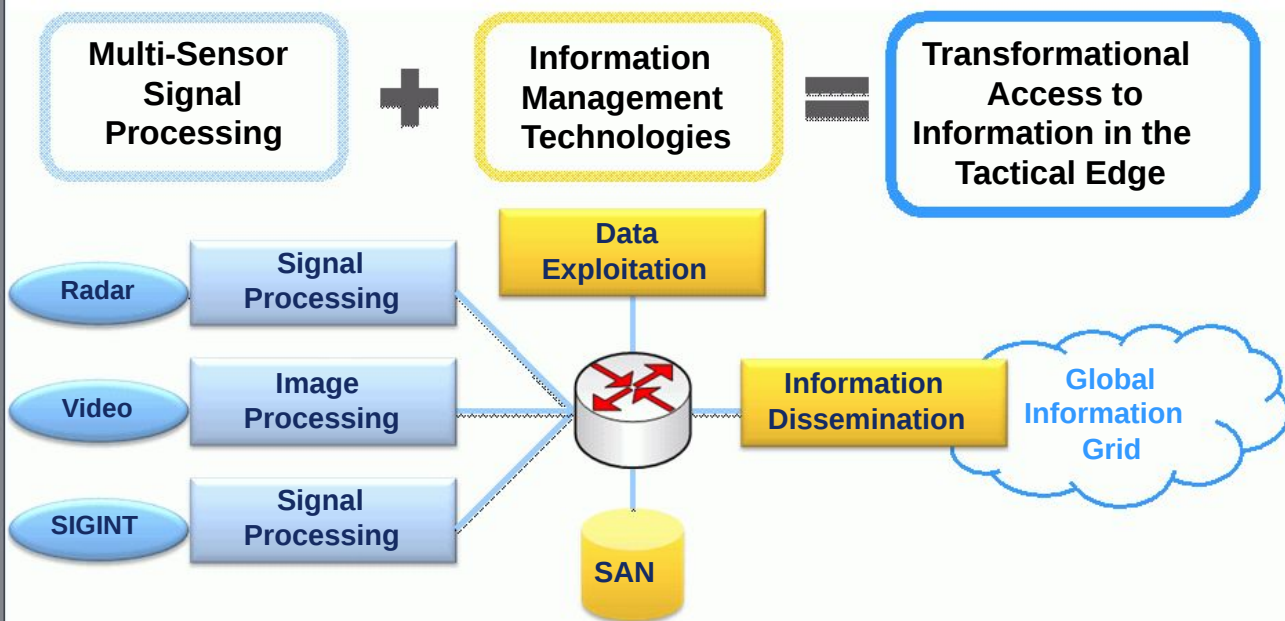


Budget priorities being realigned to maintain technology edge

Source: DoD Budget Request FY93 and FY2008

Mercury's new Converged Sensor Network™ (CSN™) vision for persistent ISR

A revolutionary open architecture that combines



Become the government's trusted partner for next-generation ISR platform signal processing and computing

Positioned for growth

- Focused on growing ISR market segment
- Creating a platform-independent, best-of-breed ISR systems and services company
- Unique capabilities in commercial high-performance embedded signal, image and sensor processing
- Building government amenable business model in line with expected Defense procurement reform
- Delivering strong organic growth in defense with robust target business model
- Will pursue complementary ISR acquisitions to scale

Agenda

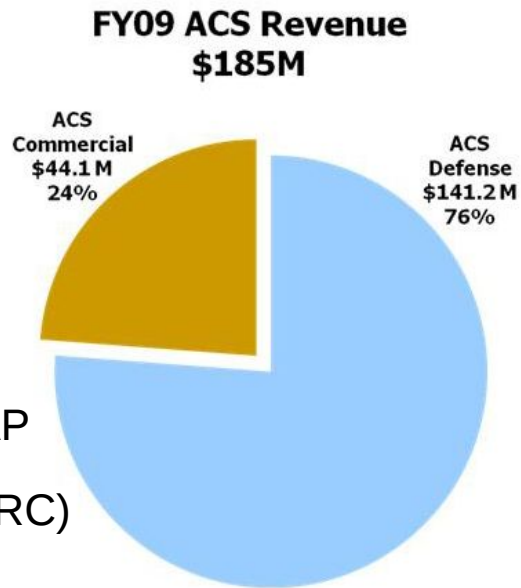
- Corporate Overview
- Keynote
 - John J. Young, Former Undersecretary of Defense, ATL
 - Perspectives on Acquisition Challenges, Open Architectures, Budget Outlook, and Future Program Directions
- *Coffee Break (15 min)*
- Advanced Computing Solutions
- Mercury Federal Systems (MFS)
- Financial Review
- Closing Remarks / Q&A

Agenda

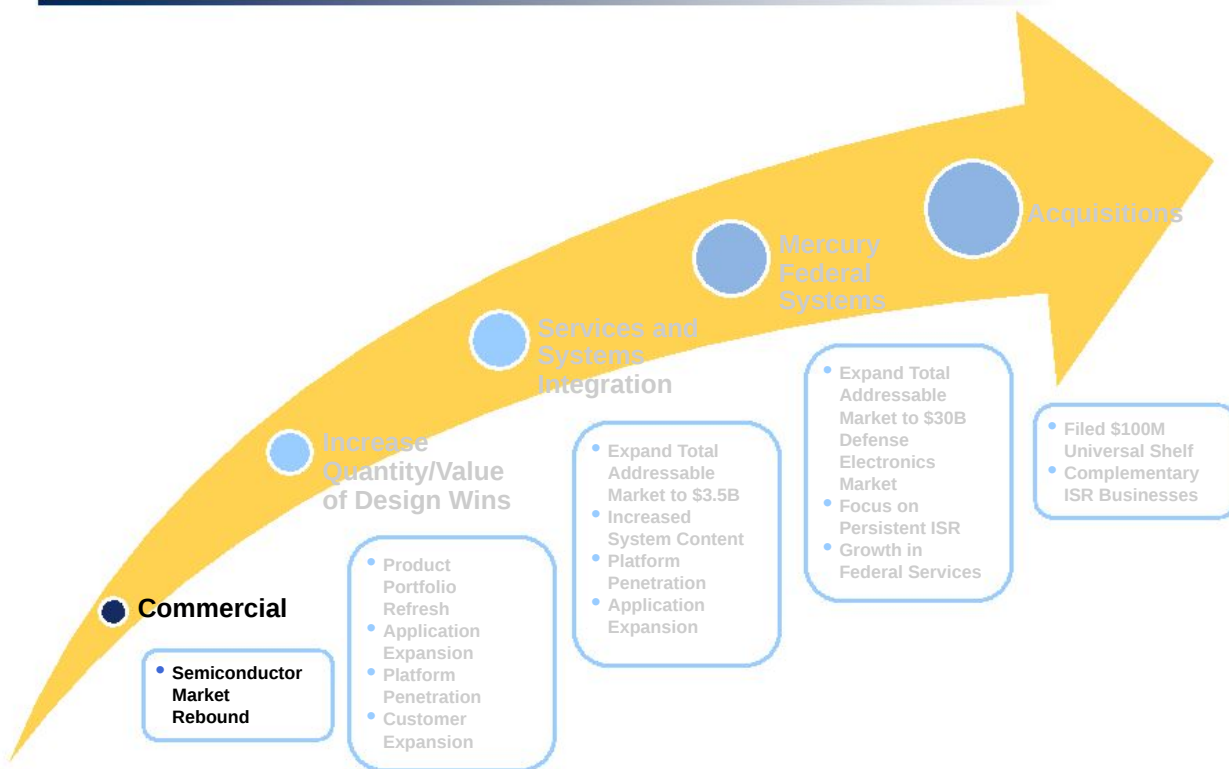
- Corporate Overview
- Keynote: John J. Young
- Advanced Computing Solutions
 - Didier Thibaud, SVP & GM, Advanced Computing Solutions
 - Commercial Market Growth
 - Increase Quantity/Value of Design Wins
 - Services and Systems Integration
- Mercury Federal Systems (MFS)
- Financial Review
- Closing Remarks / Q&A

Advanced Computing Solutions (ACS)

- Focus on providing solutions for high-performance embedded computing
- Leverage technologies and product between commercial and defense markets
- Focus on C4ISR in defense
- Optimized performance for SWAP
- Quick Response Capabilities (QRC) through our service offerings

