

**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 11, 2016**

**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 7.01. Regulation FD Disclosure.**

Representatives of the Company intend to present the management presentation slides, attached hereto as Exhibit 99.1, in presentations during a conference from January 11 — 14, 2016, and may use the slides in additional presentations to investors and analysts from time to time. The presentation slides will also be posted on the investor relations portion of the Company's website.

The information contained in this Current Report on Form 8—K, including Exhibit 99.1, is furnished pursuant to Item 7.01 and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
99.1	Management presentation slides of Accuray Incorporated, dated January 2016.

**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 hereunto duly authorized.

**ACCURAY INCORPORATED**

Dated: January 11, 2016

By: \_\_\_\_\_  
/s/ Kevin Waters  
Kevin Waters  
*Senior Vice President & Chief Financial Officer*

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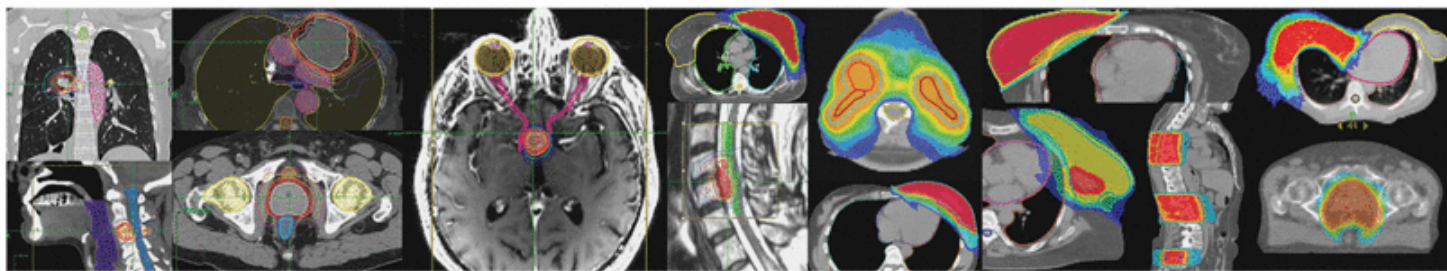
**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
99.1	Management presentation slides of Accuray Incorporated, dated January 2016.

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# PRECISION MATTERS



J.P. Morgan  
Healthcare Conference  
January 2016

# 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 first quarter and full fiscal year 2016. 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 2015, filed on August 28, 2015 and Form 10-Q for the period ended September 30, 2015, as filed on November 5, 2015 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 Overview

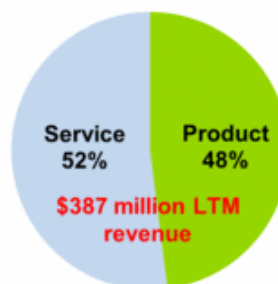
Accuray is a global radiation oncology company whose innovative products set the standard for precision and dosing accuracy

## Accuray At-a-Glance

- **Products:** CyberKnife® and TomoTherapy® Systems
- **Headquarters:** Sunnyvale, CA
- **Employees:** 1,000
- **LTM Revenue<sup>(a)</sup>:** \$387 million
- **LTM Adjusted EBITDA<sup>(b)</sup>:** \$23 million
- **LTM Product Revenue:** \$186 million
- **LTM Service Revenue:** \$201 million
- Service is recurring revenue source; average 3-year term

## Key Statistics

LTM Revenue by Segment



LTM Revenue by Geography



Backlog as of 9/30/2015: \$380M

(a) Last twelve months as of September 30, 2016

(b) Excludes one-time legal expense of \$3.4 million from Cowealth arbitration ruling  
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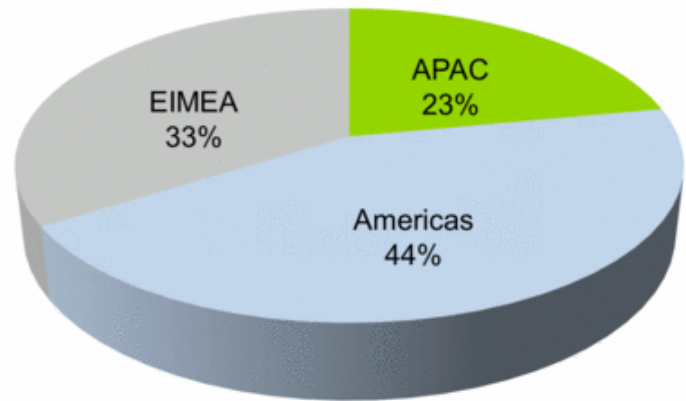
# Large and Growing Market

