

**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): **January 12, 2015**

ACCURAY INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-33301

(Commission File Number)

20-8370041

(IRS Employer Identification No.)

**1310 Chesapeake Terrace
Sunnyvale, California 94089**

(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: **(408) 716-4600**

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))

Item 2.02 Results of Operations and Financial Condition

On January 12, 2015, Accuray Incorporated ("Accuray" or the "Company") announced certain preliminary estimated financial results for the Company for the quarter ended December 31, 2014. This information is contained in the management presentation attached hereto as Exhibit 99.1.

Highlights for the second fiscal quarter of 2015 include:

- Gross orders expected to be approximately \$72 million
 - 28% TomoTherapy in single or dual vault settings; 26% large university teaching hospitals outside of US/Western Europe; 62% non-university affiliated hospitals; and 9% trade-in or trade-up
 - Chinese NHFPC issued 6 licenses for Accuray product last month:
 - One system order went to backlog in Q2 FY15
 - Two system orders are expected to go to backlog in Q3 or Q4 FY15
 - Three system licenses pertain to distributor orders already taken to backlog
- Net orders expected to be approximately \$41 million. In addition the Company expects following:
 - Age-outs of approximately \$18 million, as expected
 - Cancellations of approximately \$7 million, with no competitive losses
 - Foreign currency impact of approximately \$6 million
 - Net decrease in backlog of approximately \$6 million or 1.7%.
- Total revenue expected to be in excess of \$97 million, an increase of 4% year over year (7% on constant currency) and an increase of 18% from the first quarter of fiscal 2015.

The above information is preliminary and subject to completion of quarter-end financial reporting processes and review.



Accuray Incorporated

J.P. MORGAN HEALTHCARE CONFERENCE
JANUARY 2015

NASDAQ: ARAY

Forward Looking Statements

Safe Harbor Statement

Statements in this presentation (including the oral commentary that accompanies it) that are not statements of historical fact are forward-looking statements and are subject to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this presentation relate, but are not limited to the size and growth of the global market for radiation therapy systems, market position of our products, product roadmap, and our business opportunities and focus, including strategies for commercial execution, product positioning, customer accounts and emerging markets, and our expected financial results for the second quarter and full fiscal year 2015. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from expectations, including but not limited to: the extent of market acceptance for the company's products and services; the company's ability to convert backlog to revenue; the success of its worldwide sales and marketing efforts; the ability to control operating expenses; continuing uncertainty in the global economic environment; potential differences between the Company's preliminary financial analysis and the final results for the applicable period as a result of the completion of internal reporting process and review, and other risks detailed under the heading "Risk Factors" in the company's report on Form 10-K for fiscal 2014, filed on August 29, 2014 and as updated from time to time in our other filings with the Securities and Exchange Commission.

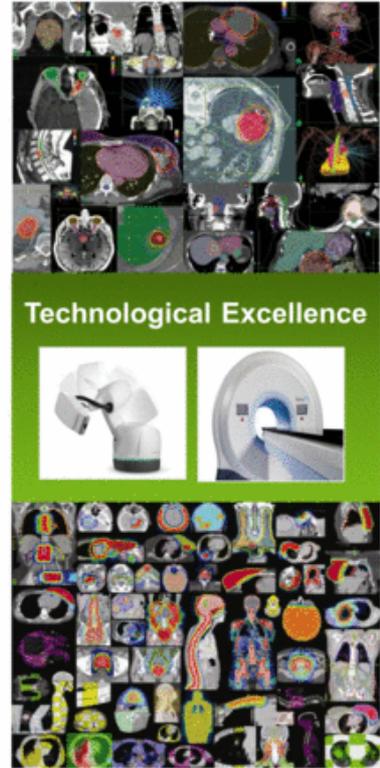
Forward-looking statements speak only as of the date the statements are made and are based on information available to the company at the time those statements are made and/or management's good faith belief as of that time with respect to future events. The company assumes no obligation to update forward-looking statements to reflect actual performance or results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. Accordingly, investors should not put undue reliance on any forward-looking statements.

This presentation also contains non-GAAP financial information. Management believes that this non-GAAP financial measure provides useful supplemental information to management and investors regarding the performance of the company and facilitates a more meaningful comparison of results for current periods with previous operating results. Additionally, it will assist management in analyzing future trends, making strategic and business decisions and establishing internal budgets and forecasts. A reconciliation is available in the Appendix.

