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 13, 2007

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

Massachusetts	**000-23599**	**04-2741391**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

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

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

N/A
(Former Name or Former Address, if Changed Since Last Report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

The management of Mercury Computer Systems, Inc. ("Mercury") will present an overview of Mercury's business on Tuesday, November 13, 2007 at its eighth 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.

Exhibit No.	Description
99.1	Presentation materials dated November 13, 2007.

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.

MERCURY COMPUTER SYSTEMS, INC.
(Registrant)

Date: November 13, 2007

By: /s/ Alex N. Braverman
Alex N. Braverman
Vice President, Controller and
Chief Accounting Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Presentation materials dated November 13, 2007.

Exhibit 99.1

Computer Systems, Inc.
MERCURY
Challenges Drive Innovation

Eighth Annual Investor Conference
November 13, 2007

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 2008 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, 2007. 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 Fiscal Year 2008 earnings release, which can be found on our website at www.mc.com/mediacenter/pressreleaseslist.aspx.

Agenda

9:00-9:15	Jay Bertelli, President, CEO & Chairman
9:15-9:55	Didier Thibaud, SVP, GM, Advanced Computing Solutions Mark Skalabrin, SVP, GM, Advanced Computing Solutions
9:55-10:15	Terry Ryan, SVP, GM, Federal
10:15-10:30	Break & Trade Show
10:30-11:05	Marcelo Lima, President, Visage Imaging
11:05-11:40	Dr. Eliot Siegel, Professor & Vice Chairman, Information Systems, Department of Diagnostic Radiology, University of Maryland Medical School; Chief of Radiology, VA Maryland Healthcare System
11:40-11:55	Bob Hult, SVP, Chief Financial Officer
11:55-12:05	Jay Bertelli's Closing Remarks, Q&A

Computer Systems, Inc.
MERCURY
Challenges Drive Innovation

Corporate Overview

Jay Bertelli, President, CEO & Chairman

Mercury offers more than 20 years' experience in designing and delivering high-performance computing systems and software, for a broad range of signal, image- and data-intensive applications.

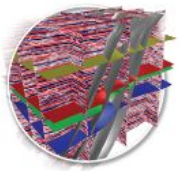
Semi Industry

Embedded Computing

Telecommunications

Defense

Life Sciences

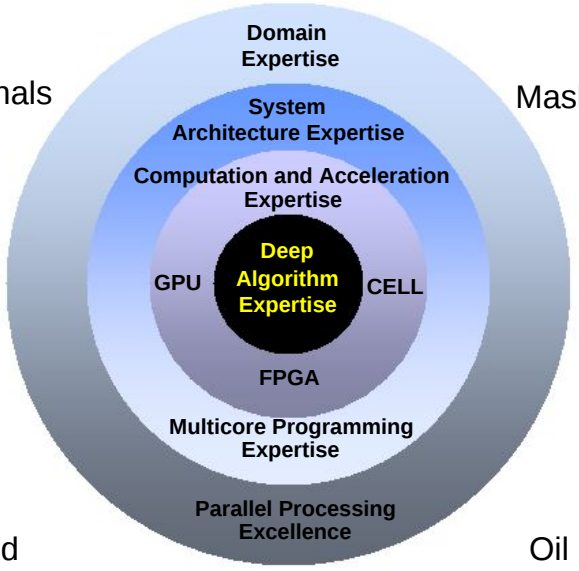


Energy

Investment Highlights

- **Data explosion across multiple markets**
- **Mercury uniquely positioned to implement multicore processing systems**
- **Strategic acquisitions starting to produce**
- **Developing applications for PACS / Radiology market using advanced visualization technology**
- **New alignment of internal competencies will drive new business opportunities in Core / Advanced Computing Solutions**
- **Recent cost-reduction initiatives will improve margins**

We combine our deep technical expertise and extensive knowledge of the science behind our customers' applications, to deliver reliable performance and sustained value.



Radar and Signals Intelligence

Data Exploitation, Smart Weapons, Imagery and Sonar

Medical Imaging and Biotechnology

Engineering and Simulation

UAV Command & Control

Mask Generation

Wafer Inspection

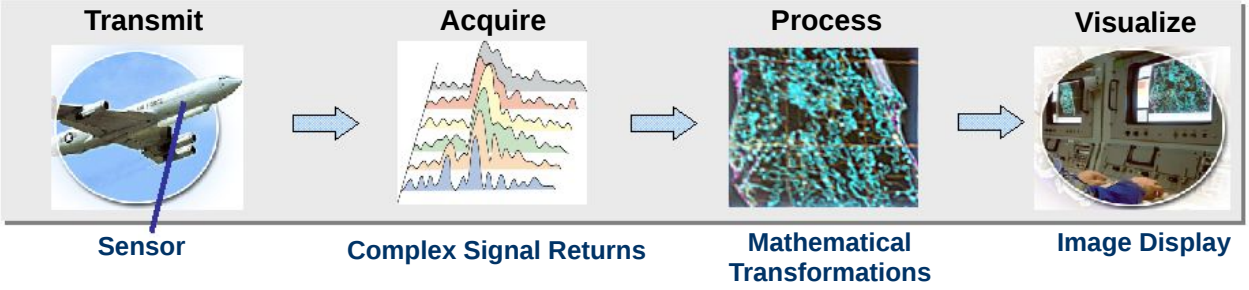
High-End Baggage Scanning

Telecommunications

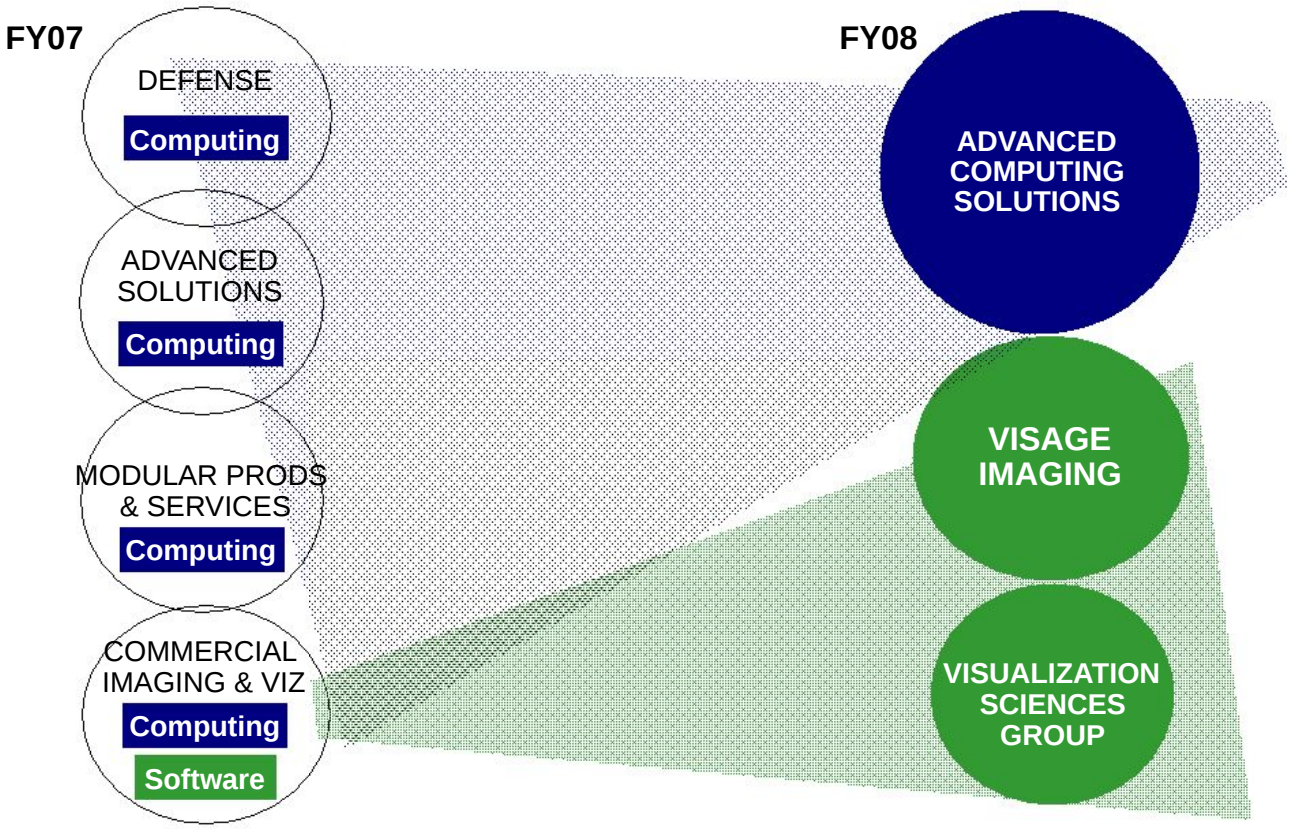
Oil and Gas Exploration

Our domain expertise spans the entire data stream

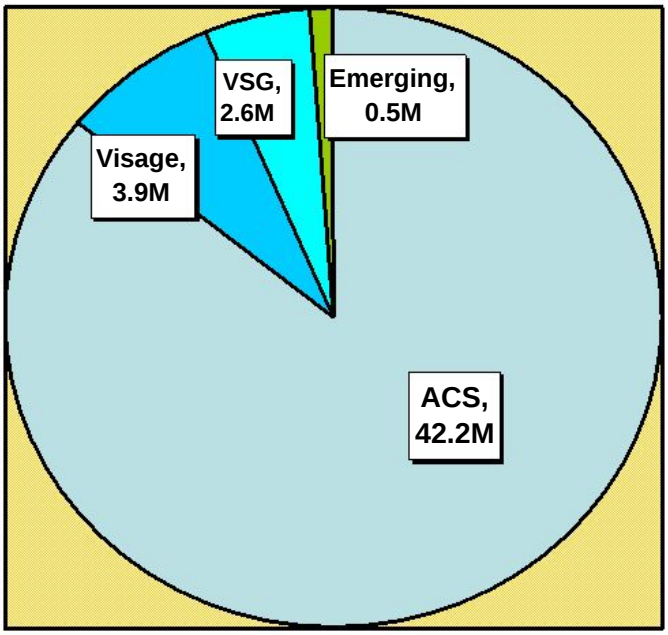
Example: acquiring sensor data from a defense application



- Sensor streaming
- Scalable within the application
- Real-time signal processing
- Embedded (real estate, environmental, cooling constraints)



Q1 FY08 Revenue Mix: $49.2 million



Advanced Computing Solutions

ACS focuses on specialized, high-performance computing solutions that leverage Mercury's capabilities in sensor computing, computational acceleration, and delivery of complex system-level solutions.

EXAMPLE SEGMENTS

- Aerospace and Defense
- Semiconductor
- Telecommunications
- Medical Imaging

1QFY08

- Revenue: $42.2 million
- Non-GAAP Operating Income*: ~$4.2 million
- No. of employees: ~460

- GM: ~high 50s
- Long-Term CAGR: 10+%

**Non-GAAP Operating Income excludes Amortization of $1.3 million*

Advanced Computing Solutions

Visibility into potential business:

Dec ’06	$113M
June ‘07	$175M
Sept ’07	$233M

106% Increase Dec ’06 to Sept ‘07!