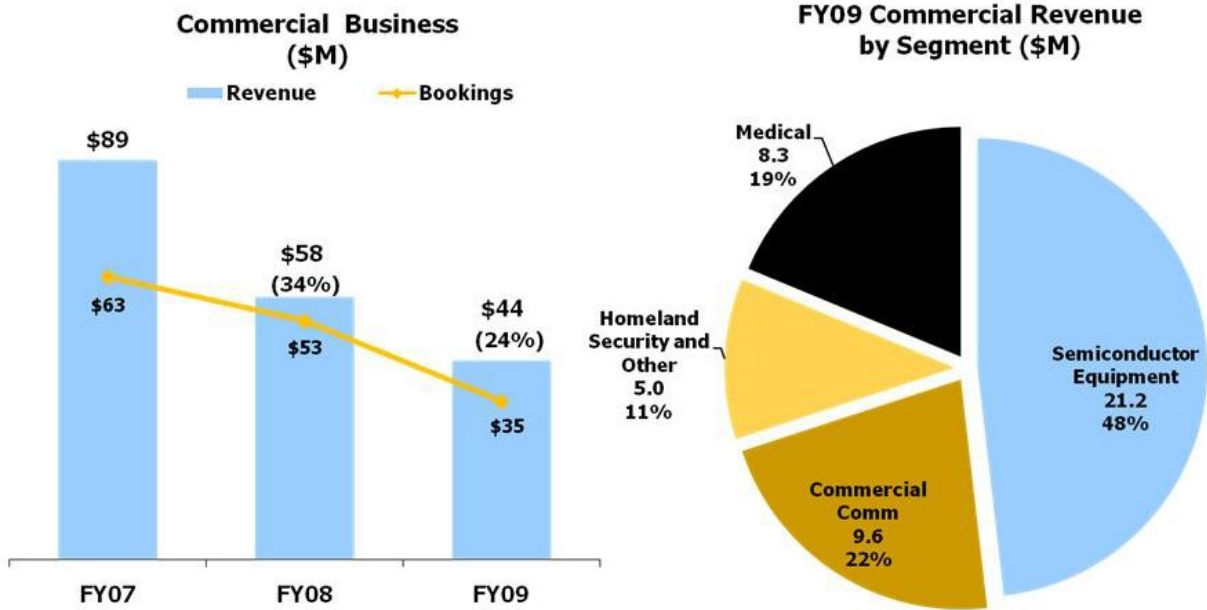


5 key business growth drivers



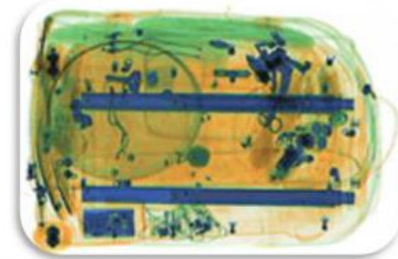
ACS commercial segment dynamics

- Commercial revenues down 24% FY08 to FY09
- Positioning for a turnaround



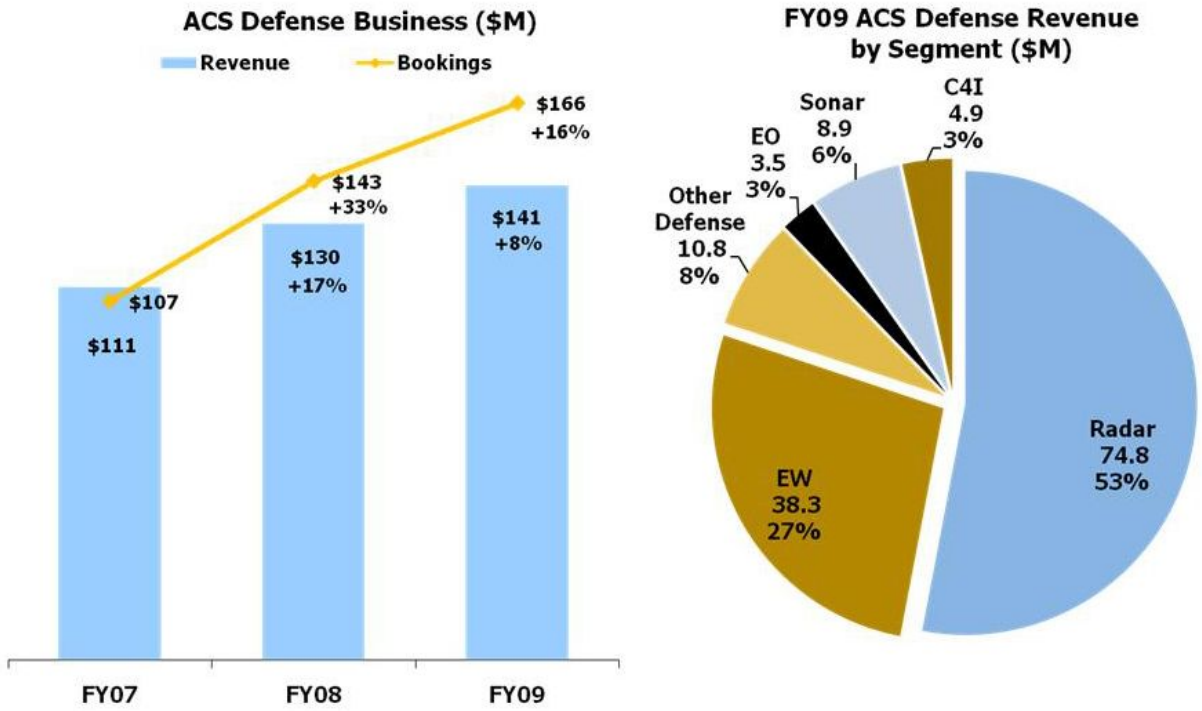
Commercial growth factors

- Semiconductor – market rebound
 - Early signs of market recovery
 - Design wins entering production
 - New potential opportunities
- Communication
 - Entering new area: 4G test equipment
 - New satellite communication systems in deployment
- Homeland Security
 - Design wins still in development
 - New opportunities