## Radiation Therapy is Integral to Cancer Treatment

- Worldwide incidence of cancer is estimated to reach **25 million** cases by 2030; mainly driven by growth of aging population and lifestyle impacts
- **90%** of all cancers projected as solid tumors: potentially treatable with radiotherapy
- Estimated **50% - 60%** of all cancer patients worldwide would benefit from radiation therapy
- Growing preference for **non-surgical** treatment options

### Radiation Therapy Revenue (Hardware and Service, Excluding Protons)

\$4.4 billion in 2015



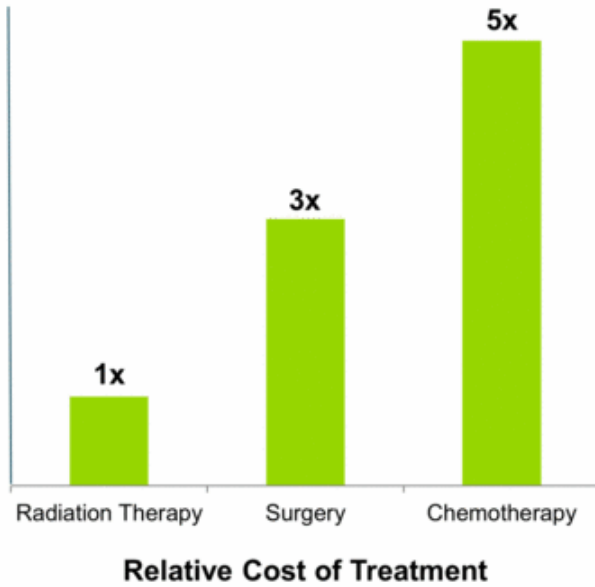
Expected constant-currency market growth of 2% to 3%

Sources: Radiation Therapy Equipment-A Global Strategic Business Report (Nov 2013); Comparative data is based upon information gathered from Fiscal year filings (Varian, Elekta, Accuray); Internal estimates for revenue growth forecast and regional breakdown; The Lancet Oncology Commission: "Expanding global access to radiotherapy"

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# Radiation Therapy is Growing in Importance

## 1 Cost Efficient



## 2 Increasing Support and Evidence for Efficacy

Tele-radiotherapy network for low- and middle-income group countries

The Lancet Oncology Commission  
Expanding global access to radiotherapy

	Radiotherapy utilisation rate (%)	Mean radiotherapy fractions per course	5-year local control benefit (%)	5-year overall survival benefit (%)
Breast	87	16	15	2
Cervix	71	21	35	20
Colorectal	19	23	5	2
Haematological	48	8	7	4
Head and neck	74	22	34	20
Liver	0	0	0	0
Lung	77	16	9	6
Oesophagus	71	15	5	2
Prostate	58	28	25*	1
Stomach	27	19	2	1
Total	50	18	10	4

Radiotherapy utilisation rate is the number of patients for whom radiotherapy is the treatment of choice according to guidelines and evidence, divided by the number of new cases in one year. Haematological cancers include leukaemia, Hodgkin's lymphoma, non-Hodgkin lymphoma, and multiple myeloma. \*5-year biochemical disease-free survival for curative cases only.