Qualified pipeline (various stages) through Q4 FY08: $148M

Advanced Computing Solutions

Major Programs being pursued:

41	> $1M revenue potential
13	>$10M revenue potential
9	$5M - $10M revenue potential

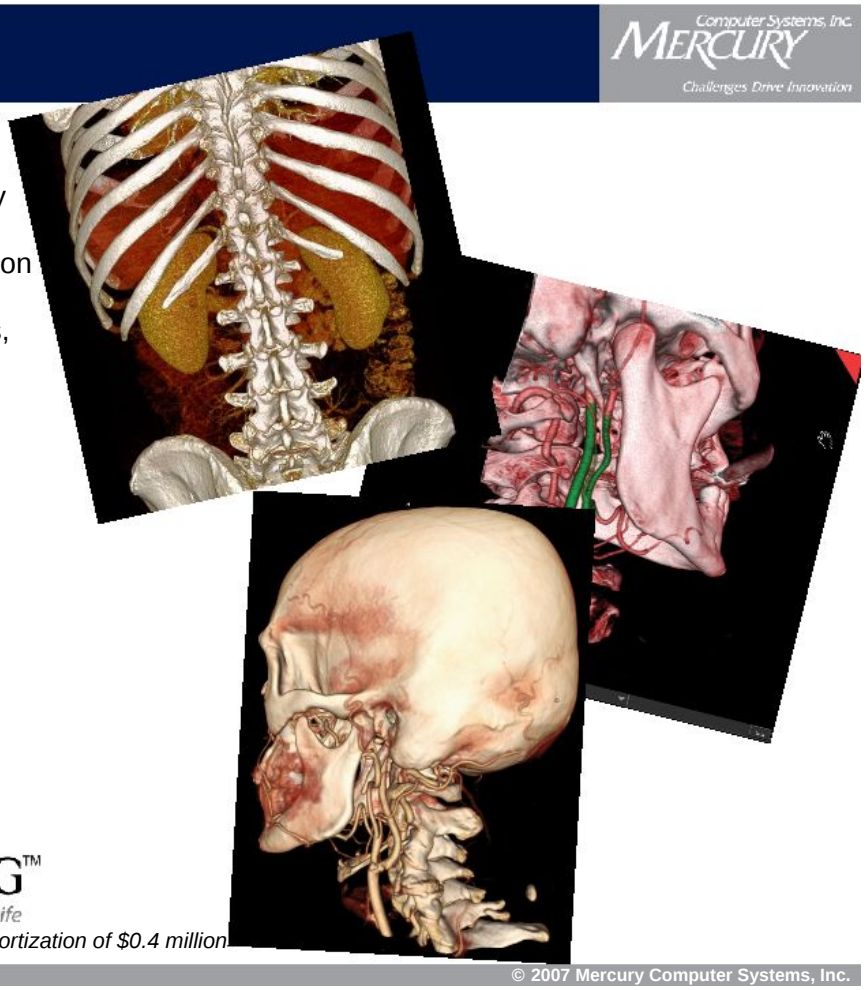
20% of Programs ($) represent Commercial

Program application areas include:

- 16 Radar
- 4 ELINT
- 3 COMINT
- 1 SONAR
- 2 WBDLS
- 6 Commercial

Visage Imaging, Inc.

Mercury's wholly owned subsidiary focuses on the development and distribution of advanced visualization and PACS (picture archival and communications system) solutions, and other 3D software solutions in the Life Sciences segment.



1QFY08

- Revenue: $3.9 million
- Non-GAAP Operating Income*: ~($1.9 million)
- No. of employees: ~109

- GM: ~mid 60s
- Long-Term CAGR: >20%

VISAGE IMAGING™
Visioneering Science for Life

** Non-GAAP Operating Income excludes Amortization of $0.4 million*

Visualization Sciences Group

VSG focuses on the development and distribution of software developer toolkits and 3D application software for volume rendering of very large data sets.

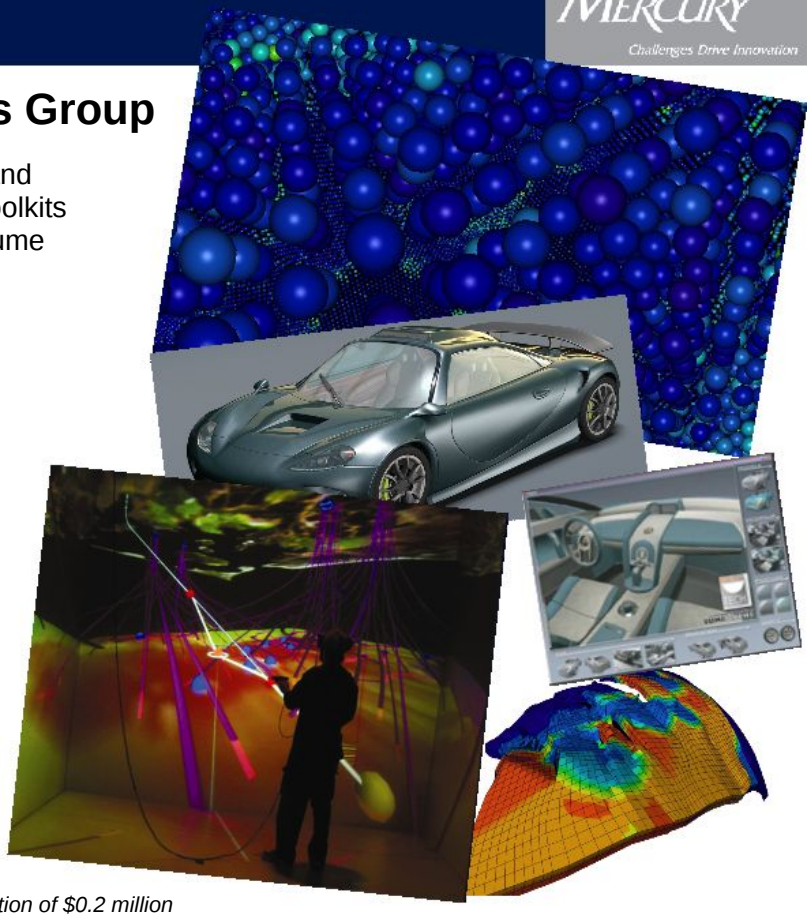
EXAMPLE SEGMENTS

- Geosciences
- Engineering and Manufacturing
- Material Sciences
- Other industrial and scientific domains

1QFY08

- Revenue: $2.6 million
- Non-GAAP Operating Income*: ~$0.6 million
- No. of employees: ~49

- GM: ~high 80s
- Long-Term CAGR: 10-15%



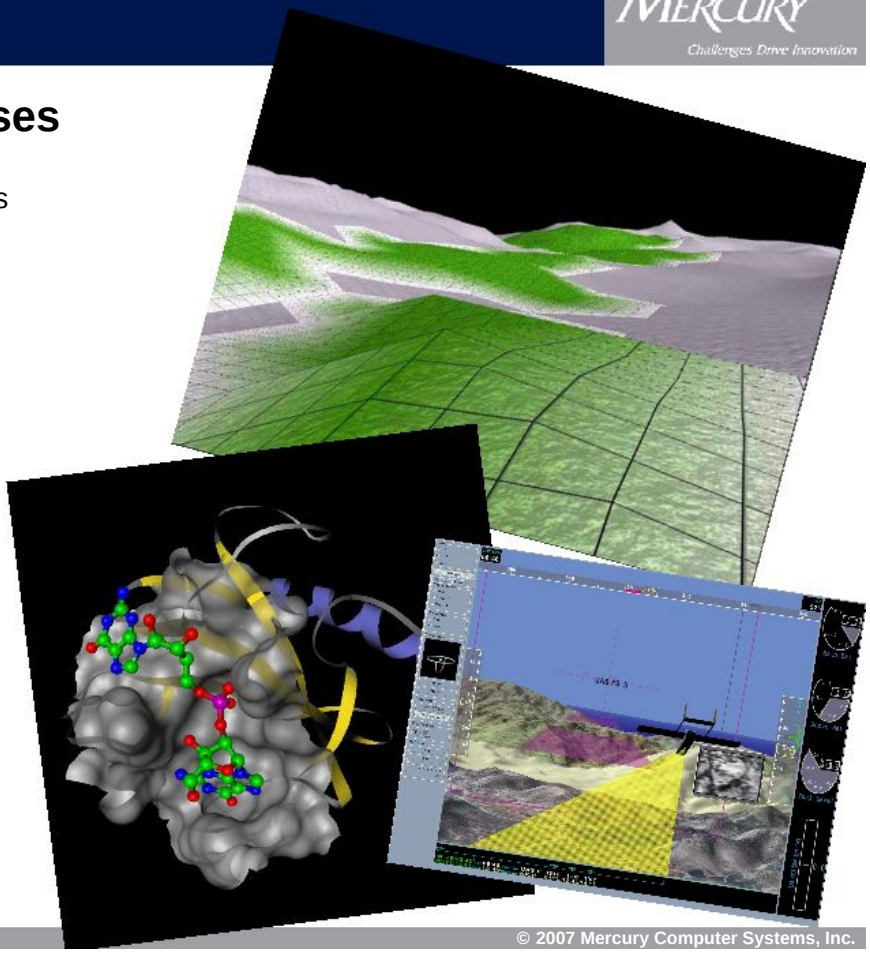
** Non-GAAP Operating Income excludes Amortization of $0.2 million*

Emerging Businesses

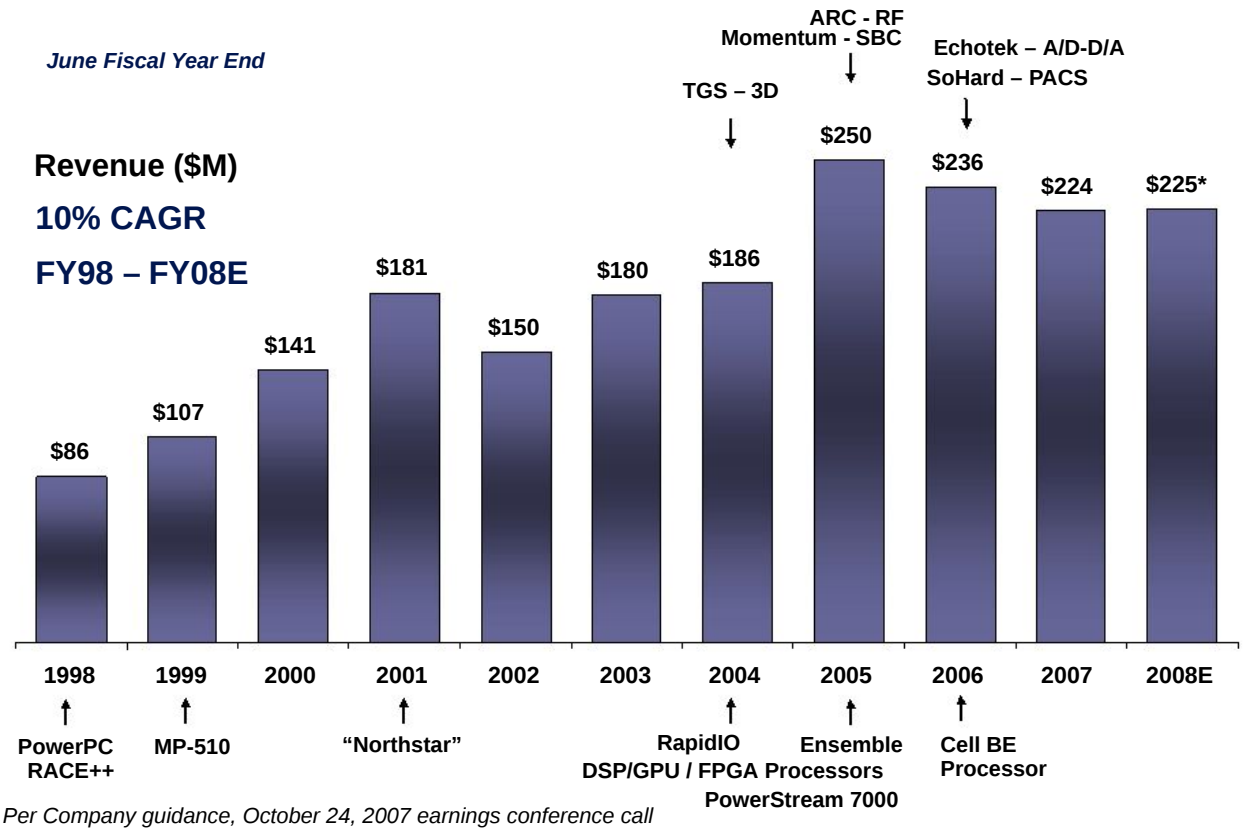
Mercury's emerging businesses are focused on cultivating new opportunities that can benefit from Mercury's deep optimization expertise and services.