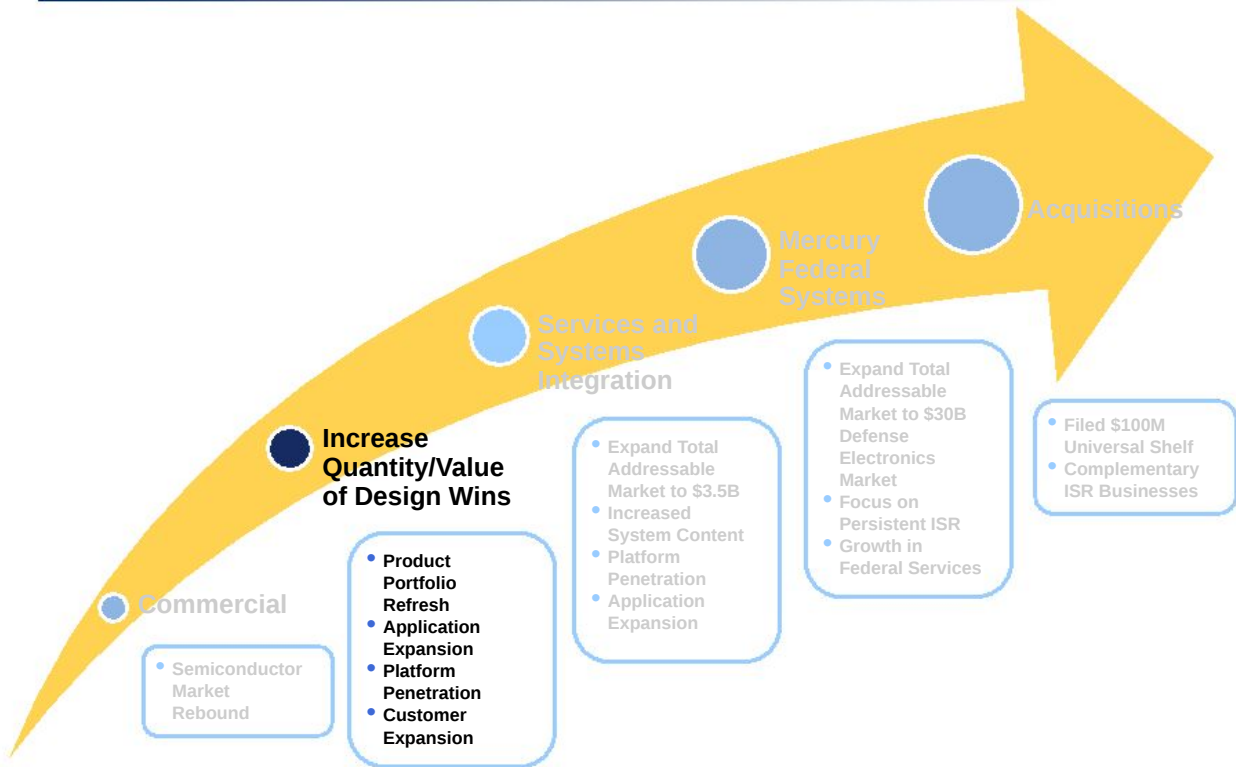


Strength in ACS defense markets

- Radar (32% CAGR FY07-09) and EW (9% CAGR) driving growth

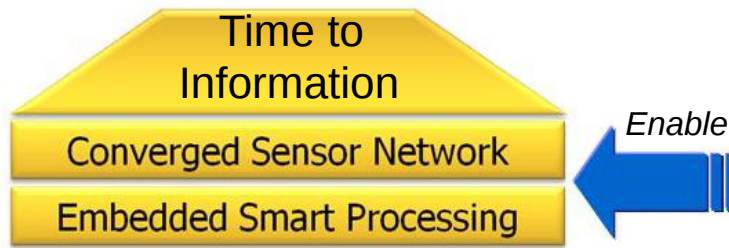


5 key business growth drivers

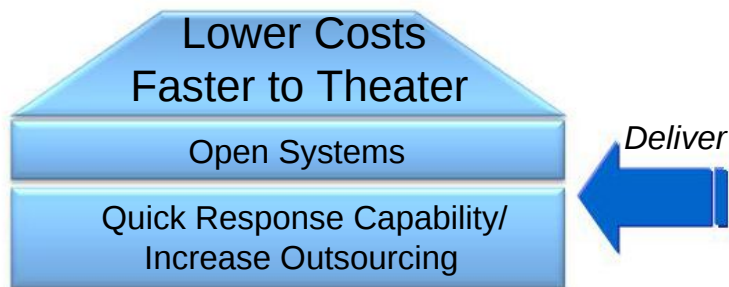


Key market drivers

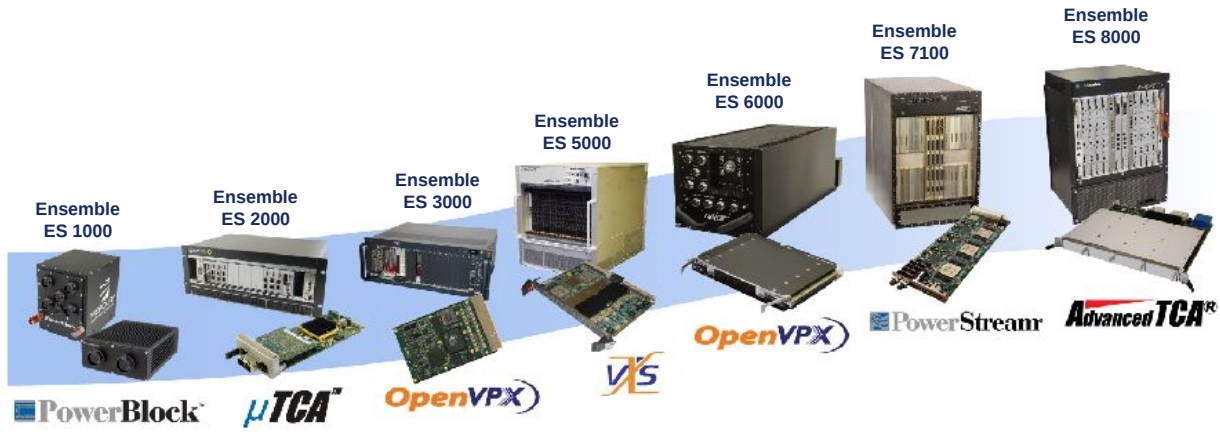
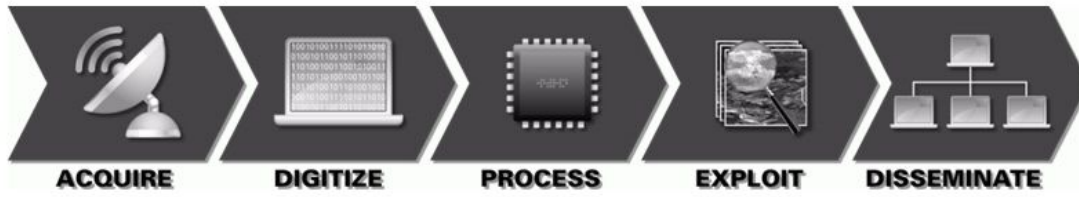
*The Warfighter's challenge
to Government?*



*The Government's challenge
to Primes?*

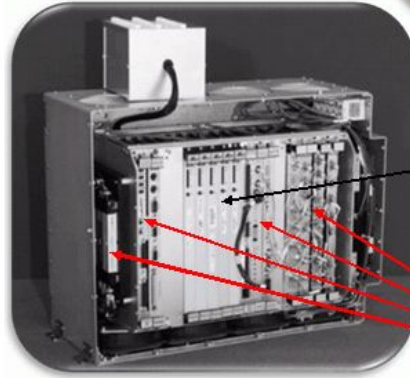
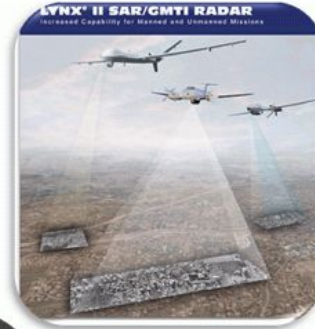


Open architecture solutions to cover the ISR spectrum



Growth: program penetration – SAR Predator

- Provide DSP processing for SAR
- Expand system footprint
 - RF and acquisition subsystem
 - Storage subsystem
 - Command and Control
 - Systems integration



Mercury Processing Boards

Opportunities for new design wins, product growth and services

Total Opportunity Potential: Double our \$ content per UAV

AEGIS BMD radar processing

- Selected for BMD Radar
 - Most powerful deployed embedded computer for digital beam-forming
 - Extend to Radar Control System
- Addressable market 60 ships out of 92
 - Plan of Record for ship upgrade:



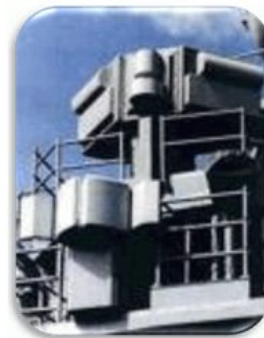
	2011	2012	2013	2014	2015	Total
	6	6	6	6-8	6-8	30-34

- Additional 8 ships to be built
- Upside with FMS sales and additional ships in out years

Total 5 year opportunity: \$100M

Growth: platform expansion - AEGIS

- Expand to new sensor systems beyond BMD radar
 - Electronic Warfare
 - SIGINT
 - EO / IR
 - Combat System
- Example EW subsystem
 - Starting deployment in 2011-2012
 - Will be used on LCS