Table 1: Radiotherapy utilisation rate, mean fractions, and outcome benefits (absolute proportional) for top ten cancers globally by incidence



# Global Radiotherapy Capacity Gaps

60% Growth in Market Capacity Projected Over Next 20 Years

THE LANCET **Oncology**

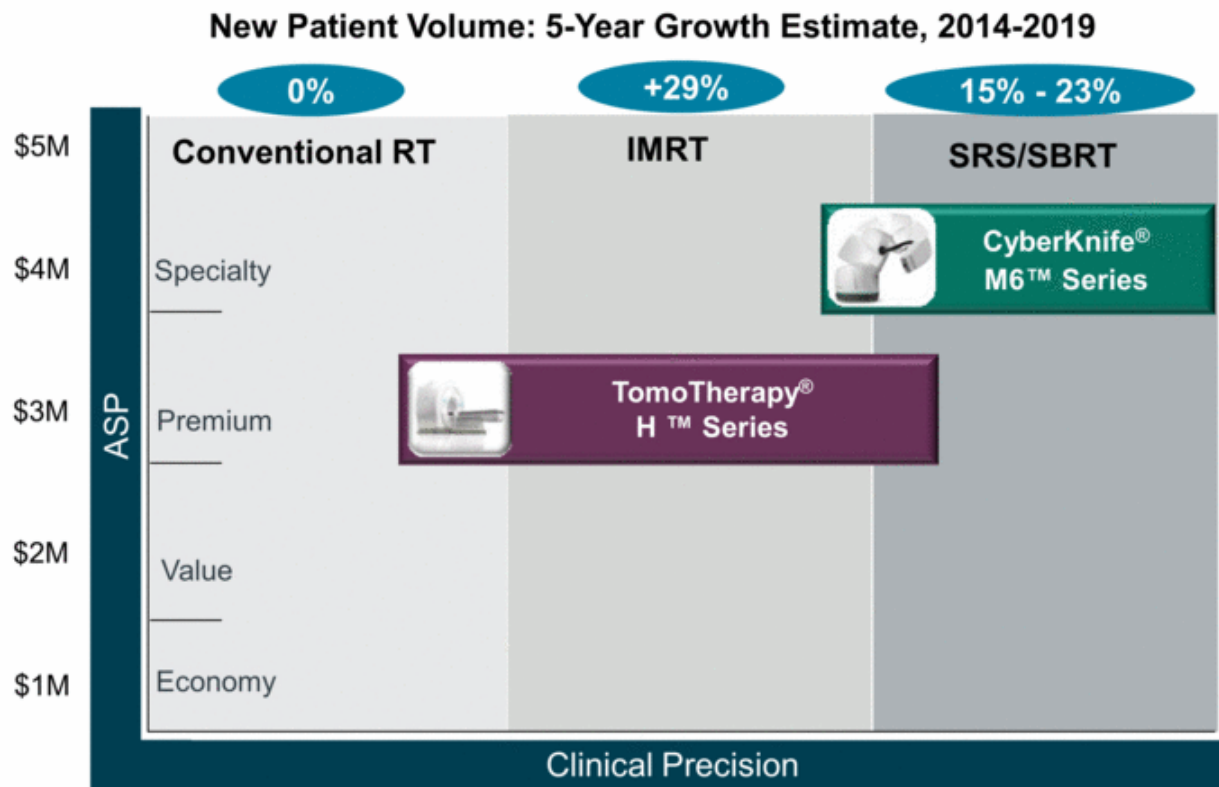
	2015	2035	GAP
Radiotherapy Departments	7,700	10,900	3,200
Linear Accelerators	13,100	21,800	8,700 (Gap) <u>+13,100 (Replacements)</u> <b>21,800 (Total)</b>
Radiation Oncologists	23,200	45,500	22,300
Medical Physicists	10,000	39,300	29,300
Radiation Technologists	33,300	130,200	96,900

Coverage of radiotherapy services according to country as determined by global equipment databases, an activity-based operations model, cancer incidence, and evidence-based estimates of radiotherapy need.