Accuray Incorporated

Company Highlights

- Large and growing radiation therapy market
- Products positioned in fastest growth segments
- Unique differentiated technology that leads the market in dosing precision
- Roadmap to maintain precision leadership
- Improving commercial execution
- Driving to sustained profitability



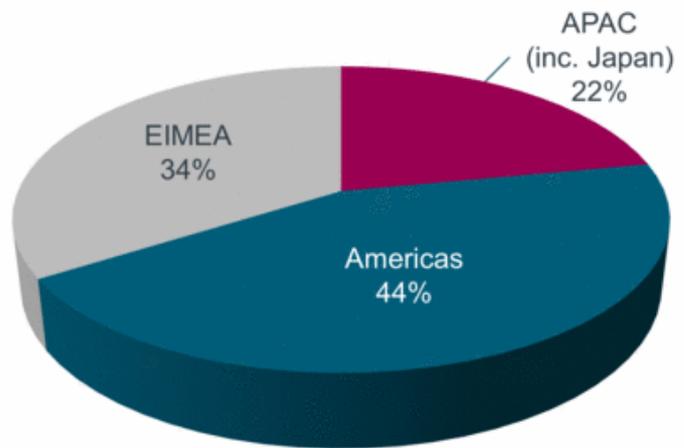
Large and Growing Market

Radiation Therapy is Integral to Cancer Treatment

- Worldwide incidences of cancer are estimated to reach 17 million by 2017
 - Driven by growth of aging population
- 90% of all cancers are projected to be solid tumors
 - Potentially eligible for radiation therapy
- 60% of cancer patients worldwide may undergo some form of radiation therapy during their course of treatment
 - Increasing preference for non-surgical treatment options

Radiation Therapy Revenue (Global)*

\$3.5 billion in 2014



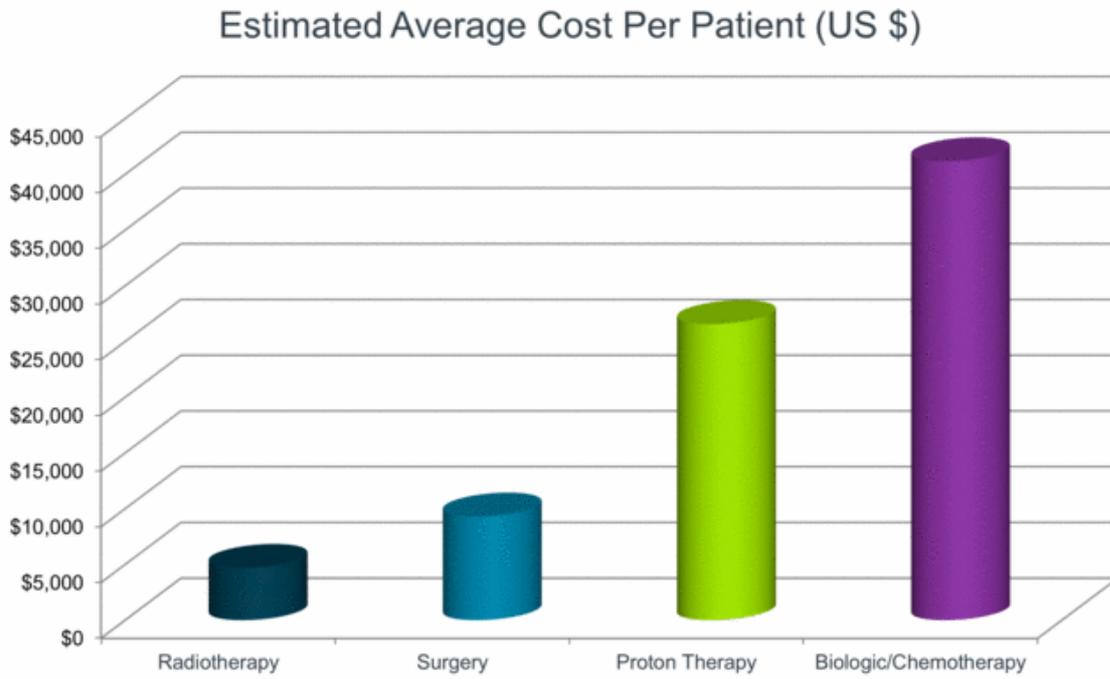
*Does not include software or brachytherapy.