Surface Electronic Warfare System

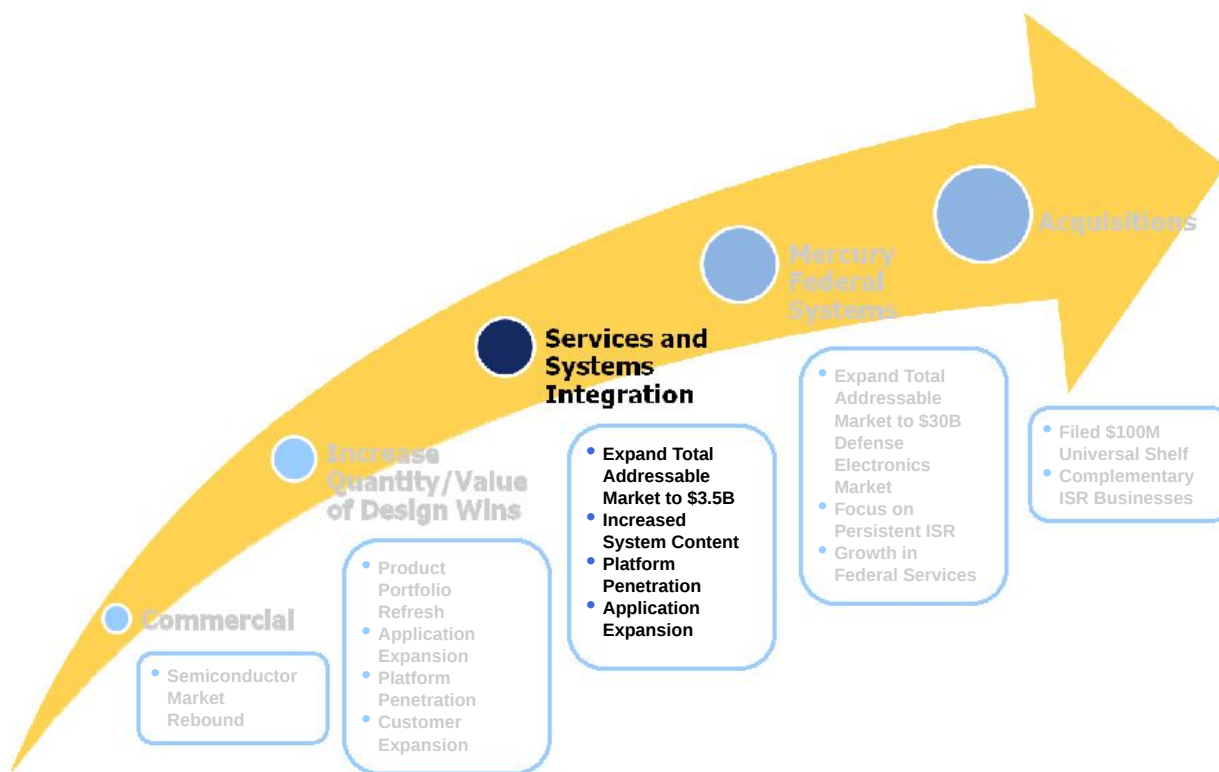
Additional Opportunity Potential: \$100M

Growth: expand to new customers

- Historically targeted LM, Raytheon, NGC based on Radar and SIGINT focus
- New design wins with BAE, ITT, SNC, Goodrich enabling expansion in EW, EO/IR and C4I
- New product portfolio opening new markets like EO / IR



5 key business growth drivers



The changing environment opens growth opportunities through Systems Integration

- Government demands increasing
 - Provide more warfighting capability more rapidly at lower cost
 - Quick reaction capability (QRC)
 - New requirements rapidly evolving
 - UAV and UGV driving small high-density systems
- Proven solutions in deployment
 - New technology driving complex solutions
 - Risk reduction
 - “Best-of-breed” solution
 - Established track record



ACS summary – well positioned for growth

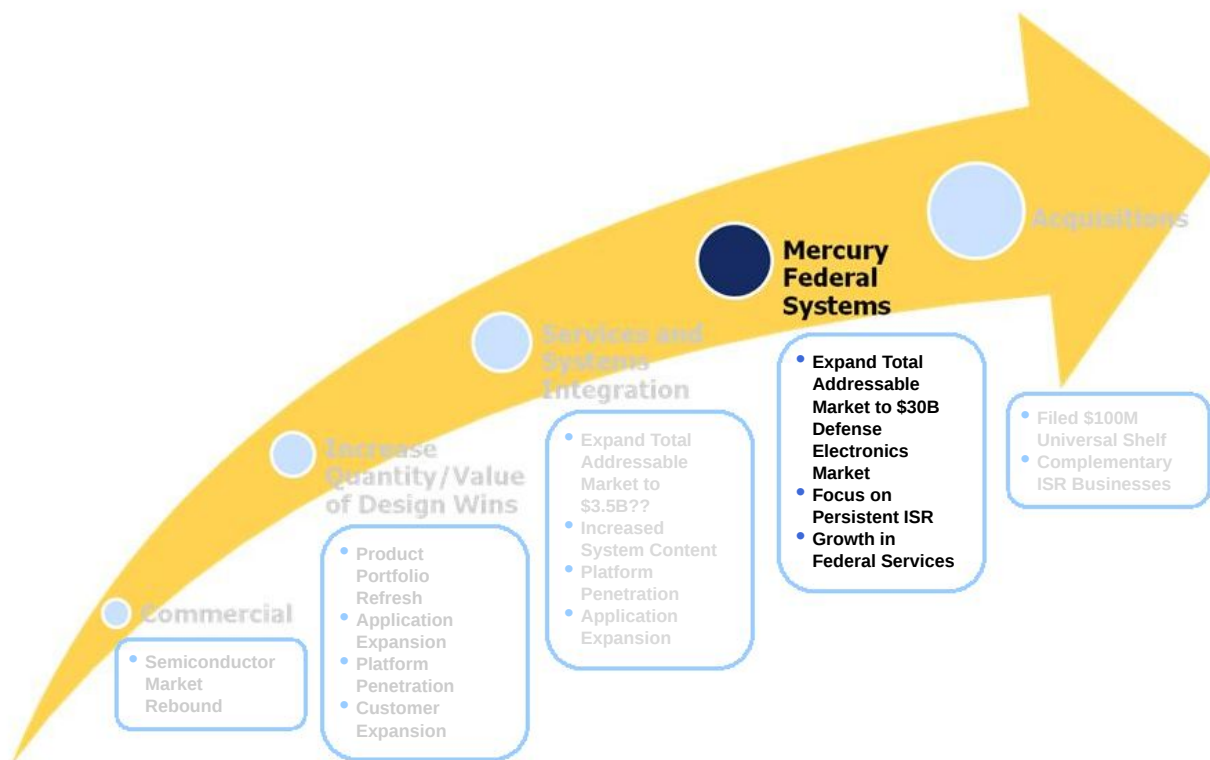
- Commercial business ready for rebound
- ISR requirements in ACS sweet spot
- Full product refresh driving new design wins
- Go-to-Market Strategy focusing on program, platform and customer expansion
- Services and Systems Integration tapping \$3.5B market
- Bridge to MFS – Hybrid Business Model



Agenda

- Corporate Overview
- Keynote: John J. Young
- Advanced Computing Solutions
- Mercury Federal Systems (MFS)
 - J. Michael Johnson, RADM USN (Retired) and Interim President, MFS
 - Evolving our COTS business Model
- Financial Review
- Closing Remarks / Q&A

5 key business growth drivers



Mercury Federal Systems overview

- Wholly owned subsidiary of MRCY
- Incorporated 2007 in Delaware
- Arlington, VA office open May 2008
- 13 employees
- Focus on Persistent ISR government market
- \$12M bookings in FY09
- 8 programs
- TS facility clearance
- DCAA approved labor rates

MFS core strategic vision

- Be the leading provider of consulting and software engineering services to:
 - Deploy leading-edge computing capabilities for C4ISR systems
 - Increase client agility and compatibility
 - Reduce technological and financial risk
 - Accelerate system performance
- Leverage Mercury's expertise to become the architect and steward of the DoD's "smart processing" initiative
- Succeed with Mercury's breadth, depth, and trusted position in ISR sensors, platforms, and programs and its heritage in COTS

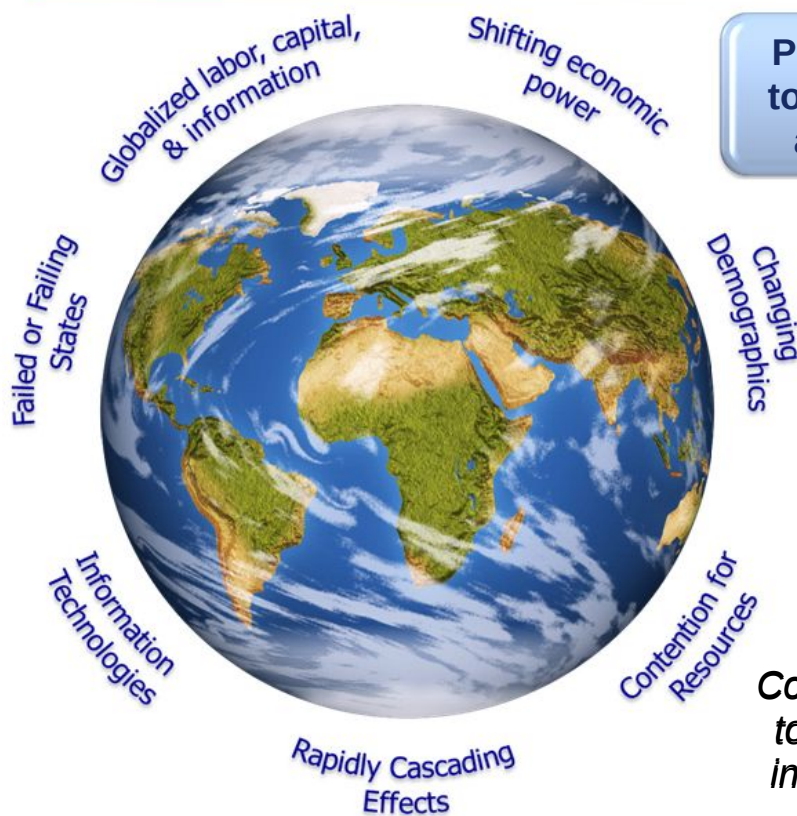
The Federal market is continuously evolving