# Accuray Opportunity: Products Positioned in Growth Segments



\*Source: U.S. data. The Advisory Board Company – Service Line Forecast Compendium , April 2015  
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# Accuray Differentiated Technology

Products' Unique Architecture Drives Superior Precision and Accuracy

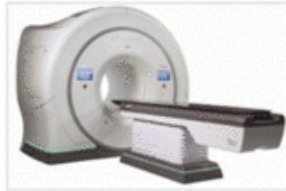
## Accuray Products

### CyberKnife®



- Robotic architecture
- Continual imaging throughout treatment
- Automatically tracks and adjusts beam for tumor movement
- Sub-millimeter precision
- Spares healthy tissue

### TomoTherapy®



- CT scanner-based; ring gantry platform
- Daily, low-dose 3D CT scan
- Fast MLC delivers thousands of "beamlets" with continuous 360° rotation of the ring gantry
- Dose contouring superiority
- Spares healthy tissue

## Competitor

### Conventional LINAC



- C-arm based; standard gantry platform
- User discretion and intervention to image
- C-arm architecture and limited beam delivery angles requires larger treatment margin area and risk of healthy tissue exposure



# Commercial Strategy Execution

Five Primary Business Initiatives to Drive Revenue and Margin Growth

**1** Accelerate TomoTherapy®  
Mainstream Product Positioning

**2** Broaden CyberKnife®  
Clinical Versatility Around Multi-Leaf  
Collimators (MLC)

**3** Drive Order Growth by Focusing on  
Strategic Accounts With Key  
Hospital Networks

**4** Continued Focus on China  
Commercial Opportunity

**5** Focus on Installed Base  
Satisfaction and Upcoming  
Replacement Opportunities



# Accelerating TomoTherapy® System Mainstream Product Positioning

In Fiscal Q2 2016 > 50% Overall New TomoTherapy System Mix Sales was in 1 or 2 Vault Facilities

Opportunities in Single and Multi-Vault Hospital Facilities (U.S.)

	Type	Cancer Facilities <sup>1</sup>	TomoTherapy® Share <sup>2</sup>
Accuray Traditional Focus (Academic Medical Centers)	3+ vaults	345	25%
Improved Access to Small/Medium Size Facilities	2 vaults	736	8%
	1 vault	1,219	4%
	Total	2,300	9%

1. Estimates based on U.S. IMV 2012/13 Radiation Therapy Market Summary Report, July 2013.

2. Internal Accuray information (July 2015).

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# CyberKnife® InCise™ Multi-Leaf Collimator (MLC) Impact

In Fiscal Q2 2016 > Greater than 80% of all CyberKnife M6™ Orders Included an MLC

MLC Benefits



- Drives significant reduction in treatment times
- Expands clinical versatility from larger field size
- Addresses primary historical obstacles to clinical adoption

Case Type	Treatment Type	MLC Treatment Times	Fixed/Iris Treatment Times
Intracranial	SRS	22 min	~ 51 min
	SRS	30 min	~ 90 min
	IMRT	17 min	
	IMRT	20 min	
Prostate	SBRT	25 min	~ 40 min
	SBRT	18 min	~ 26 min
	IMRT	29 min	~ 49 min
Lung	SBRT	19 min	

Treatment times reported by customers for clinical cases delivered to patients. Includes setup and delivery time.  
 (Treatment times reported by MultiPlan® planning station for equivalent fixed/Iris plan. Includes estimated setup time.)  
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# Focusing on Strategic Accounts

## Strategic/GPO Accounts at a Glance

- Includes integrated delivery networks for both hospitals and free standing centers
- Can drive multi-system orders
- Accuray has partnerships with the following GPOs:



## Strategic Account First Half Activity

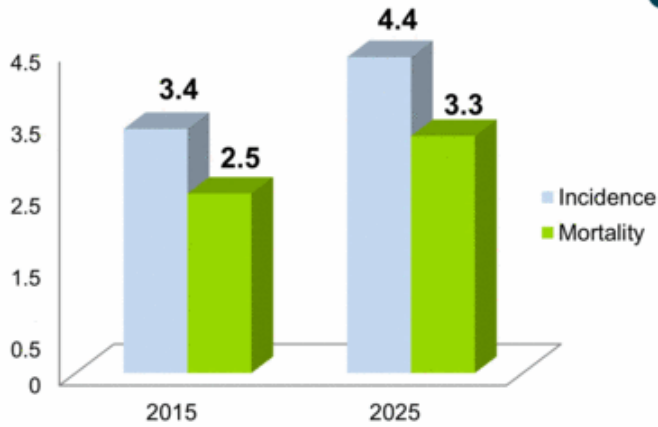
- Orders :
  - Key Opinion Leader (KOL) within the radiation oncology community
  - Government customer/VA
  - Trade-in trade-up by major university in Texas
  - "Next generation" product collaboration with KOL in Japan
  - Multi-system order for four TomoTherapy® Systems and one CyberKnife® M6™ System
  - Three system orders placed by hospitals affiliated with our GPO partners went to backlog