EXAMPLE SEGMENTS

- High-performance computing and visualization in Biotech
- Aircraft Navigation
- Intelligence and Homeland Security



Revenue Follows Technology Cycles



Per Company guidance, October 24, 2007 earnings conference call

Computer Systems, Inc.
MERCURY
Challenges Drive Innovation

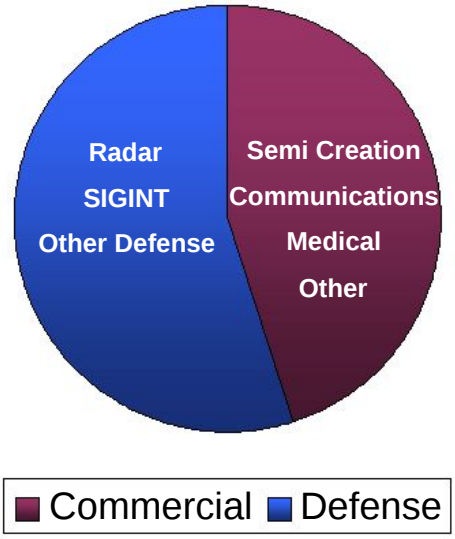
Advanced Computing Solutions

Didier Thibaud, SVP, GM, Advanced Computing Solutions
Mark Skalabrin, SVP, GM, Advanced Computing Solutions

Why ACS?

Synergistic combination of Defense, Advanced Solutions, Modular Products, and Medical computing businesses

- Strengthens our competitive position in all segments
  - Maximizes technology investment leverage
  - Better exploits synergies between Defense and Commercial markets
- Eliminates organizational duplication and reduces cost structure
- Supports increased focus on the best business opportunities

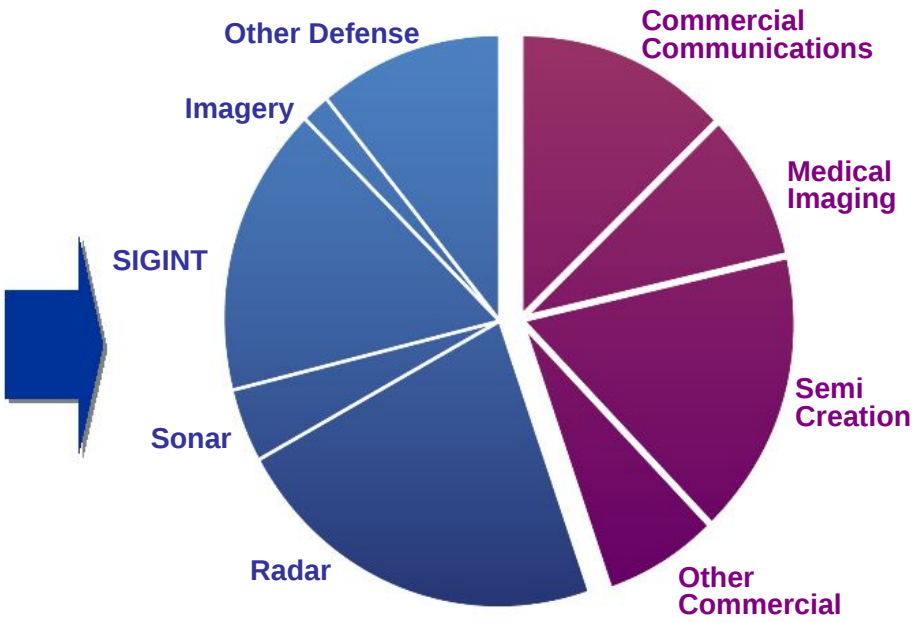


ACS Primary Market Segments

Advanced Computing Solutions

Leveraged
Products
Services
Technology
Expertise

FY07 ACS Revenue by Market Segment



Favorable Trends Driving Opportunities

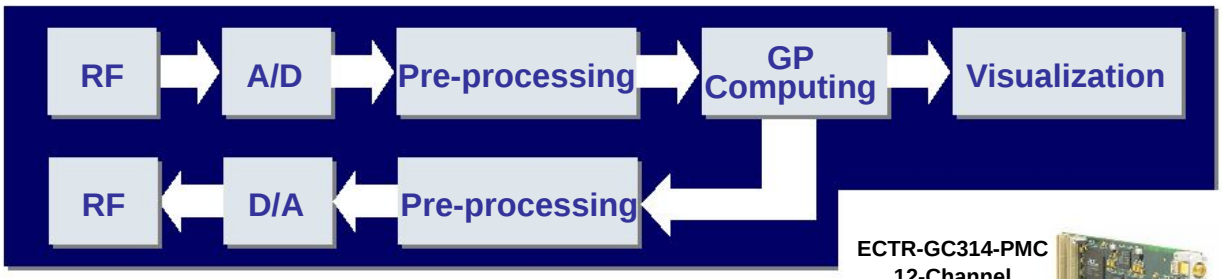
- Data explosion in all markets
  - Driving need for new application-specific computing solutions
- Industry rapidly shifting to multicore processing
  - Broader set of applications needing multicomputer solutions
- Critical need for faster deployment of specialized computing solutions to react to emerging threats
  - Security, counter-insurgency, counter-terrorism
- Programmable solutions moving closer to the warfighter
  - Driving need for smaller and lower-power solutions that meet demanding environmental requirements
- Simulation replacing experimentation
  - Massive computing being deployed to replace trial and error
- Rapidly changing technology landscape
  - Unique expertise required to keep an application on the leading edge

Positioned for Top-Line and Bottom-Line Growth

- Winning more of the system by solving more of the customer problem
  - Acquisitions and IP licensing have expanded the scope of our solutions
  - Solutions now span from sensors to applications
- Leveraging our base technology to expand into new market opportunities

  Examples:
  - Electronic Design Automation (EDA)
  - Homeland Security
  - Defense Communications
- Strengthening our operating model
  - Expanding Engineering and Support Services
  - Reducing organizational overlap and operational waste

Expanding Value from Sensor to Application

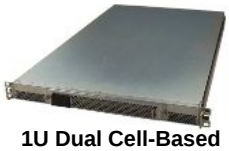


- **Echotek**
  - RF, Mixed signal (A/D) and Pre-processing
- **Embedded computing solutions**
  - VXS, VPX, VME, Interconnect, PowerPC, PA Semi, Pentium, FPGA, Cell
- **Modular solutions**
  - AdvancedTCA, MicroTCA, AMC, customized solutions
- **Services**
  - Customization and support, application acceleration

ECTR-GC314-PMC 12-Channel Transmitter

PowerStream® 6600 System

Ensemble® 2 Application Platform



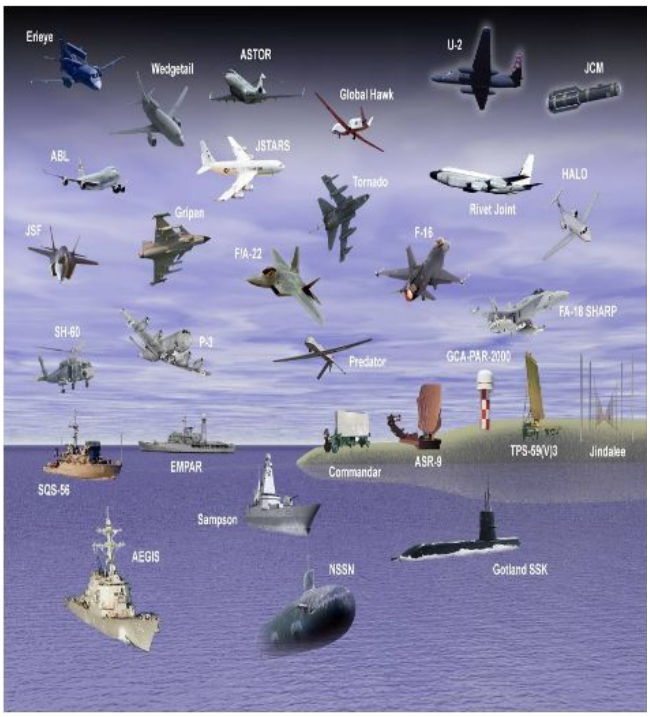
1U Dual Cell-Based System 2

Technology Leadership

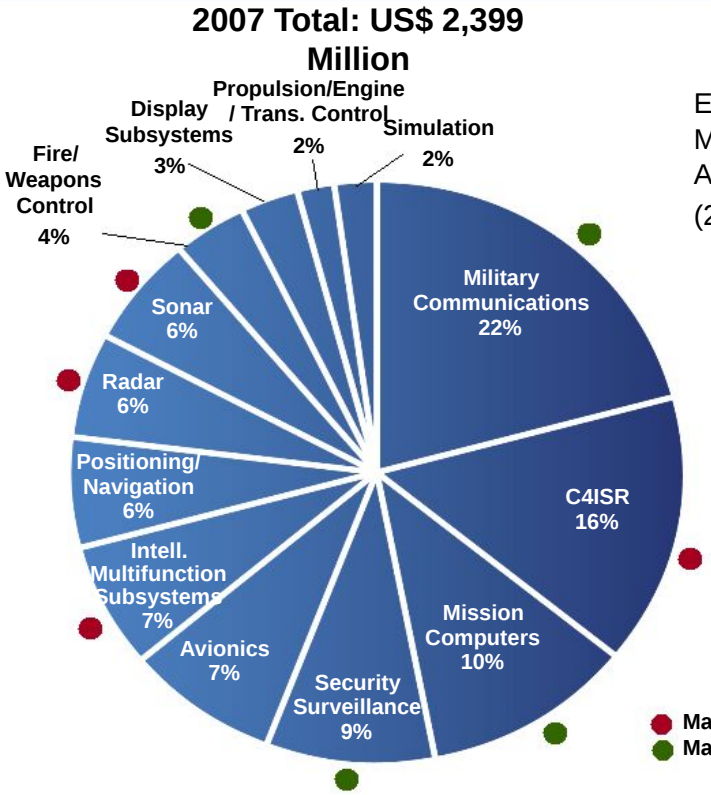
- Positioning to ride the multicore wave
  - Leading the deployment of the Cell BE processor outside of gaming
  - Deploying MultiCore Plus™ application deployment environment
- Leading the deployment of advanced interconnects
  - Serial RapidIO and 10 Gigabit Ethernet for Sensor Computing applications
  - Developed Silicon IP infrastructure cores
- Continuing our lead in system-level multicomputing platforms
  - ATCA & MicroTCA with Ensemble2, VPX & VXS with PowerStream
  - Investing in hybrid system software support
- Expanding RF and mixed-signal products
  - Best in class solutions
- Productizing solution approach
  - Services in solution architecture and application development

Mercury Well-Positioned in Defense

- **Strong position in large airborne radar and SIGINT systems**
  - Built into key platforms
  - Relationships with prime contractors
  - COTS model
- **Technology leadership**
  - Acknowledged expertise in sensor computing
  - Offering more of the solution
- **Broadening portfolio to gain traction outside of radar**