DoD	1993	2010	2013e
Budget (\$B)	258	498	511
• Supplemental (\$B)	None	+128 GWOT	None planned
• R&D (\$B)	44	79	63
Procurement (\$B)	56	105	113
C4ISR Budget (\$B)	13	21	24
UAS Platforms (#)	25	2,100	3,300
Fed Svcs(\$B)	95	250	310

MFS focused on capturing growth in C4ISR systems integration and related engineering services

Source: DoDBudget Request FY93 and FY2008

Era of “persistent conflict” defines ISR Needs



Persistent ISR strives to understand activity as it is taking place

- Global coverage
- On station 24/7
- Multi-function / multi-sensor
- Networked, fused data
- Tactical, smart dissemination
- Robust, long endurance

Collection cycles appropriate to track targets of interest in any theatre of operation

Tactical Smart Processing is our strength

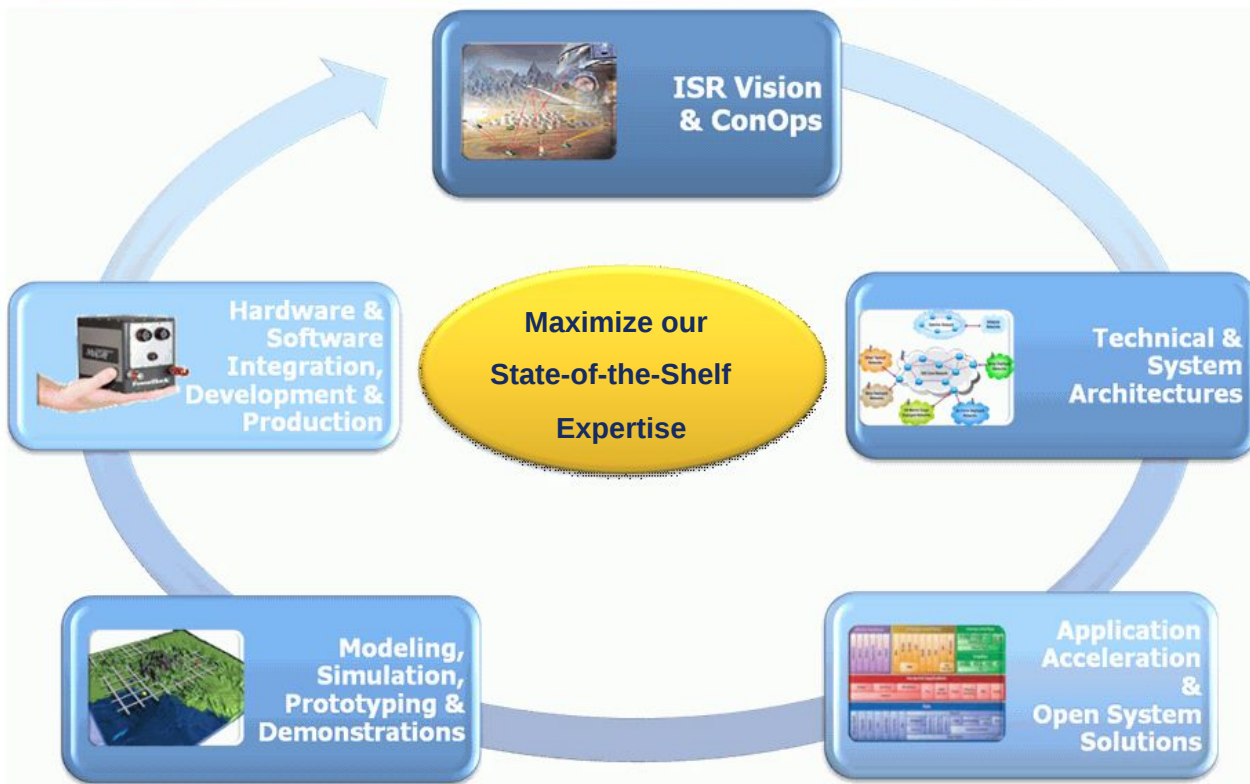


Leveraging our trusted position in ISR market

- On-demand sensing
- Machine-assisted processing, exploitation, and dissemination
- Direct to the warfighter
- In time to do something, < 1s

Time-to-information is our differentiator

MCS/MFS approach – hybrid business model



Benefits of a hybrid business model to Mercury

- Closer to the end customer – track the money flows, insight years ahead of the competition
- Leverages current business model to a future state
- Funded product development helps lower R&D expenses, accelerate growth and reduces risk
- Larger deal sizes overall –fighting for a bigger piece of the platform and military electronics pie
- MFS services-led strategy will balance hardware revenue – lower volatility once established
- MFS faster time to revenue than pure hardware model

MFS program example: Gorgon Stare (WAAS)

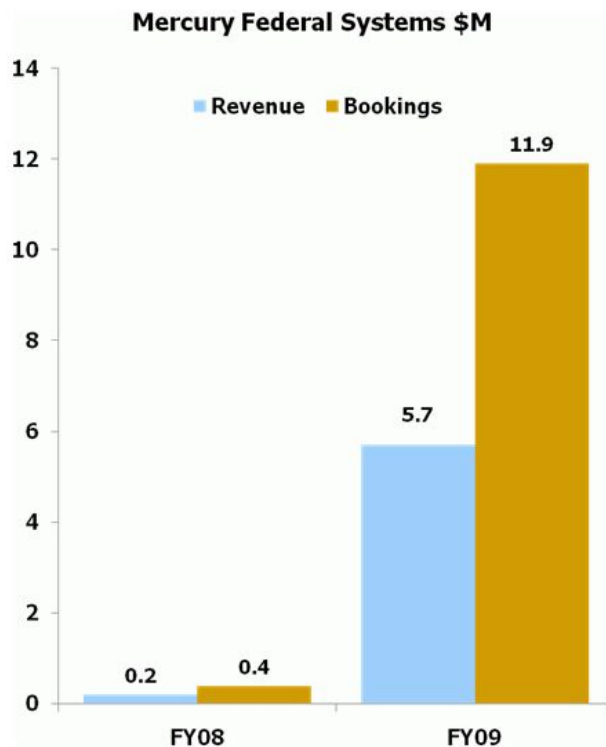
- Won C4ISR Journal's 2009 "Big 25" award in "Innovations" category
- Partnered with other agile companies (Sierra Nevada Corp, ITT, Adam Works, General Atomics)
- Rapid prototyping leading to first flight demos in 2010



**Validation of MCS & MFS
leadership and agility**

MFS summary

- Currently executing 8 Programs – 3 as Prime
 - Bookings grew from \$.4M in 2008 to \$11.9M in 2009
 - Revenue grew from \$.2M in 2008 to \$5.7M in 2009
- Positioning MFS on critical path of several key government programs
- Demonstrating success on current contracts
- Assembling world-class team of ISR experts



Agenda

- Corporate Overview
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- Advanced Computing Solutions
- Mercury Federal Systems (MFS)
- Financial Review
 - Bob Hult, CFO, Mercury Computer Systems
 - FY09 Financial Results
 - FY10 Guidance
- Closing Remarks / Q&A