# China Growth Potential

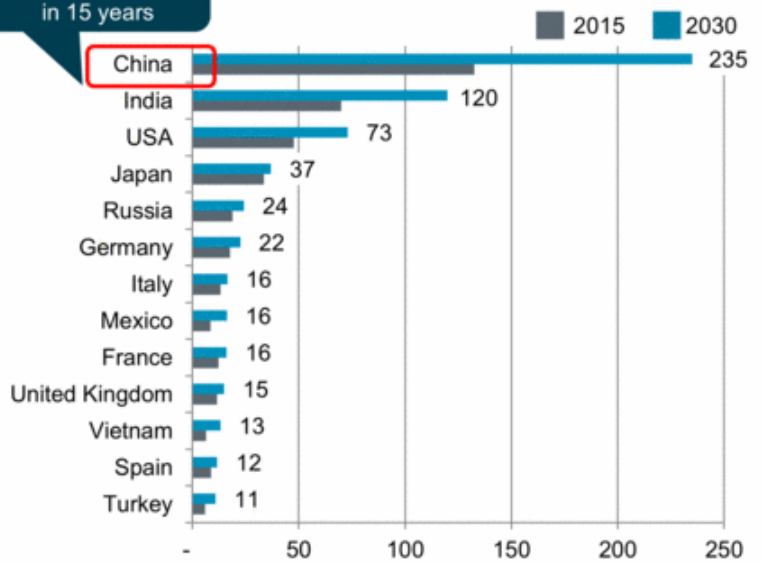
Cancer Incidence in China Will Continue to Rise

Cancer Incidence and Mortality Rates (Millions)\*



Population 65+ (Millions)

65+ population will almost double in 15 years



Source: World Health Organization, International Agency for Research on Cancer. [http://globocan.iarc.fr/Pages/burden\\_sel.aspx](http://globocan.iarc.fr/Pages/burden_sel.aspx) accessed 1/7/2016

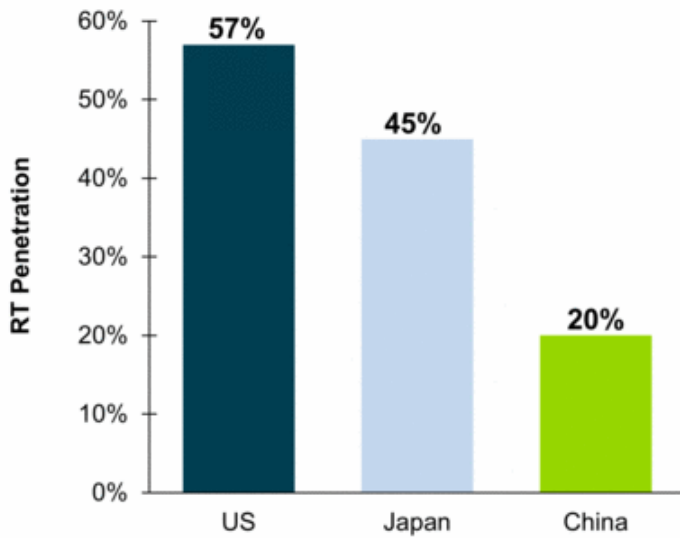
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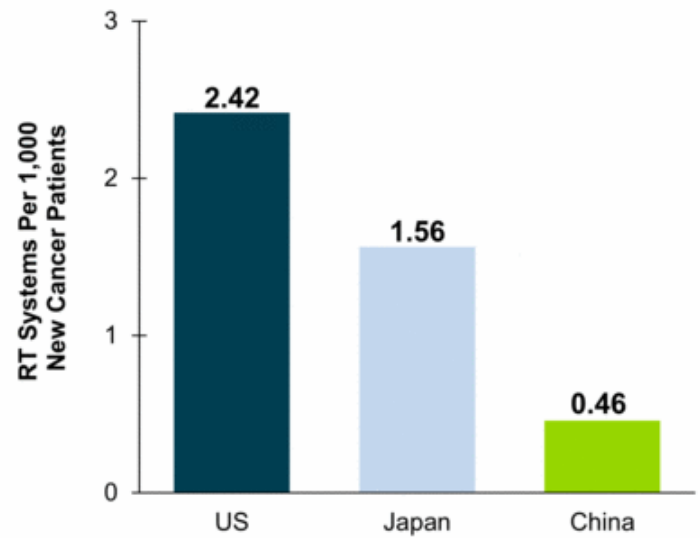
# Radiotherapy Treatment Capacity - China