Expected market growth of 3%-5% in 2015.

Source: Comparative data is based upon information gathered from Fiscal year filings (Varian, Elekta, Accuray); Internal estimates for revenue growth forecast and regional breakdown; Radiation Therapy Equipment-A Global Strategic Business Report (Nov 2013).

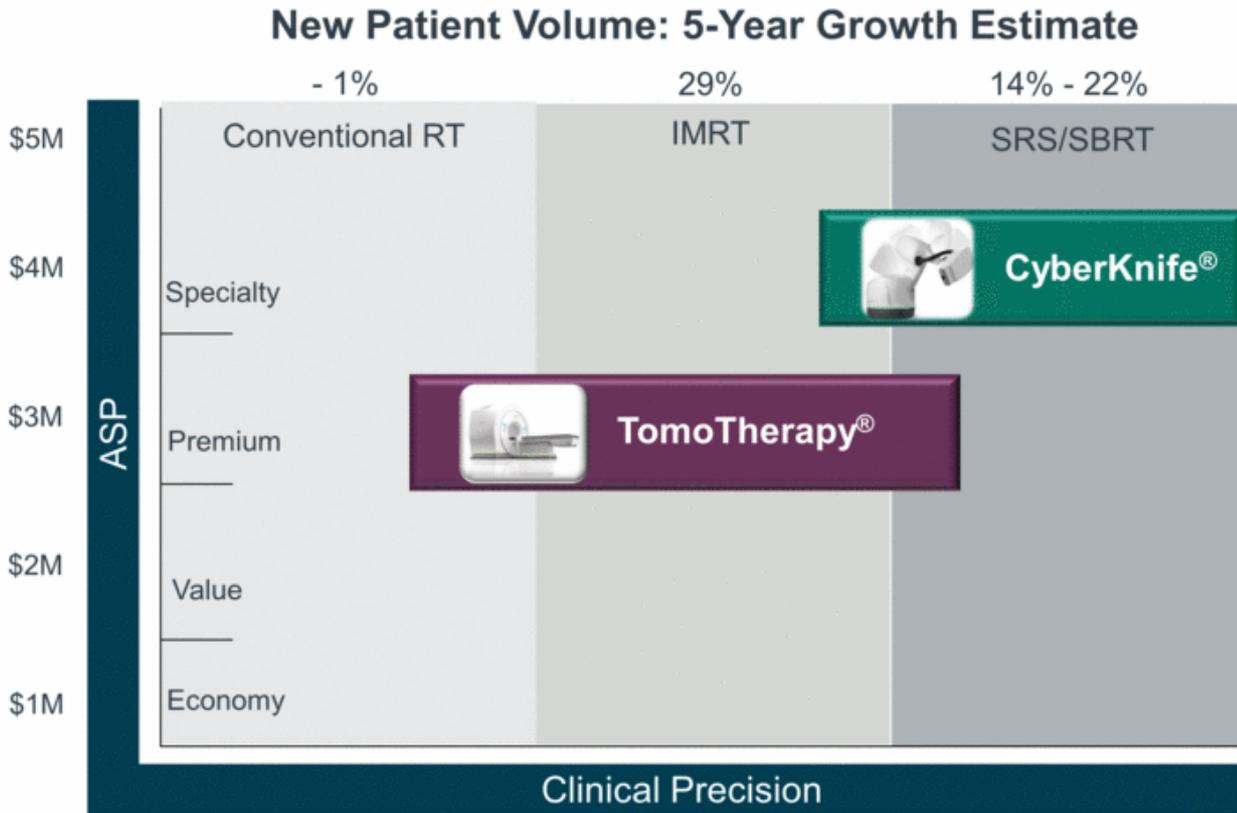
Large and Growing Market

Radiotherapy is a Cost-Effective Alternative



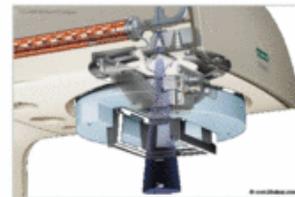
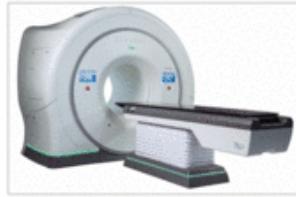
Source: Daedal Research "Global Proton Therapy Market: Trends and Opportunities (2013-2018)."