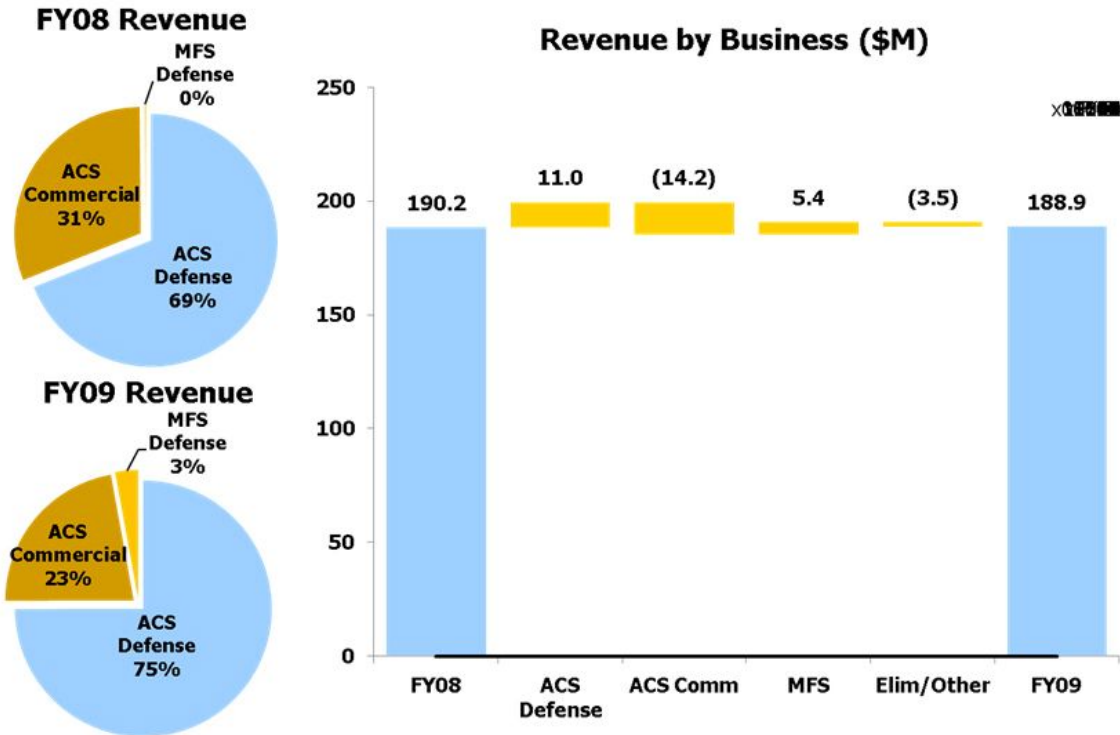
FY07 – FY09: Restored profitability

Non-GAAP	FY07 Actual	FY08 Actual	FY09 Actual
Revenue (\$M)	224	210	189
Gross Margin % Revenue	55.8%	60.7%	55.9%
Operating Expenses (\$M)	139	127	89
Income from Operations (\$M) % Revenue	(14) (6.3%)	1 0.3%	16 8.7%
EPS	\$(0.29)	\$0.15	\$0.49
Operating Cash Flow (\$M)	\$(10)	\$14	\$11

Note: All historical income statement figures are as reported in the Company's earnings press release at the end of the applicable fiscal year and have not been restated for operations that have been discontinued subsequent to that time.

Major business dynamics

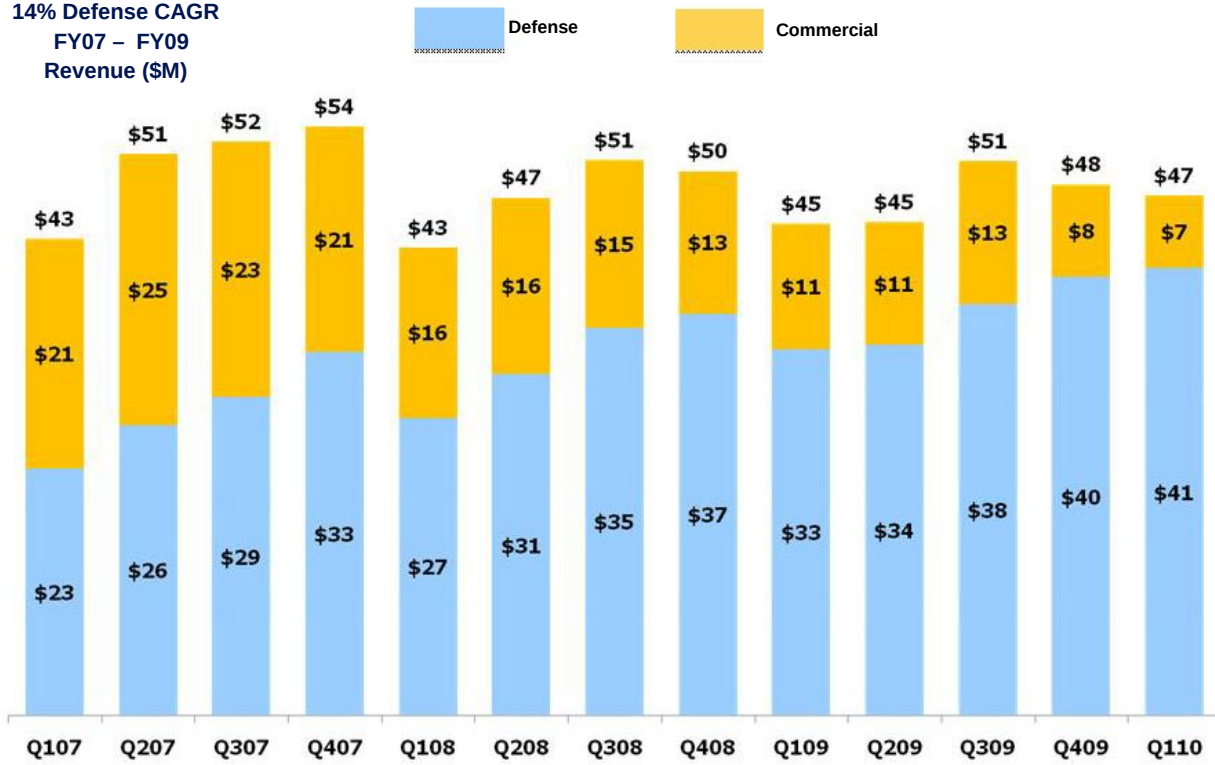
- Focus on strengthening and growing the defense business



Note: Excludes \$2M intercoeliminations

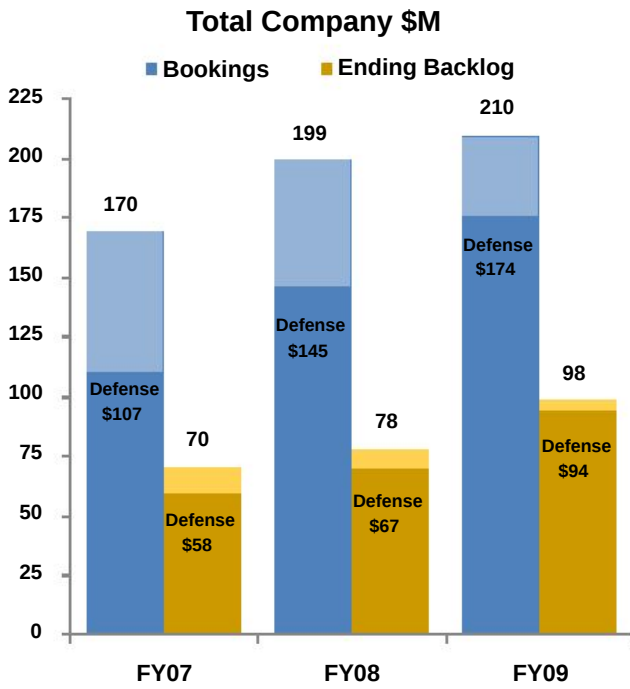
Strong defense revenue

14% Defense CAGR
FY07 – FY09
Revenue (\$M)