Major Capacity Gap When Compared to Developed Markets

### Estimated RT Penetration\*



### RT Systems Per 1,000 Cancer Patients\*



1,115 linear accelerators installed in China as of January 2016\*\*

\*Accuray internal estimates

\*\*<http://www-naweb.iaea.org/nahu/dirac/query3.asp> accessed 1/7/2016

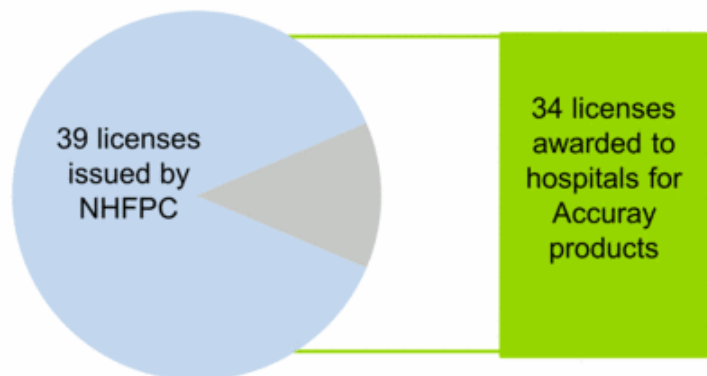
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# Accuray Commercial Progress – China

Through Fiscal Q2 2016

Since 2013, Accuray products were placed in >85% of bunkers where Class A radiotherapy licenses were issued

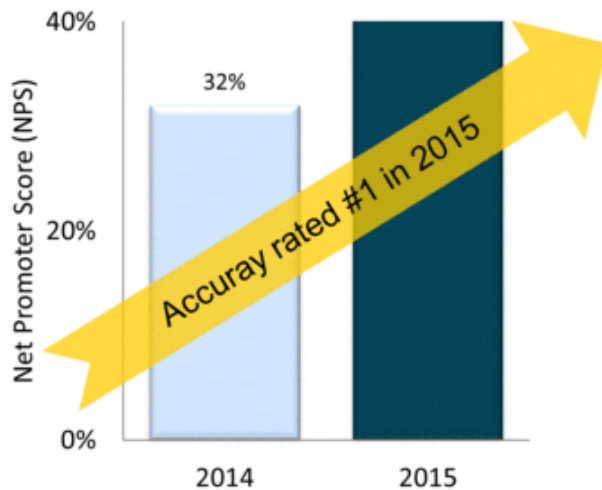
- Accuray is well recognized and respected by Chinese KOL and NHFPC (Ministry of Health)
- Accuray strength in PLA (military) and large public sector facilities
- Private sector hospitals/cancer treatment facilities will drive growth going forward
- Go-to-market strategy for a “Non-Type A” product offering



# Accuray Rated #1 in Independent Market Research

459 U.S. Radiation Therapy Departments Surveyed

## Highest Net Promoter Score In the Industry



## Accuray Rated #1 In Overall System Performance

### System Performance Factors

- ✓ System uptime meets expectations
- ✓ Reliability
- ✓ System ease of use
- ✓ Value of system upgrades
- ✓ Ease of treatment planning integration