Opportunities for Defense Embedded Boards



EICS* Shipments and Projections by Military, Aerospace, and Defense Applications

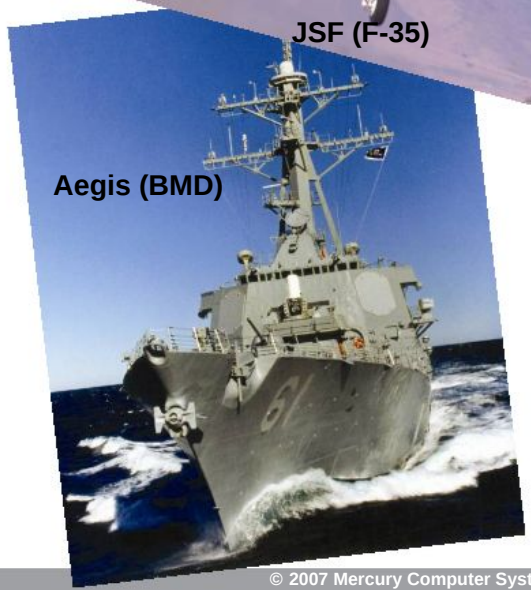
(2007 % of Dollar Volume Shipments)

** Source: Embedded Integrated Computer Systems (EICS), Fifth Edition: Global Market Analysis. Volume 2: Military, Defense, and Aerospace Applications. Venture Development Corporation, December 2006. Graphic recreated by Mercury for readability.*

Radar Update

- **Airborne surveillance: MP-RTIP**
  - Global Hawk (15 platforms)
  - JSTARS and AWACS upgrade potential
- **Tactical fighters: F-35, F-22, F-16**
- **Shipboard missile defense: Aegis**
- **UAV: Predator LYNX SAR**


JSF (F-35)


Aegis (BMD)

Growth by Moving Into New Defense Segments

Defense Communications

ELINT

Counter IED

Sonar

Engineering Services

Defense Communications

- Ground, shipboard, and airborne wideband data link communications
  - Deployment of broadband closer to the warfighter
- Mercury is positioned with COTS (commercial off-the-shelf) software-defined radio (SDR) platform with scalable FPGA- and DSP-based solutions

CHELMSFORD, Mass. - Oct. 31 - Mercury Selected by Raytheon for HDR Modem Program

Mercury to provide first COTS-based Waveform-Ready™ software modem platform and middleware to support U.S. Air Force contract...

ACS Commercial Business Summary

- Renewed strength as acquired and licensed technology expands scope of solutions
  - Advanced Digital MRI Receiver showing promise in clinical trials
  - Cell BE processor-based codecs are enabling video applications
- New design wins in semiconductor creation space progressing towards production
  - Strong opportunities in existing and new applications segments
- Communications segment has shown strong growth
  - The result: strong new modular products

Expanding Footprint in Chip Creation Chain

Growing through expansion into adjacent applications in the lithography process chain

New Application

New Application

Competitive Differentiation

- Solutions that solve the most challenging computing problems
- End-to-end integration of application-enabling technology
- Customer-specific solution optimization
- Focus on long-term customer success

EDA: New Market Leveraging Mercury Technology

- Compute-intensive processing required to prepare designs for mask creation
  - Resolution Enhancement Technology (RET)
  - Design For Manufacturing (DFM)
- Mercury Cell BE processor-based solutions capable providing application speedup of 10x to 100x
- Partnership with Mentor Graphics to deploy first Cell BE processor-based platform for EDA market

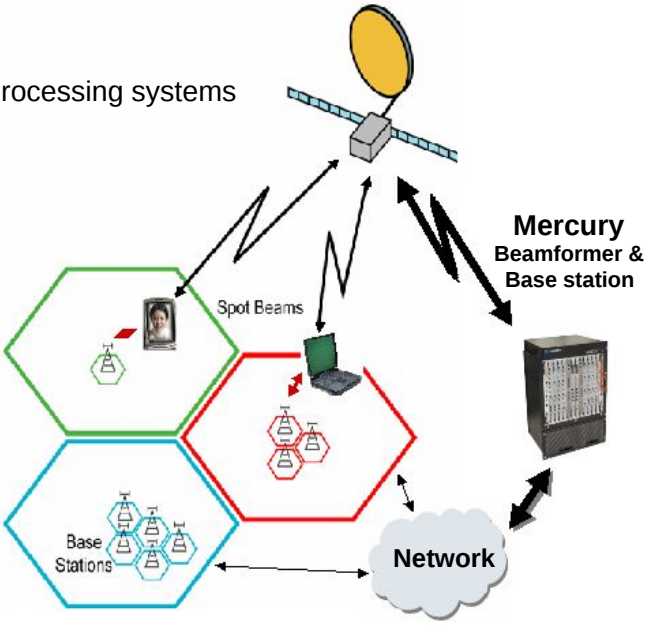
Commercial Communications

- Strong Growth Segment
  - Less than $1M in FY 2003 to more than $25M in FY 2007
  - Driven by Ensemble2 Platform and Momentum Series product deployment
- New design wins driven by AdvancedTCA and MicroTCA adoption
  - System platforms for wireless infrastructure applications
  - Satellite ground stations for Ancillary Terrestrial Component (ATC)

Problem/Solution: Satellite Communications

- Ground-based communications system to support Ancillary Terrestrial Component (ATC)
  - ATC allows satellites to work together with terrestrial communications systems to support spectrum sharing
- Very hard problem
  - One of the highest performance signal processing systems ever deployed
  - Over 100 FPGAs providing 20+TeraOps per chassis
  - High availability management

Mercury is uniquely positioned with the technology and expertise to provide the required solution



ACS is well-positioned for growth

- Significant operating model improvements will drive bottom-line growth
  - Reduced cost structure
  - Opportunities to exploit leverage between commercial and defense
- Strong opportunities to drive top-line growth
  - Significant design wins resulting from investments in technology leadership
  - Positioned to capture more of the application in existing markets
  - Leveraging base technology to open up new market segments

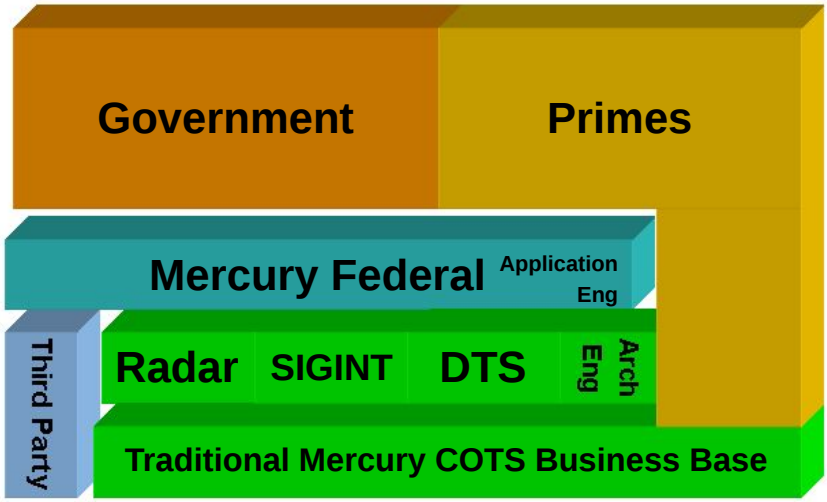
Computer Systems, Inc.
MERCURY
Challenges Drive Innovation

Mercury Federal Systems

Terry M. Ryan, Sr VP, GM, Mercury Federal Systems

Mercury Federal Systems Overview

- Formed in July, 2007
- Focus on leveraging Mercury technology to provide solutions for DoD, DHS, and intelligence agencies and to the primes as a cost reimbursable sub
- Provide R&D and other services
- Drive hardware sales

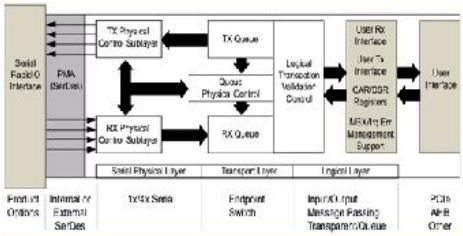


Mercury vs. Mercury Federal Value Stack

Why Mercury Federal Systems?

- **Growing demand for custom high-end computing solutions for multi-source, data-intensive environments**
  - Maintaining global situational awareness is the ultimate computing challenge
  - Department of Defense (DoD) and Department of Homeland Security (DHS) market requirements are converging
- **Shift to multicore processors opportunity for traditional Mercury multi-computer processing**
  - New multicore processor constraints (Memory, I/O, XDR)
  - Need to reuse software in what are now resource-constrained parallel programming environments opens a new service niche
- **Size, weight and power (SWaP) issues with next-gen weapons, communications, biometrics, and ISR platforms**
  - Leverages Mercury expertise in real-time data for harsh environments
  - Greater need for life-cycle support

Leveraging Mercury Competitive Advantages in the New Federal Market



Open architectures

Synergy operations

Distributed, fused computing

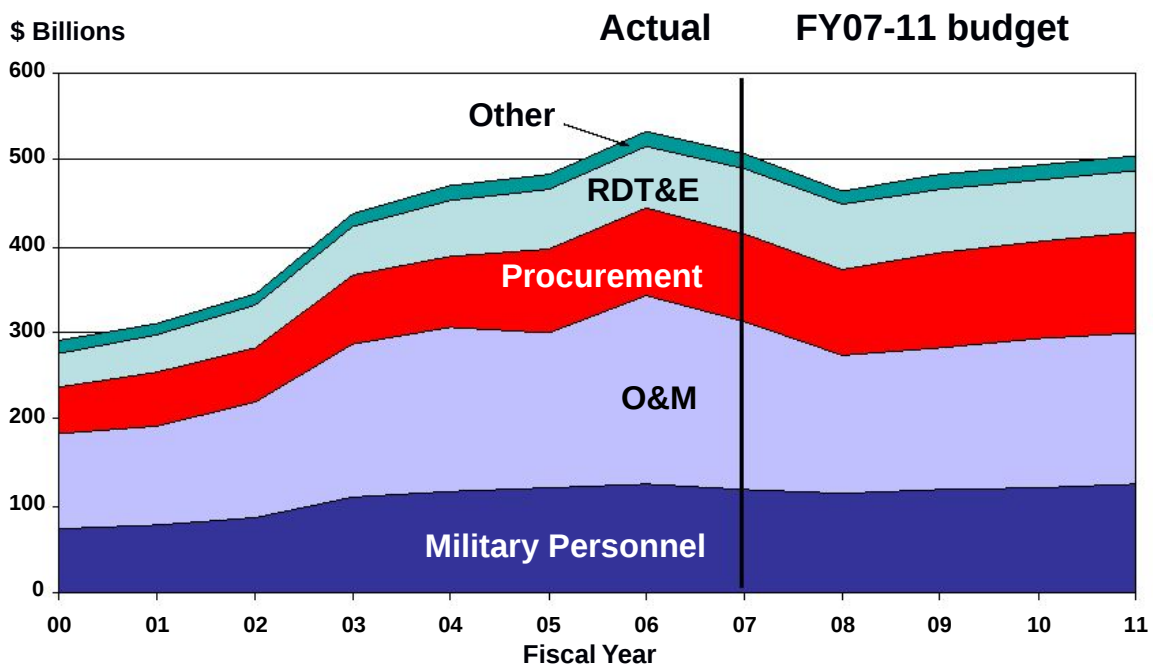
- **Expertise in relevant technology**
- **Commercial market insights**
- **Flexibility to provide custom solutions**
- **Proven delivery of quality products**