Note: All historical figures adjusted for the discontinued operations

Strong growth in bookings and backlog

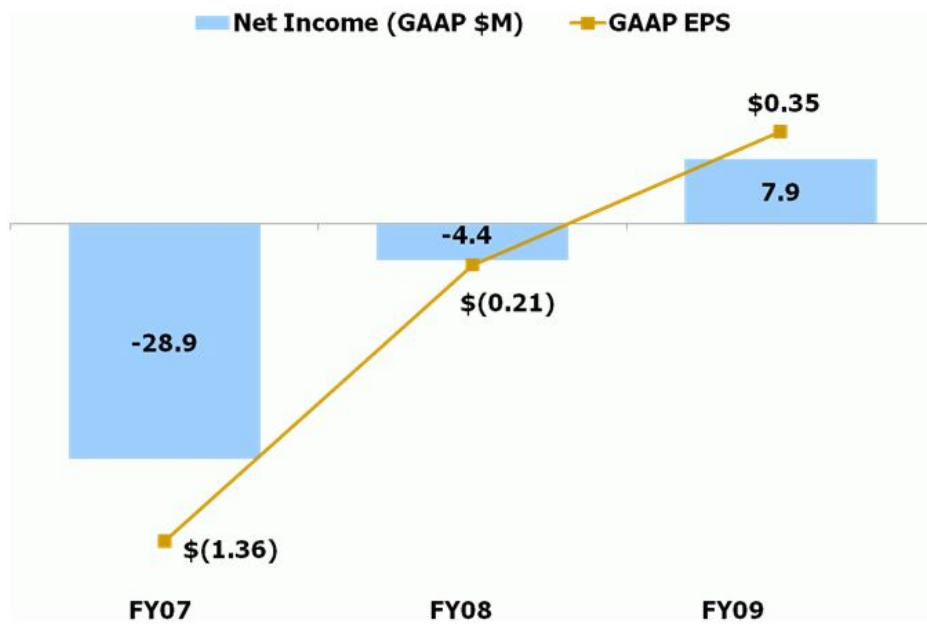


Note: Historical figures adjusted for discontinued operations

FY07-FY09:

- Total Company
 - 11% Bookings CAGR
 - 18% Backlog CAGR
- Defense
 - 28% Bookings CAGR
 - 28% Backlog CAGR

FY07-FY09 profitability improves

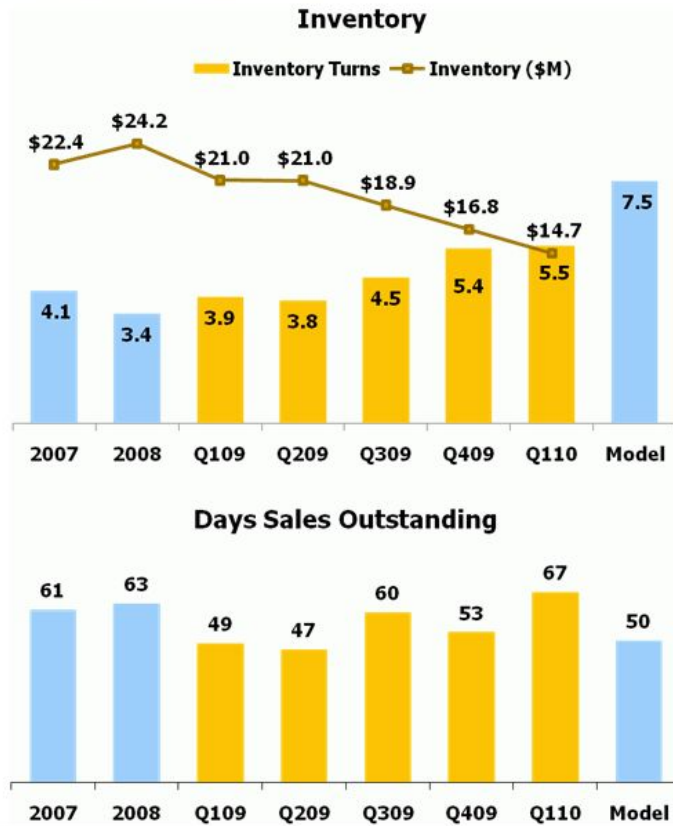


Note: GAAP Net Income and EPS results are from continuing operations

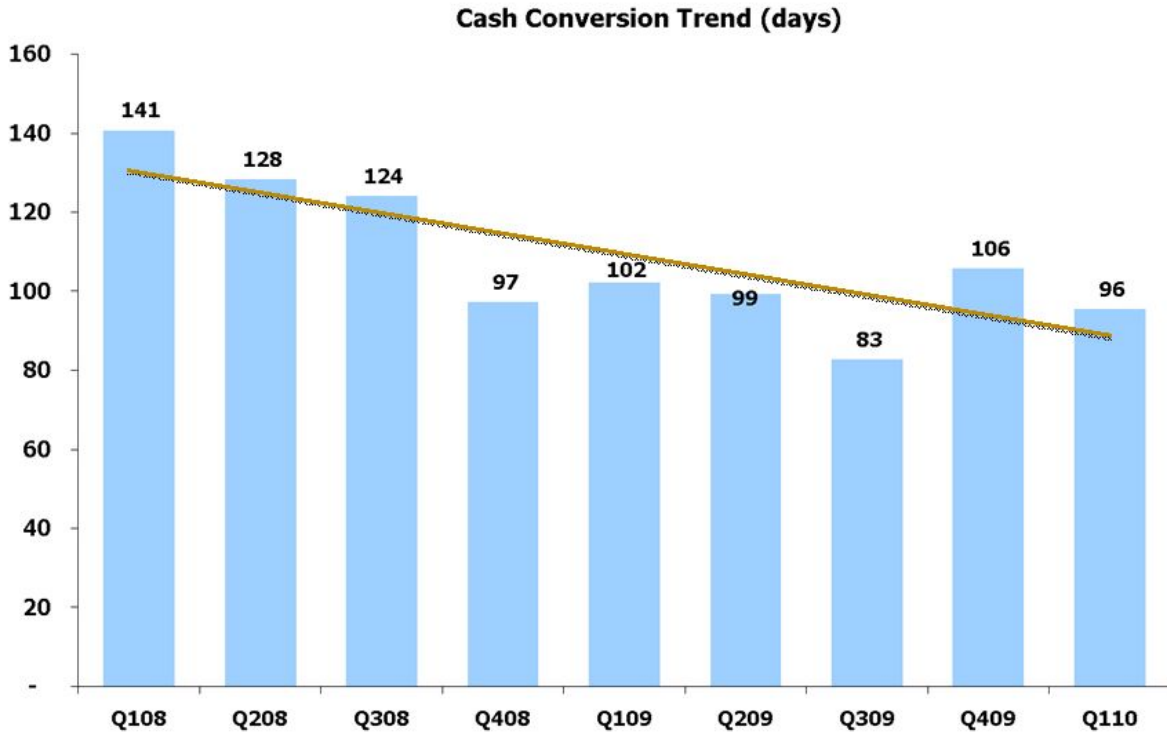
Improved working capital efficiencies

- Supply chain transformation
 - Operational efficiencies
 - Manufacturing lead times
 - Cost of quality
 - Competitive advantage for Mercury and customers
 - Inventory reduced \$13.9M since Q3 FY08 as reported

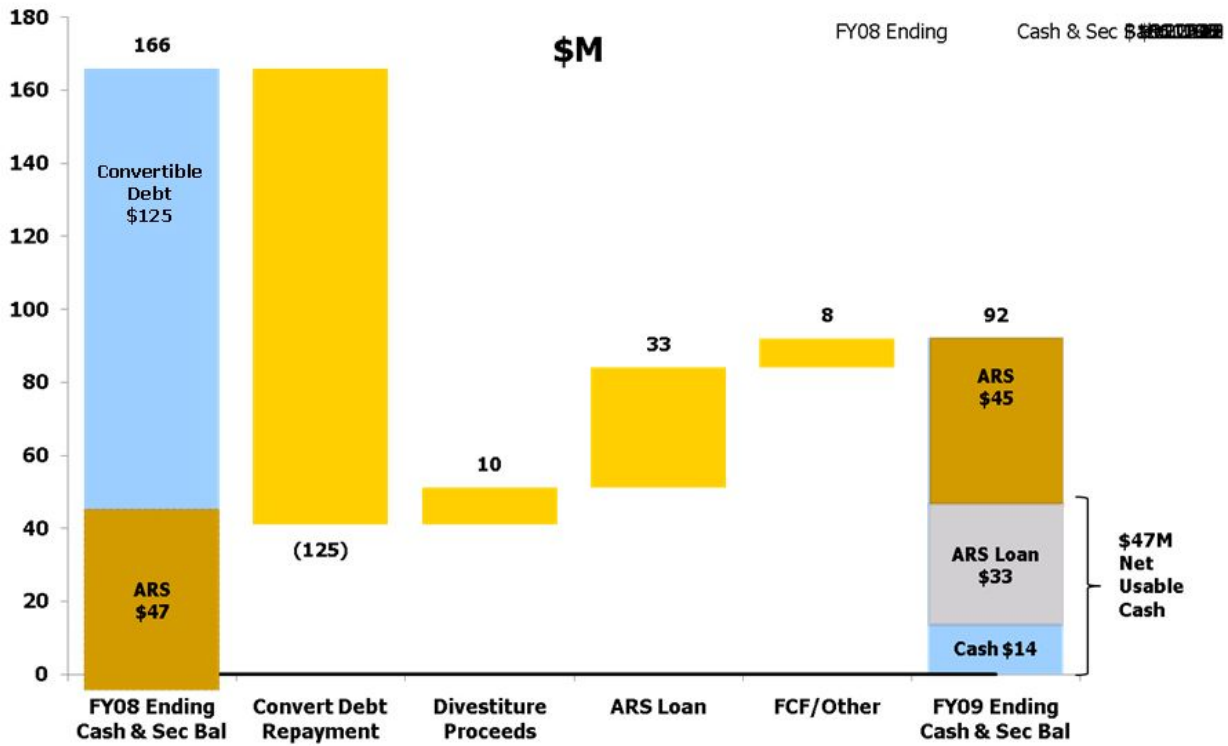
- Customer satisfaction
 - Blue chip customers
 - End-of-quarter shipment skew