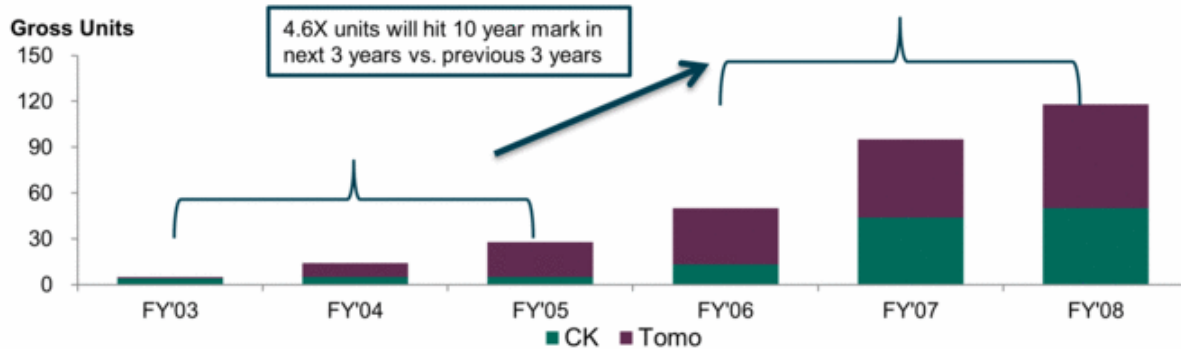
 ServiceTrak™  
Radiation Oncology

 ACCURAY®

Source: IMV ServiceTrak™ Radiation Oncology 2015

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# Installed Base Replacement Opportunities – Growth Catalyst



- Average radiation therapy system replacement cycle is 10 years
  - 75% to 80% win rate when systems are replaced
- Installed base customer satisfaction critical to achieving replacement wins is highest ever as a result of increased TomoTherapy® System reliability

# FY16 Q2 Order Demographics

Continued Execution of Commercial Strategic Initiatives

Gross Orders Expected to be Approximately \$67 Million

50%

Greater than 50% of TomoTherapy® System orders placed by sites with single or dual vaults

15%

Approximately 15% replacement sales to our existing customer base

30%

Approximately 30% to replace conventional linear accelerators in competitive bunkers

80%

Greater than 80% of orders for the CyberKnife® M6™ Series included an MLC

\*\*Final Q2FY16 Results to be issued on January 28, 2016\*\*



# FY16 Q2 Update and FY16 Guidance

Accuray Momentum Continues

## Q2 FY16 Expected Financial Performance

- Gross orders of approximately \$67M
- Revenues of approximately \$107.5M; an increase of **10%** (13% constant currency)
- Four gross product orders were converted from backlog to revenue in China during the quarter
- Cash, cash equivalents and short-term investments increased by approximately \$3M in the second quarter and by approximately \$12M during the first half of fiscal 2016
  - Represents a \$33 million year-over-year improvement

## FY16 Guidance<sup>(1)</sup>

- Gross Orders: \$295 million
  - +10% YoY growth
- Revenue: \$395 to \$410 million
  - +4% to +8% YoY growth
- Adjusted EBITDA: \$25 to \$35 million
  - +112% to +197% YoY growth

GAAP Operating Income  
anticipated at  
upper end of EBITDA  
guidance range

(1) FY2016 Guidance as presented on Q1 earnings release dated October 29, 2015. Prior guidance has not been updated and this is not intended as a reaffirmation of prior guidance

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# Progressive Financial Improvement

Driving to Sustained Profitability

(in millions)	FY2013	FY2014	FY2015 CC (1)	FY2016 Guidance (2)
Total Revenue	\$316.0	\$369.4	\$394.1	\$395 - \$410
Gross profit	\$97.6	\$142.8	\$156.9	
Margin	30.9%	38.7%	39.8%	
Operating Income	(\$80.7)	(\$18.1)	(\$10.4)	
Net Income	(\$103.2)	(\$35.4)	(\$28.9)	
aEBITDA (3)	(\$55.7)	\$13.3	\$23.0	\$25 - \$35

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

(1) Currency fluctuations in FY2015 negatively impacted Revenues and Operating Income by approximately \$14M and \$9M respectively

(2) FY2016 Guidance as presented on Q1 earnings release dated October 29, 2015 and updated January 11, 2016

(3) A reconciliation of aEBITDA to GAAP net income/(loss) can be found in the appendix

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Precise, innovative tumor treatments™