Visualization

Sensor processing

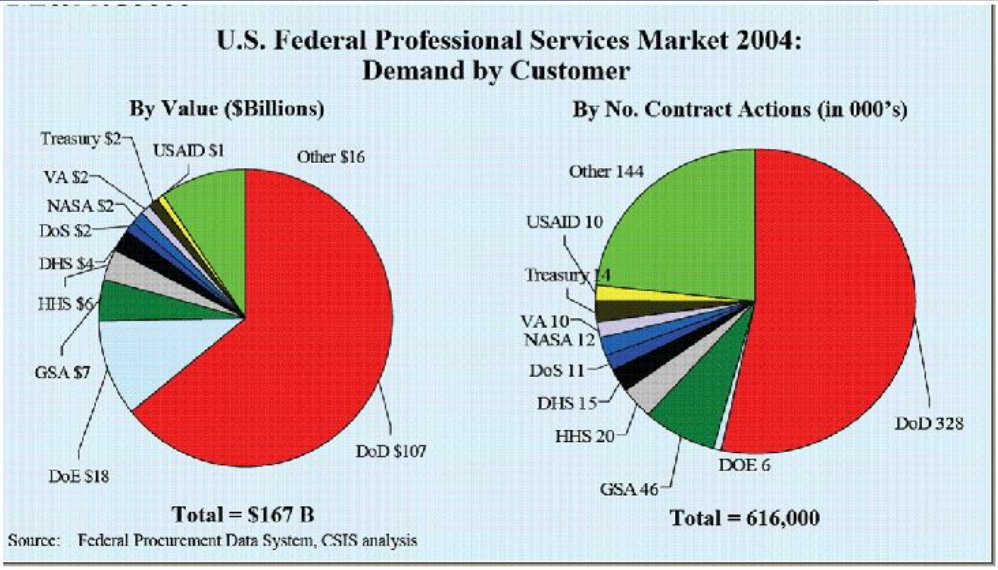
Technology insertion

DoD Budgets by Appropriation
Budget Authority



Source: National Defense Budget Estimates for FY 2007
Slide from : Robert J Shue, Consulting & Training Services. "Federal and DoD Future Budget Projections", Potomac Advocates Post Election Conference. 10 Nov 2006

Mercury Federal Addresses Professional Services



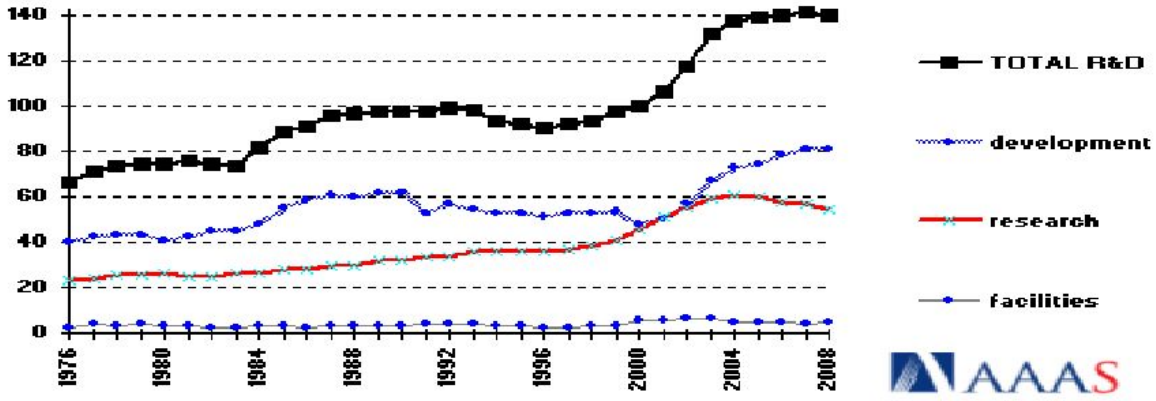
- Need for companies that can solve problems and provide service solutions throughout life of programs
- Increasing demand for smaller contractors
- Success of service-based offerings has been recently demonstrated

Source: Pierre A. Chao, Senior Director, Center for Strategic International Studies, Defense Industrial Initiatives Group, 1 March 2007

Mercury Federal Services Better Positioned to Capture R&D Opportunities

Trends in Federal R&D, FY 1976-2008 *

in billions of constant FY 2007 dollars



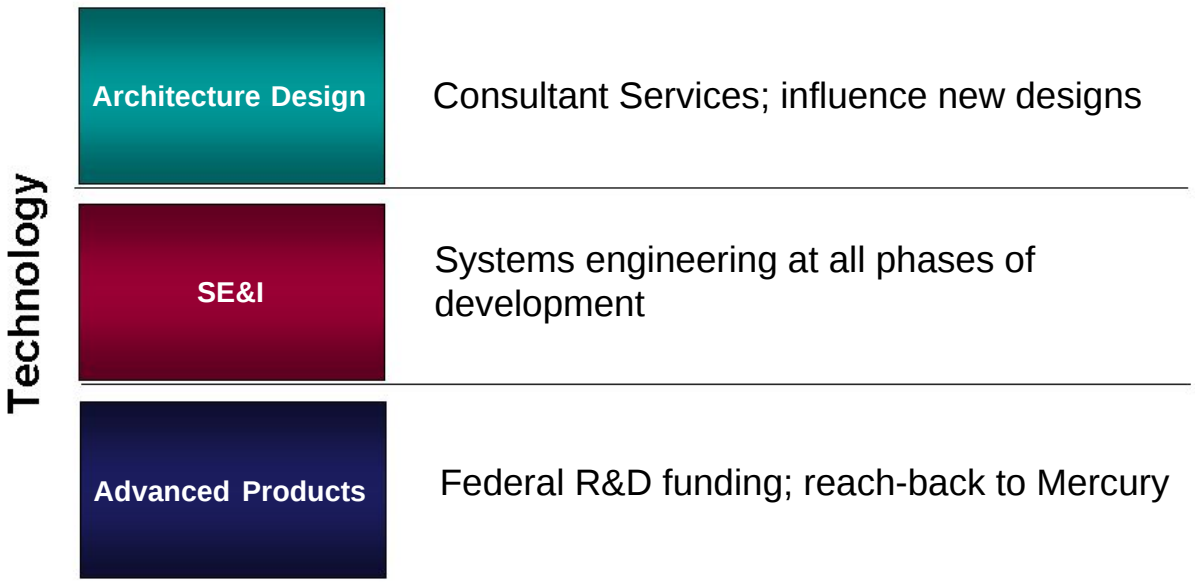
- A strong Intelligence and security budget for FY08, FY09+ budgets will show major focus shift
- Expect greater blending of resources among DARPA, SOCOM, and Intel Agencies
- Discretionary R&D is going up

Source: AAAS analyses of R&D in annual AAAS R&D reports. FEB. '07 PRELIMINARY. 2007 AAAS

Merc Federal Strategy

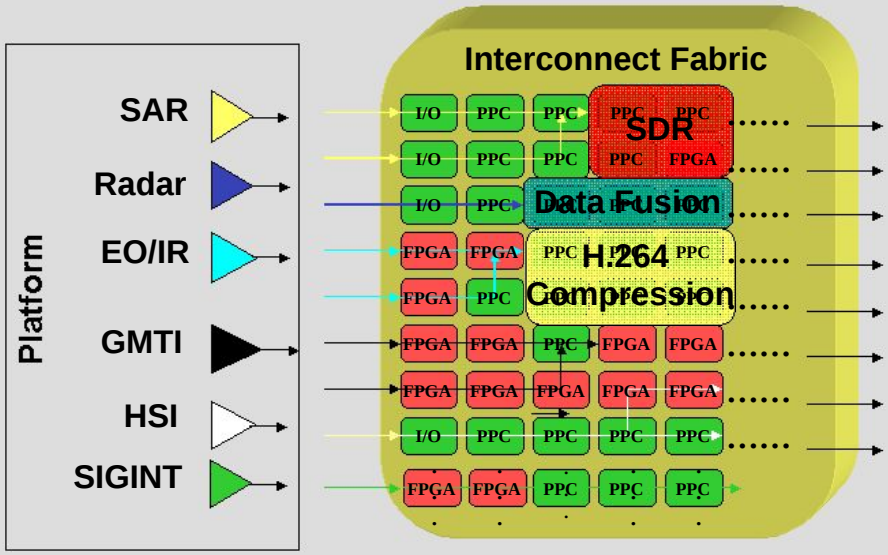
- **Embrace and expand existing federal COTS business** by repositioning ourselves in the critical path of our prime vendors and achieve new levels of COTS leverage
- **Initiate new business opportunities** throughout the national security community using existing competencies and solutions and strategic partnering
- **Establish a new solutions-based services model** that sells directly to government customers

Hybrid Solutions Approach



Mercury Technology for Today's Security Challenges

- Knowledge of end-to-end embedded computing issues
- Building environmental solutions to challenging computing programs
- Multiprocessor technology for new multi-sensor applications
- Expertise in sensor computing



Problem/Solution

Mercury Federal is teamed with a major defense prime on competing for a new weapons system

- Partner is and has been a major customer
- Program emphasizes COTS insertion
- Partner needed Mercury expertise to evaluate COTS applicability across processing chain
- Partner needed Mercury expertise to accelerate algorithm performance on COTS hardware
- Partnering on this program allowed Mercury ‘inside the fold’
- Professional services opportunity with this program couples with the more traditional hardware and software sales

Potential Partners and Customers

- **Direct partnership with the government**
  - Intelligence agencies
  - DARPA
  - Service labs
- **New partnerships with service-oriented companies**
  - SETAs and systems integrators
  - Small businesses
  - Universities and labs
- **Create “solution center” that offers federal businesses and government decision-makers a partnership position**

Challenges

- Building the new infrastructure at rate of incurring new business opportunities
- Conveying compelling position to government customers… period of education required
- Translating customer needs as priorities to Mercury
- Evangelizing Mercury Federal as something new, and managing expectations at all ends
- Scaling services-based business
- Flawless execution

Concluding Remarks

- Prime contractor partners on board with Mercury Federal Systems idea
- Government customers have emerging challenges that require tailored solutions…with life-cycle support
- A business opportunity exists for smaller, agile companies that can deliver quality in constrained schedule environments
- Mercury Federal Systems is not a “start up” — it is leveraging more than 20 years of world-class defense technology

VISAGE IMAGING

Visioneering Science for Life

Marcelo Lima, President

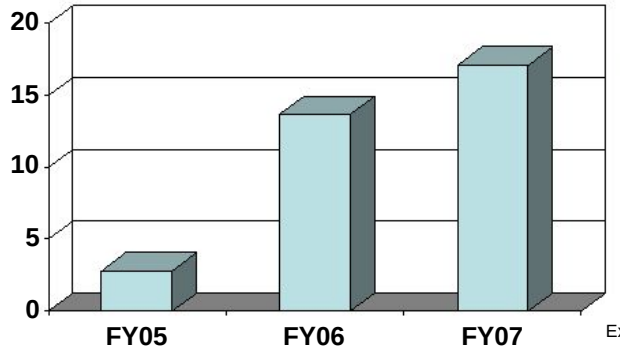
November 13th, 2007

Visage Imaging at a Glance

Provider of Advanced Visualization Software and Systems to Medical Imaging Markets

- Wholly owned subsidiary of Mercury Computer Systems
- 110 associates, in four centers (U.S. and EU)
- Sell through OEM, dealers, and direct

FY Revenues ($MM)



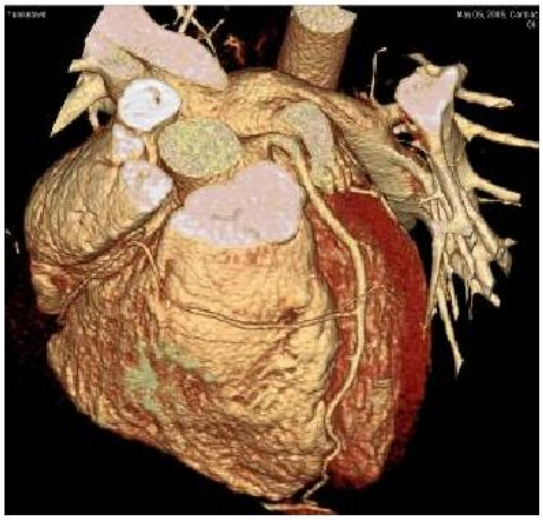
Excludes Legacy Medical Products

Why Visage Imaging?