Much improved cash conversion cycle



Repaid debt and improved cash balance



Note: ARS settlement at par (\$50M) with UBS 6/30/10

Strong and unencumbered balance sheet

	Q1'10 (\$M)
Cash and Marketable Securities	94
Total Current Assets	152
Total Assets	226
Debt	33
Total Liabilities	76
Shareholders' Equity	150

- Generated \$2M free cash flow in Q1
- Zero cost ARS loan of \$33M
- \$50M ARS balance repaid at par 6/30/10
- 22.5M shares outstanding

Robust target business model

GAAP	MFS Proforma	ACS Proforma	Target Business Model
Revenue	100%	100%	100%
Gross Margin	20%	55%	54+%
SG&A	12%	23%	Low-mid 20's
R&D	0%	19%	High Teens
Income from Operations	~8%	~13%	12-13%
Adj EBITDA	~11%	~18%	17-18%

Notes: Target Business Model assumes organic growth. ACS /MFS approx 90%/10% revenue split
Adj EBITDA adjusts for Depreciation 2-3% of revenue and Stock Based Comp 2-3% of revenue

Q1'10 prior year comparison (GAAP)

GAAP	Q1'09	Q1'10	Delta
Revenue (\$M)	45	47	2
Gross Margin % Revenue	55.6%	57.6%	2 pts
Operating Expenses (\$M)	24	22	(2)
Income from Operations (\$M) % Revenue	1 3.0%	5 10.7%	4 7.7 pts
Adj EBITDA	5	8	3
EPS	\$0.06	\$0.19	\$0.13
Operating Cash Flow (\$M)	3	3	0

Notes:

1) All historical income statement figures have been restated for operations that have been discontinued subsequent to that time.

2) Adj EBITDA is earnings before impairment charges, interest, taxes, restructuring, stock compensation, amortization and depreciation.

Last 9 quarter's revenues and EPS exceeded or met the top end of guidance

2008	Q1		Q2		Q3		Q4	
	Reported	Guidance	Reported	Guidance	Reported	Guidance	Reported	Guidance
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	Q1		Q2		Q3		Q4	
	Reported	Guidance	Reported	Guidance	Reported	Guidance	Reported	Guidance
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	Q1		Q2		Q3		Q4	
	Reported	Guidance	Reported	Guidance	Reported	Guidance	Reported	Guidance
Revenue (\$M)	47.4	43.0-45.0						
EPS (\$)	0.19	0.03-0.08						

Note: FY08–FY09 Guidance Reporting are on a Non-GAAP basis; Q1 FY10 is on a GAAP basis

Q2'10 guidance

Quarter Ending December 31, 2009		
	Low	High
Revenues (\$M)	\$40	\$42
GAAP EPS	(\$0.08)	(\$0.04)
Adj EBITDA	\$0.6	\$1.9
Note - Adj EBITDA Adjustments:		
Net Income	(1.8)	(0.8)
Stock compensation	1.3	1.3
Interest Expense	0.1	0.1
Interest Income	(0.1)	(0.1)
Taxes	(0.7)	(0.4)
Amortization	0.4	0.4
Depreciation	1.4	1.4
Adj EBITDA	0.6	1.9

Financial summary

- Returned to profitability
- 11% bookings and 18% backlog growth (CAGR)
- Improved working capital efficiencies
- Healthy cash flows from operations
- Strong and unencumbered balance sheet
- Robust target business model 17-18% Adj. EBITDA
- \$100M shelf registration effective

Thank You



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Appendix

GAAP to Non-GAAP Reconciliation

	Year Ended June 30, 2007 ⁽¹⁾	Year Ended June 30, 2008 ⁽¹⁾	Year Ended June 30, 2009 ⁽²⁾
GAAP net income (loss)	(\$37.8)	(\$35.4)	(\$1.3)
Adjustment to exclude stock-based compensation	10.6	10.4	4.6
Adjustment to exclude inventory write-down	0.0	0.8	0.0
Adjustment to exclude in-process research and development	3.1	0.0	0.0
Adjustment to exclude amortization of acquired intangible assets	7.2	7.3	2.4
Adjustment to exclude impairment of goodwill and long-lived assets	0.1	18.0	0.0
Adjustment to exclude restructuring	5.5	5.2	1.7
Adjustment to exclude gain on sale of long-lived assets	0.0	(3.2)	0.0
Adjustment for tax impact	5.2	0.2	(5.6)
Non-GAAP net income (loss)	(\$6.2)	\$3.3	\$1.8
Adjustment to exclude taxes and other income (expense)	7.9	2.8	0.2
Non-GAAP Income (loss) from operations	(\$14.1)	\$0.5	\$1.6
GAAP net income (loss)	(\$37.8)	(\$35.4)	(\$1.3)
Adjustment to exclude loss from disco ops, net of income taxes	(8.9)	(30.0)	(20.3)
Adjustment to exclude gain (loss) on sale of disco ops	0.0	(1.0)	11.1
GAAP net income (loss) from continuing operations	(\$28.9)	(\$4.4)	\$7.9
Adjustment to exclude GAAP related items ⁽³⁾			3.1
Non-GAAP net income (loss) from continuing operations			\$11.0
Adjustment to exclude taxes and other income (expense)			5.4
Non-GAAP Income (loss) from continuing operations			\$16.4
Net income (loss) per share - Diluted - GAAP	(\$1.78)	(\$1.64)	(\$0.06)
Net income (loss) per share - Diluted - Non-GAAP	(\$0.29)	\$0.15	\$0.08
Net income (loss) per share - continuing operations - Diluted - GAAP	(\$1.36)	(\$0.21)	\$0.35
Net income (loss) per share - continuing operations - Diluted - Non-GAAP			\$0.49
Weighted average shares - Diluted - GAAP	21.2	21.6	22.4
Weighted average shares - Diluted - Non-GAAP	21.2	22.0	22.4

Notes:

1)FY07 – FY08 GAAP net income (loss) figures are as reported in the Company's earnings press release at the end of the applicable fiscal period

2)FY09 GAAP net income (loss) figures are restated for discontinued operations as reported

3)GAAP related items: stock comp, amortization, restructuring and adjustment to taxes

Adjusted EBITDA reconciliation

	Quarter Ended <u>Sept 30, 2008</u>	Quarter Ended <u>Sept 30, 2009</u>
Income from Operations	\$1.3	\$5.1
Other income / (expense)	0.0	0.3
Income Tax Expense	0.0	0.9
Net income from continuing operations	\$1.4	\$4.4
Stock-based compensation expense	1.1	0.5
Interest Expense	0.8	0.1
Interest Income	(1.0)	(0.1)
Income Tax Expense	0.0	0.9
Restructuring	0.2	0.3
Amortization of acquired intangible assets	1.0	0.4
Depreciation	1.5	1.3
Adj EBITDA	\$5.1	\$7.8

Note: All historical income statement figures have been restated for operations that have been discontinued subsequent to that time.