Products Positioned in Growth Segments



*Source: U.S. data. The Advisory Board Company, five-year growth projection.

Uniquely Differentiated Technology

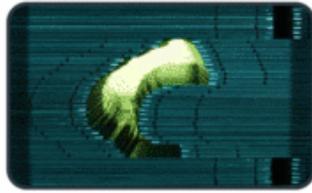


CyberKnife®	TomoTherapy®	Conventional LINACs
<ul style="list-style-type: none"> • Widest range of beam angles enables precise delivery of radiation to the tumors, avoiding healthy tissue. 	<ul style="list-style-type: none"> • Fast, interactive planning enables efficient, high quality treatment plans for all. 	<ul style="list-style-type: none"> • Limited range of beam angles compromises precision and increases the risk that healthy tissue is irradiated. • Different delivery modes require different treatment planning workflows, increasing planning time and complexity.
<ul style="list-style-type: none"> • Continual visualization of the tumor ensures accuracy of the beam from session start to finish. 	<ul style="list-style-type: none"> • Daily 3D CT imaging facilitates reliable margin reduction and tumor targeting from the first to last fraction. 	<ul style="list-style-type: none"> • User discretion and intervention for imaging. • Conebeam CT typically uses more dose per image, therefore imaging done less frequently.
<ul style="list-style-type: none"> • Automatic tumor tracking and beam adjustment enable clinicians to precisely maximize dose and minimize side effects. 	<ul style="list-style-type: none"> • Ultra-fast MLC enables the radiation beam to cover the targeted tumor while minimizing dose to normal, healthy tissue. 	<ul style="list-style-type: none"> • Non-integrated tumor tracking and adjustment using beam gating and wider dose margins. • Slow MLC designed for simple, low fidelity beam can reduce treatment options.

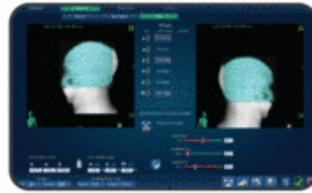
Maintaining Technology Leadership

Product Roadmap

CyberKnife®



Multileaf Collimator
Expands Clinical Utility



Interface Optimizes
Workflow



Faster Treatment Times
Increase Throughput *

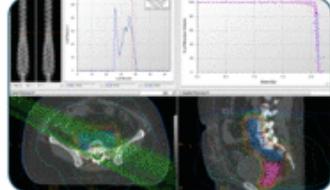
TomoTherapy®



Motion Management
Ensures Accurate
Dose Delivery



Imaging Enhancements
Reduces Setup and
Treatment Times



Integrated QA Facilitates
Simplified Performance
Monitoring

**Not actual patient photo.*

Improving Commercial Execution

The Vital Few

- 1** Accelerate TomoTherapy® mainstream product positioning
- 2** Broaden CyberKnife® clinical versatility around MLC
- 3** Activate GPO/strategic accounts contracts portfolio
- 4** Focus on installed base satisfaction
- 5** Improve U.S. commercial momentum
- 6** Develop profitable China growth strategy



Improving Commercial Execution

Accelerate TomoTherapy® Mainstream Product Positioning

Improvements in Performance and Reliability

=

Opportunities in Single and Multi Vault Facilities



Type	Cancer Centers ¹	TomoTherapy® Share ²
3+ vaults	345	23%
2 vaults	736	8%
1 vault	1,219	4%
Total	2,300	9%

“TomoTherapy users feel the system is a workhorse and believe it is one of the best systems on the market for radiation oncology treatments.” *MD Buyline Q3 2014*

1. Estimates based on IMV 2012/13 Radiation Therapy Market Summary Report, July 2013.
 2. Internal Accuray information (Feb 2014).