VISAGE IMAGING
Visioneering Science for Life

Acceptance of advanced visualization makes 3D a catalyst of change in the imaging technology market

- Vertical market focus
- Operational efficiency
- Shareholder value creation



2D/3D Anywhere, Anytime

Visage Imaging's Strategy

- Technology & Products:
  - Advanced Visualization solutions (thin-client)
  - Valuable clinical applications
  - Integrate products to current IT infrastructure
  - COTS-based hardware

- Distribution:
  - Leverage large OEMs at top end of U.S. market and internationally
  - Enter direct sales in U.S., focus on small hospitals and imaging clinics
  - Sell add-on products (appliances)

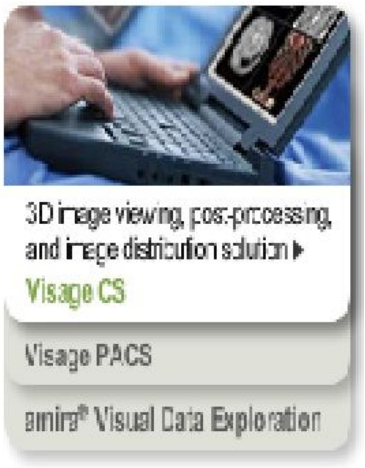
- Bus Dev:
  - Partner with and license from leading clinical sites

- Marketing:
  - Young, bold, innovative
  - Workflow

Visage Imaging Products

	OEMs	Dealers & Distributors	Direct (end-user)
Visage RT	X		
Visage VR	X		
Visage WS	X		
Visage PACS	X	X	X (USA)
Visage CS	X	X	X (USA)
Amira	X		X (research)
Professional Services	X		

Software Products (off-the-shelf HDW)



A Selection of Our OEM Customers per Market Segment

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Medical Imaging Market

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- Market Dynamics
- Trends
- Challenges
- Advanced Visualization
- Size
- Growth rates
- What problems and pains does Visage solve ?
- Players
- How do we compete (examples)

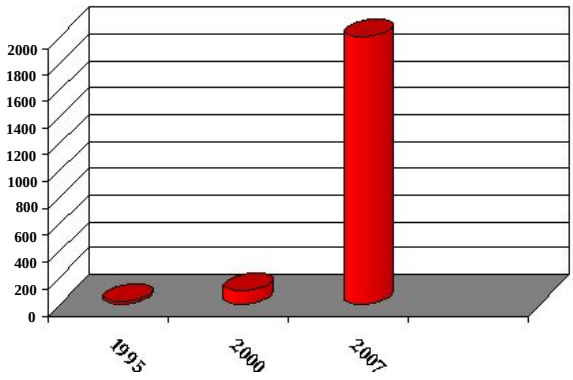
U.S. Medical Imaging Market

- 5,000 Hospitals
- 5,000 Diagnostic Imaging Centers
- 50,000 Radiologists 
- 750,000 Physicians
- 50,000,000 Imaging Examinations per Year 

- Reimbursements continue downtrend.

Data Explosion Driving Change

- Data sets of up to 1GB+/study
- Enormous retrieval and loading times
- 1000+ slice studies cannot be read off film or by scrolling through 2D slice viewers
- Techniques such as MPR, slabs, or volume rendering increase imaging efficiency and accuracy



Typical CT Exam

1995 – 20 Images
2000 – 100 Images
2007 – 2,000 Images

Advanced Visualization Leverages the 3D Nature of Data

- Improved diagnostics
- Better, faster reading
- 3D additional revenue source

How CT and MR studies are read today...

What is PACS ? Picture Archival & Communications Systems

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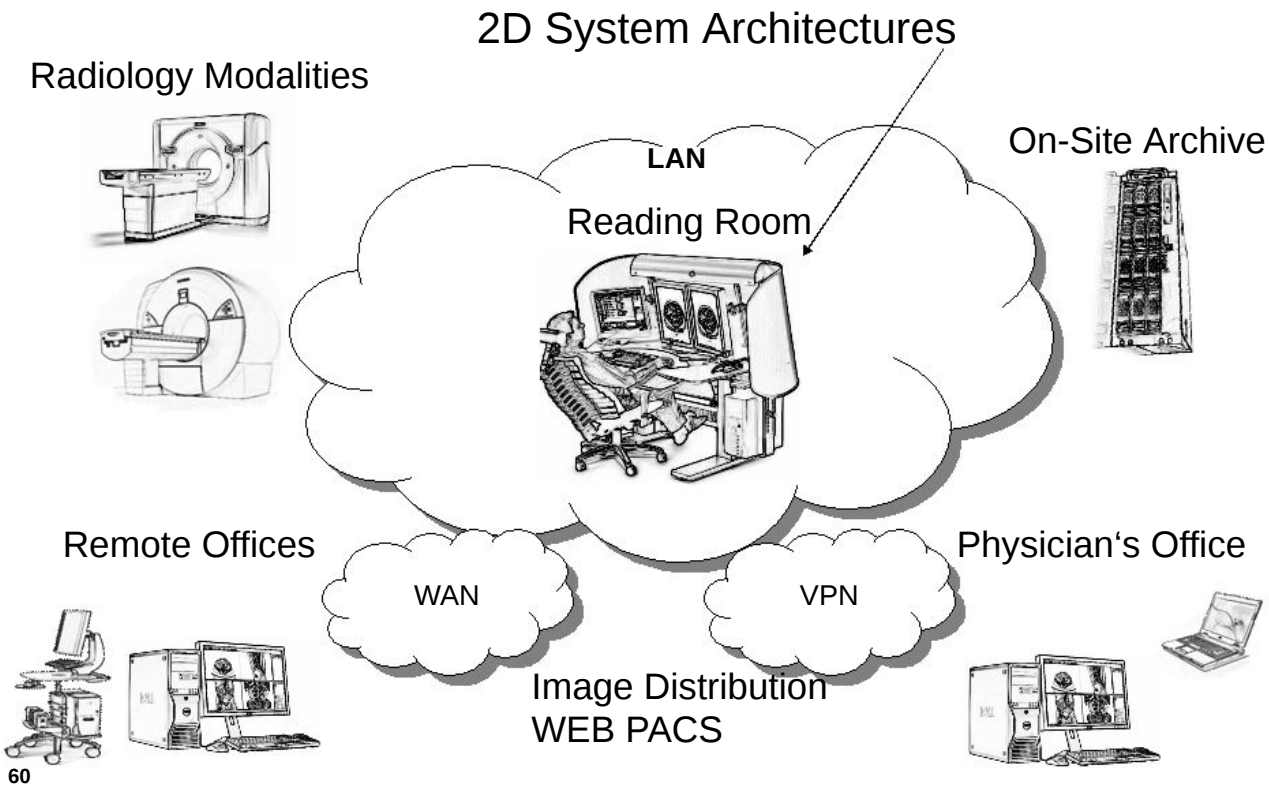

What is Advanced Visualization?

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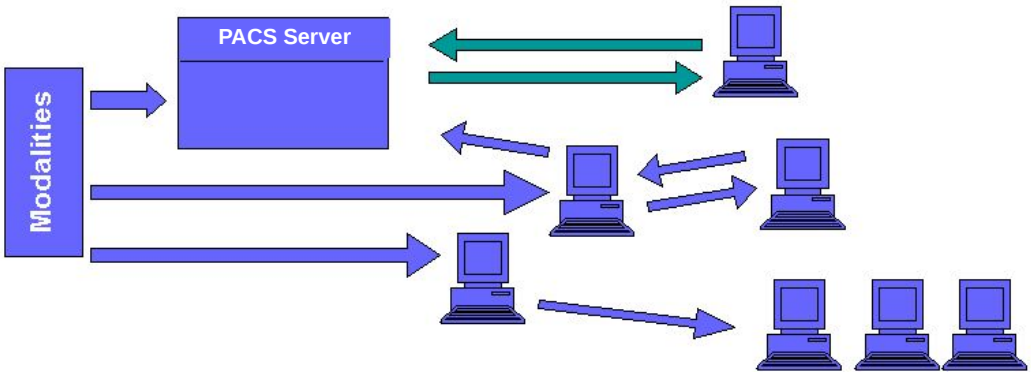
- Image processing algorithms and clinical applications packages
- Performing 3D image reformations (MIPs, MPRs), various rendering methods, measurements and calculations on volumes, time and flow representations (4D)
- Historically packaged into an individual workstation since PACS reading stations cannot offer the horsepower required

Isolated Workstations Aggravate the Problem



- Data inconsistencies
- Sending data over the network multiple times
- Missing interfaces with RIS/HIS
- Workstation hardware quickly outdated
- Workplace becomes the bottleneck

The Pain Points in the Imaging Chain

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Ask the doctor…

"why isn't this software available everywhere?"

"the studies take forever to load"

"I wish I could review this in my office or from home"

"I can't find the data on this workstation"

"our network is too slow"

"this machine is too slow for 3D"

"have I sent my results to everyone?"

"the 3D images prepared by the tech are not sufficient to judge this case"

Ask the IT people…

"how can we keep pace with all the new 3D technology?"

"we cannot replace all our existing PCs"

"the DICOM traffic kills our network"

"we need easy, web-based deployment"

"the same reading software must be available everywhere throughout the hospital"

"cannot ensure integrity of all the distributed pieces of data"

Advanced Visualization Market Drivers

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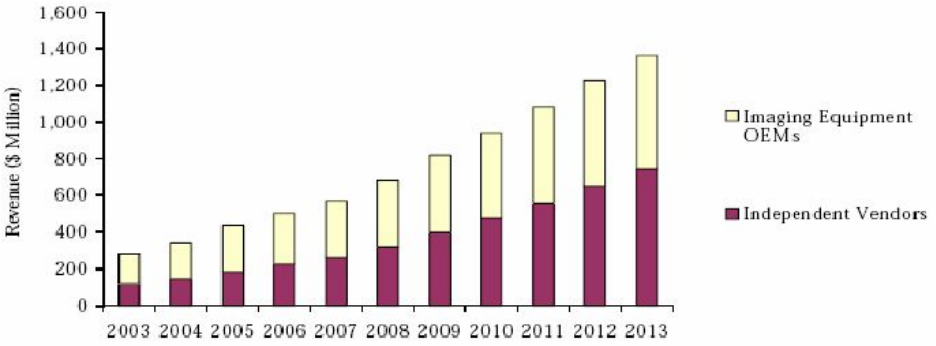
- Advances in imaging technologies are making advanced visualization a necessity
  - CT
  - MR
- Client/server technology enabling 3D adoption
  - More powerful servers for immense processing requirements of 3D
  - Thin-clients enable enterprise-wide deployment and easy access to advanced technology
- New applications and paradigms, driven by 3D, enhancing and expanding the benefits of radiology
  - PACS integration key to enhancing the workflow for 3D imaging
  - Clinical applications are evolving into highly specialized modules

Source: Frost & Sullivan study, 2007 -“North American 3D/4D Visualization for Medical Imaging Markets”

3D/4D Growth

North American 3D/4D Visualization for Medical Imaging Market expected to grow at a CAGR of over 15% and to over $1 billion by 2011

Advanced 3D/4D Visualization for Medical Imaging Markets: Total Revenue Forecasts by Tier of Competition (North America), 2003-2013

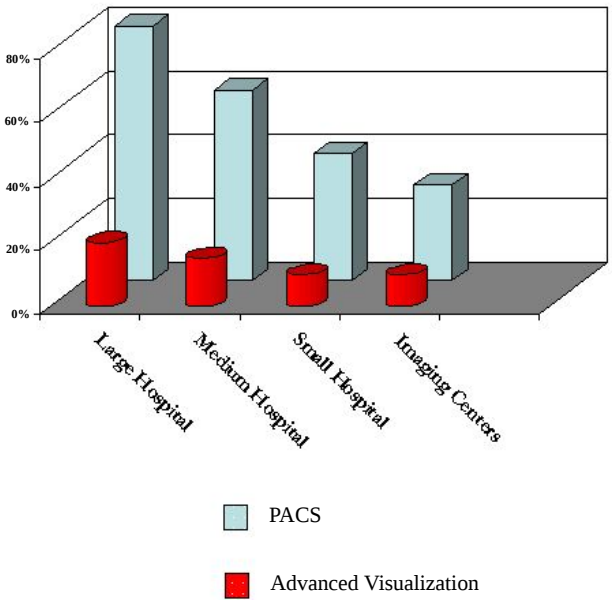


Note: All figures are rounded; the base year is 2006. Source: Frost & Sullivan

Source: Frost & Sullivan study, 2007 -"North American 3D/4D Visualization for Medical Imaging Markets"

US PACS Installed Base is Enabler

- U.S. PACS market approaching maturity
- Revenues
  - $1.10 billion in 2005 , $1.77 in 2012
  - CAGR 7%
- Replacements expected to represent 36.7% of PACS contracts and 56.7% of total market revenues in 2012
- Synergy between markets for PACS, RIS, ***advanced visualization, reporting, and clinical software tools***
- Visage addresses faster-growing Advanced Visualization market



Visage Has Most Complete Solution of Major Independent Vendors

Market Share*	Reconstruct	Visualize	Distribute	Archive
Visage Imaging 5%	X	X	X	X
Vital Images 32%		X	X	
TeraRecon 28%	X	X	X	
Barco-Voxar 19%		X	X	

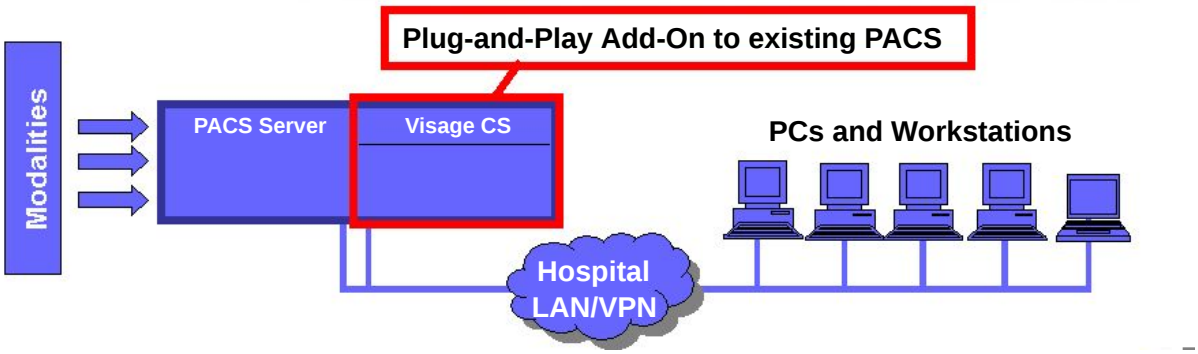
*Source: Frost & Sullivan study, 2007 -“North American 3D/4D Visualization for Medical Imaging Markets”

Visage Imaging's Advantages

- Scalable platforms
  - Ease of upgrades
- PACS and RIS integration
  - Diagnostic workflow
- Image quality & speed
  - Algorithms and GPU know-how

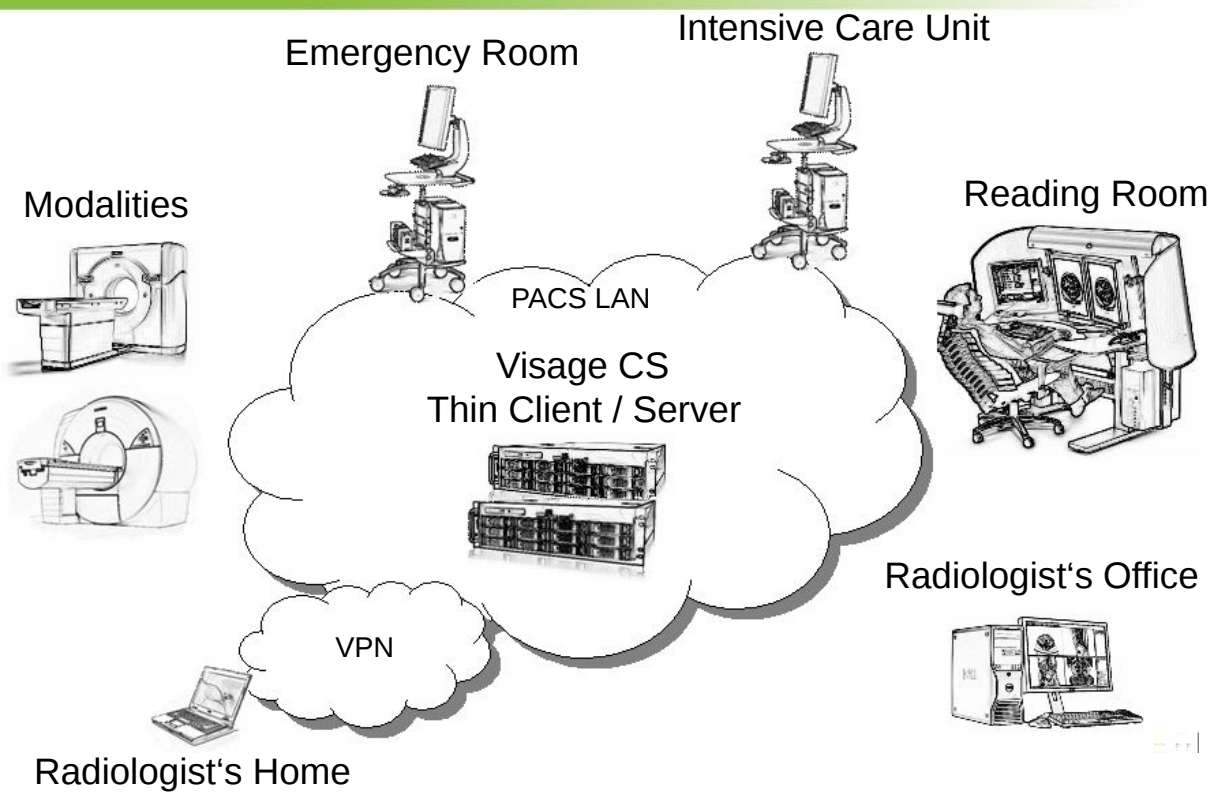
- amira research installed base
  - >3500 universities worldwide
- Web PACS installed base
  - >1300 sites worldwide

Visage CS: Thin, Fast, and Fully Integrated



- Process data sets on scalable server built with standard components
- Integrate with PACS and RIS on front end and back end for one consistent central data storage
- Blazingly fast (local and remote) 2D, 3D, and 4D viewing, post-processing, and primary interpretation for all modalities on any client PC, anytime, anywhere: initial display of 2,000 slice series in < 2 seconds
- Additional technical and professional reimbursement

Usage Example: Hospital PACS



Cardiac CT Analysis on Thin Clients

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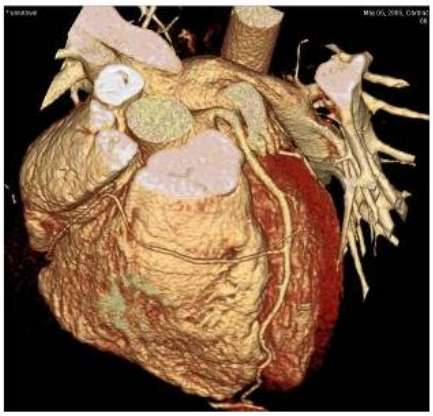
From CT Scan to diagnosis of coronary artery disease in less then 10 minutes

CT Scan of heart in 36 seconds!

More than 3,000 slices to read!

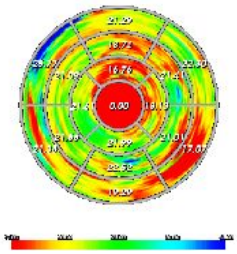
Let the Thin 3D Client help! Why look at 3,000 slices when you could look at the entire heart in 3D!



With the CS Server, the radiologist or cardiologist can view, evaluate and diagnose rapidly from anywhere in the hospital or office.

Functional assessment of multi-phase Cardiac CT

- Automatic segmentation of left ventricle
- Volumetric analysis
- Ejection fraction, stroke volume, cardiac output, etc.
- Wall motion analysis
- AHA-style bull's eye representation



Importance of 3D in Many Areas of Medicine Increasing

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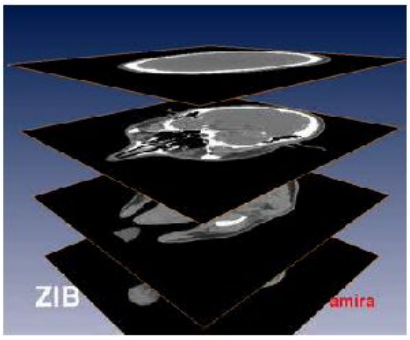
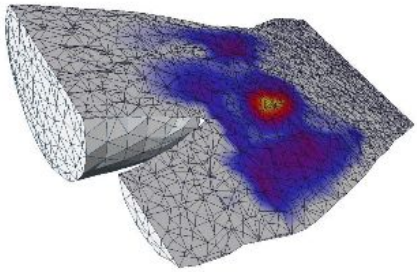
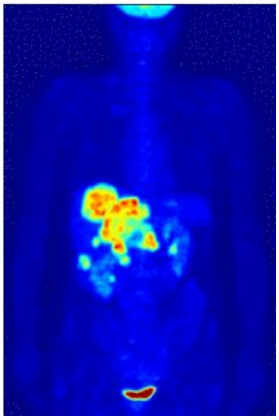
Surgical Simulation

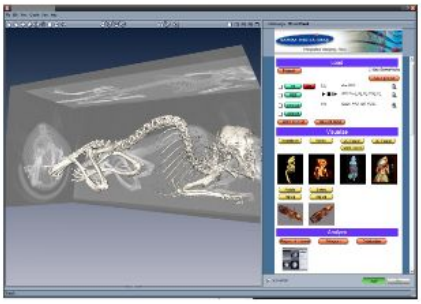


Treatment Planning

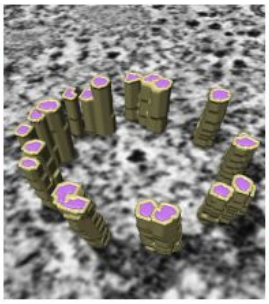


Molecular Imaging

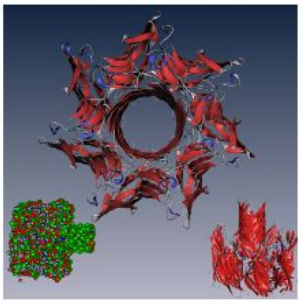




Preclinical Imaging



Cell biology



Drug Design

2007 Frost & Sullivan
Product Line Strategy Leadership Award
Recipient: Visage Imaging

VISAGE IMAGING
Visioneering Science for Life

- Frost & Sullivan commends Visage Imaging's product line strategy and the proactiveness it conveys in the changing advanced visualization competitive landscape, and recognizes the company's strategic positioning in the advanced visualization industry by bestowing upon the company the 2007 Frost & Sullivan Product Line Strategy Leadership Award.

Thank you...