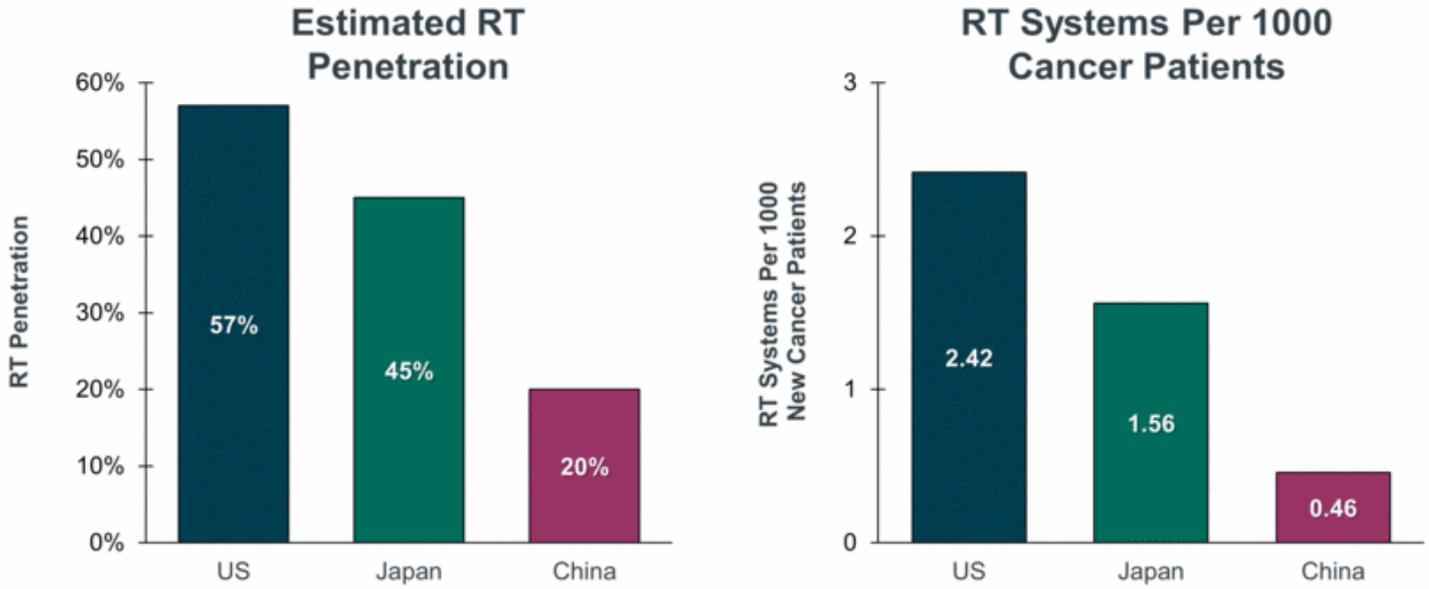
Improving Commercial Execution

Activate GPO/Strategic Accounts Contracts

GPO	Access	Contract
	<ul style="list-style-type: none"> 3,000+ hospitals and oncology centers Represents ~ 40 percent of the U.S. hospitals 	<ul style="list-style-type: none"> EXCLUSIVE three-year contract. <ul style="list-style-type: none"> Only contracted line of radiotherapy products and services available. Covers the CyberKnife® and TomoTherapy® Systems, upgrades and service.
	<ul style="list-style-type: none"> 2,900 hospitals VHA, UHC & Provista 	<ul style="list-style-type: none"> Three-year multi-vendor contract. Covers the CyberKnife and TomoTherapy Systems, upgrades and service.
	<ul style="list-style-type: none"> 2,570 hospitals ~\$9 billion in total sales, as of December 31, 2012 	<ul style="list-style-type: none"> Three-year "Vendor of Choice" contract. Covers the CyberKnife and TomoTherapy Systems, upgrades and service.
	<ul style="list-style-type: none"> 1,400 hospitals >92% compliant 	<ul style="list-style-type: none"> Currently under contract for the TomoTherapy System. Starting negotiations for a three-year contract for both the CyberKnife and TomoTherapy Systems.

Improving Commercial Execution

Develop Profitable China Growth Strategy



➔ Estimated LINAC demand at 50% treatment of newly diagnosed cases: 5,000 units

Source: Accuray internal estimates.