- ... for your time and attention!
- Learn more:

Computer Systems, Inc.
MERCURY
Challenges Drive Innovation

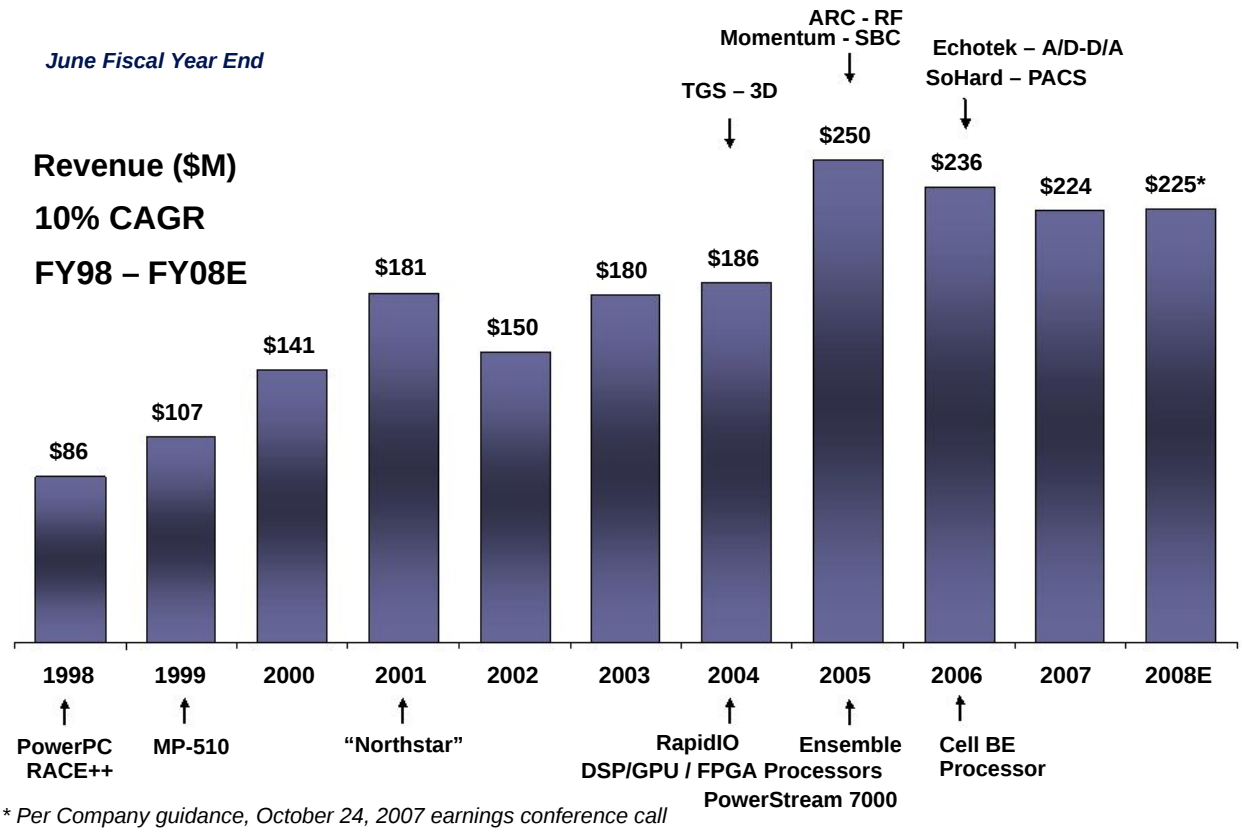
Financial Overview

Bob Hult, SVP, Chief Financial Officer

Investment Highlights

- Data explosion across multiple markets
- Mercury uniquely positioned to implement multicore processing systems
- Strategic acquisitions starting to produce
- Developing applications for PACS / Radiology market using advanced visualization technology
- New alignment of internal competencies will drive new business opportunities in Core / Advanced Computing Solutions
- Recent cost-reduction initiatives will improve margins

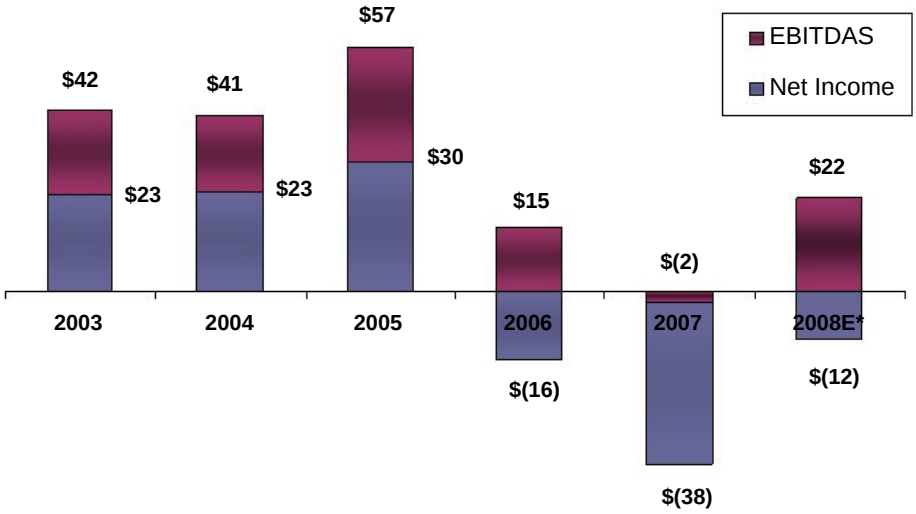
As Revenue Follows Technology Cycles



** Per Company guidance, October 24, 2007 earnings conference call*

EBITDAS Follows Revenue

June Fiscal Year End



EBITDAS excludes the following charges from Net Income: Interest Expense, Taxes, Depreciation and Amortization, and Stock-Based Compensation

** Per Company guidance, October 24, 2007 earnings conference call*

ACS Market Growth Drivers

- Expanding value from the sensor to the application
- Multicore processing
- Qualified pipeline building
- Mercury Federal solutions
- Reduced cost structure

Visage Market Growth Drivers

- Data explosion is changing the game
- Vertical market focus
- Thin-client server model

Strong Balance Sheet

Historically strong balance sheet

Net cash positive: $34M

Projected FY08 capex of $7 million

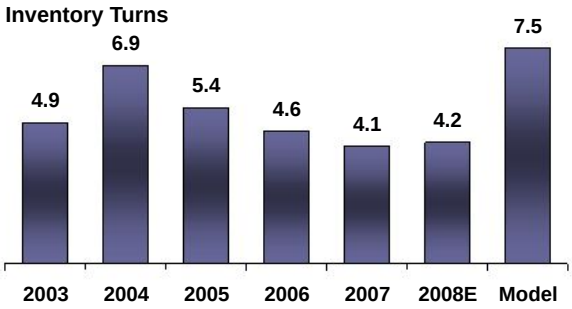
Positive free cash flow in FY08

Quarter ended September 30, 2007	
Cash and Equivalents	$159
Total Current Assets	$206
Total Assets	$356
Total Debt *	$125
Total Liabilities	$185
Stockholders' Equity	$171

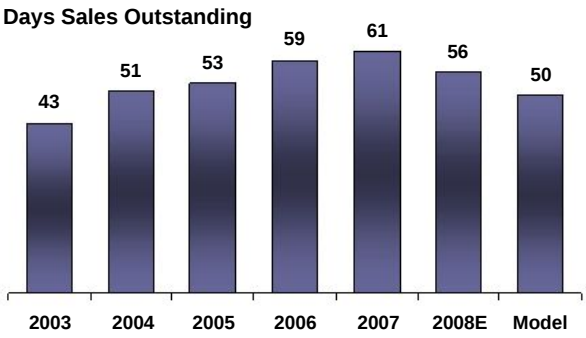
** 2% convertible senior notes offering due 2024*

Focus on Working Capital

- **Supply chain transformation**
  - Operational efficiencies
  - Competitive advantage for Mercury and customers



- **Customer satisfaction**
  - End-of-quarter shipment skew
  - DSO target 50 days



Commitment to Timeless Business Model

Non-GAAP	FY05	FY06	FY07	Guidance FY08*	Timeless Business Model
Revenue	100%	100%	100%	100%	**100%**
Gross Margin	66%	62%	56%	59%	**60+%**
SG&A	29%	34%	36%	33%	**Mid 20%**
R&D	20%	25%	26%	24%	**High Teens**
Income from Operations	17%	3%	(6%)	2%	**16-18%**

Approaching model!

Costs Reduced

** Per Company guidance, October 24, 2007 earnings conference call*

Q1 Fiscal Year 2008 Summary

	Reported	Guidance
Revenue ($M)	$ 49.2	$ 48.0
EPS	$ 0.09	$ (0.08)

- First quarter revenue and EPS exceeded guidance
- Strong book-to-bill of 1.11
- Operating cash flow generation of $4.0 million
- DSO: 63 days; Inventory Turns: 3.0
- Capital expenditures of $0.8 million

Q2 Fiscal Year 2008 Guidance

	Quarter Ending December 31, 2007	
Revenues ($M)	**$51**	
	GAAP	**Non-GAAP**
Gross Margin	**58%**	**58%**
EPS	**$(0.37)**	**$(0.05)**

- Impact of equity-based compensation costs related to FAS 123(R) of approximately $3.0M excluded from non-GAAP
- Acquisition-related amortization of approximately $1.8M excluded from non-GAAP

Notes:

1) *Figures in millions, except percent and per share data which includes adjustment for contingent convertibles, in accordance with GAAP*
2) *Company guidance, October 24, 2007 earnings conference call*

Fiscal Year 2008 Guidance

	Fiscal Year Ending June 30, 2008	
Revenues ($M)	**$225**	
	GAAP	**Non-GAAP**
Gross Margin	**59%**	**59%**
EPS	**$(0.54)**	**$0.33**

- Impact of equity-based compensation costs related to FAS 123(R) of approximately $11M excluded from non-GAAP
- Acquisition-related amortization of approximately $7M excluded from non-GAAP

Notes:

1) *Figures in millions, except percent and per share data which includes adjustment for contingent convertibles, in accordance with GAAP*
2) *Company guidance, October 24, 2007 earnings conference call*

Investment Highlights

- Data explosion across multiple markets
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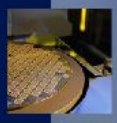
www.mc.com
NASDAQ: MRCY

Computer Systems, Inc.
MERCURY
Challenges Drive Innovation





APPENDIX

GAAP to Non-GAAP Reconciliation

Q108 Net Income Reconciliation ($M)

	Q108
Net loss	$ (3.3)
Stock-based compensation	2.7
Amortization of acquired intangible assets	1.8
Restructuring	0.1
Tax impact of excluding the above items	0.7
Non-GAAP net income	$ 2.0

Q208 and FY08 Guidance Reconciliation*

Year ending June 30, 2008		
		(Loss) Income Per Share - Diluted
GAAP expectation	$	(0.54)
Adjustment to exclude stock-based compensation		0.52
Adjustment to exclude amortization of acquired intangible assets		0.33
Adjustment for tax impact		0.02
Non-GAAP expectation	$	0.33
Quarter ending December 31, 2007		
		Loss Per Share - Diluted
GAAP expectation	$	(0.37)
Adjustment to exclude stock-based compensation		0.14
Adjustment to exclude amortization of acquired intangible assets		0.08
Adjustment for tax impact		0.10
Non-GAAP expectation	$	(0.05)

Note: figures are rounded

** Per Company guidance, October 24, 2007 earnings conference call*

EBITDAS Reconciliation

$M Fiscal Year	2003	2004	2005	2006	2007	2008E*
EBITDAS	**$ 42.0**	**$ 40.9**	**$ 57.0**	**$ 14.7**	**$ (2.5)**	**$ 21.7**
Stock Compensation	-	-	-	10.1	10.6	11.1
Interest Expense	0.9	1.4	4.2	4.1	4.2	2.7
Taxes	10.2	9.3	12.9	(0.9)	2.5	3.5
Depreciation & Amortization	8.2	7.3	9.7	17.6	18.0	15.9
Net Income	**$ 22.7**	**$ 22.9**	**$ 30.2**	**$ (16.2)**	**$ (37.8)**	**$ (11.5)**

Note: figures are rounded

** Per Company guidance, October 24, 2007 earnings conference call*