Driving to Sustained Profitability

(in millions)	FY2013	FY2014	Guidance FY2015 (1)	Growth YOY	
				FY14/FY13	FY15/FY14
Product Revenue	\$137.4	\$173.6			
Service Revenue	\$178.6	\$195.8			
Total Revenue	\$316.0	\$369.4	\$390 to \$410	17%	6% to 11%
Gross profit	\$97.6	\$142.8		46%	NR
Margin	30.9%	38.7%			
Operating Income	(\$80.7)	(\$18.1)			
aEBITDA (2)	(\$55.7)	\$13.3	\$18 to \$27	NM	35% to 103%

Committed to profitable revenue growth from expanding margins and controlled operating expenses

- (1) FY2015 Guidance as presented in Q1 earnings release dated October 29, 2014 and not updated today. Final Q2FY15 Results and Guidance on FY15 to be issued on January 27, 2015.
- (2) A reconciliation of aEBITDA to GAAP net income/(loss) can be found in the appendix.

Q2 FY15 Performance Update

Executing on the Transformation

Gross orders expected to be approximately \$72 million

- 28% TomoTherapy in single or dual vault settings
- 26% large university teaching hospitals outside of US/Western Europe
- 62% non-university affiliated hospitals
- 9% trade-in or trade-up
- Chinese NHFPC issued 6 licenses for Accuray product last month:
 - One system order went to backlog in Q2 FY15
 - Two system orders are expected to go to backlog in Q3/4 FY15
 - Three system licenses pertain to distributor orders already taken to backlog

Final Q2FY15 Results and Guidance on FY15 to be issued on January 27, 2015

Q2 FY15 Performance Update

Executing on the Transformation

Net orders expected to be approximately \$41 million

- Age-outs approximately \$18 million, as expected
- Cancellations approximately \$7 million, no competitive losses
- Foreign currency impact approximately \$6 million
- Net decrease in backlog approximately \$6 million or 1.7%

Total revenue expected to be in excess of \$97 million

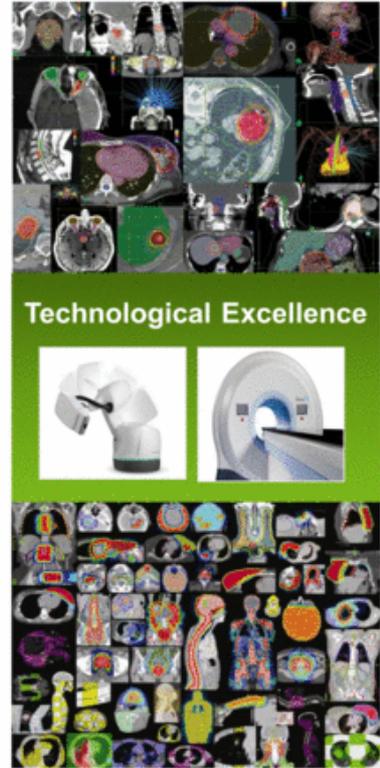
- Represents year-over-year growth of 4%, or 7% on constant currency
- Represents sequential quarter growth of 18%

Final Q2FY15 Results and Guidance on FY15 to be issued on January 27, 2015

Accuray Incorporated

Company Highlights

- Large and growing radiation therapy market
- Products positioned in fastest growth segments
- Unique differentiated technology that leads the market in dosing precision
- Roadmap to maintain precision leadership
- Improving commercial execution
- Driving to sustained profitability





Precise, innovative tumor treatments™



Appendix

aEBITDA Reconciliation: Non-GAAP

Accuray Incorporated
 Reconciliation of Projected GAAP Net Loss to Forward-Looking Guidance for Non-GAAP Financial Measures
 (In thousands)
 (Unaudited)

	Twelve Months Ending June 30, 2015	
	From	To
GAAP net loss	\$(36,700)	\$(28,000)
Amortization of intangibles (a)	8,000	8,000
Depreciation (b)	11,700	11,700
Stock-based compensation (c)	15,000	15,000
Interest expense, net (d)	16,500	16,500
Provision for income taxes	3,500	3,800
Adjusted EBITDA	<u>\$ 18,000</u>	<u>\$ 27,000</u>

(a) consists of amortization of intangibles - primarily developed technology

(b) consists of depreciation, primarily on property and equipment

(c) consists of stock-based compensation in accordance with ASC 718

(d) consists primarily of interest income from available-for-sale securities and interest expense associated with our convertible notes

This presentation contains non-GAAP financial information. Management believes that this non-GAAP financial measure provides useful supplemental information to management and investors regarding the performance of the company and facilitates a more meaningful comparison of results for current periods with previous operating results. Additionally, it will assist management in analyzing future trends, making strategic and business decisions and establishing internal budgets and forecasts.