

ACCURAY INC  
Form 424B3  
May 09, 2011

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Registration No. 333-173344

**ACCURAY INCORPORATED**  
1310 Chesapeake Terrace  
Sunnyvale, California 94089

**TOMOTHERAPY INCORPORATED**  
1240 Deming Way  
Madison, Wisconsin 53717

**PROSPECTUS**

**PROXY STATEMENT**

To the Shareholders of TomoTherapy Incorporated:

**A Merger Proposal Your Vote Is Very Important**

On March 6, 2011, the board of directors of TomoTherapy Incorporated ("TomoTherapy") unanimously approved and adopted a merger agreement among TomoTherapy, Accuray Incorporated ("Accuray") and Jaguar Acquisition, Inc. ("Merger Sub") that contemplates the merger of Merger Sub with and into TomoTherapy, with TomoTherapy surviving the merger as a wholly owned subsidiary of Accuray. TomoTherapy is sending you this proxy statement/prospectus to ask you to vote for the approval and adoption of the merger agreement.

If the merger agreement is approved and adopted and the merger is subsequently completed, each outstanding share of TomoTherapy common stock will be converted into the right to receive (i) \$3.15 in cash, without interest and less applicable withholding taxes ("cash consideration"), and (ii) 0.1648 shares of Accuray common stock, par value \$0.001 per share ("stock consideration" and, together with the cash consideration, the "merger consideration"). The per share cash consideration and stock consideration are fixed, subject to certain customary anti-dilution adjustments. For example, assuming that 56,188,986 shares of TomoTherapy common stock, which is the number of shares of TomoTherapy common stock expected to be outstanding on May 10, 2011, the record date for the special meeting, are outstanding immediately prior to the merger, Accuray would issue an aggregate of approximately 9,259,945 shares of Accuray common stock in the merger. After careful consideration, TomoTherapy's board of directors has unanimously determined that it is advisable and in the best interest of the shareholders of TomoTherapy for TomoTherapy to enter into the merger agreement and consummate the transactions contemplated by the merger agreement, and that the merger consideration provided in the merger agreement is fair to the shareholders of TomoTherapy who will be entitled to receive such merger consideration. **TomoTherapy's board of directors unanimously recommends that you vote "FOR" the approval and adoption of the merger agreement.** The merger cannot be completed unless the holders of at least a majority of all the votes entitled to be cast by holders of outstanding shares of TomoTherapy common stock vote to approve and adopt the merger agreement. Whether or not you plan to attend the special meeting of shareholders, please take time to vote over the Internet, by telephone or by completing the enclosed proxy card and mailing it in accordance with the instructions on the card. **THE FAILURE OF ANY SHAREHOLDER TO VOTE WILL HAVE THE SAME EFFECT AS A VOTE BY THAT SHAREHOLDER AGAINST THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT. WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING IN PERSON, WE REQUEST THAT YOU COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD OR SUBMIT YOUR PROXY BY TELEPHONE OR OVER THE INTERNET PRIOR TO THE SPECIAL MEETING TO ENSURE THAT YOUR SHARES WILL BE VOTED AT THE SPECIAL MEETING.** TomoTherapy and Accuray common stock trade on The NASDAQ Global Select Market ("NASDAQ") under the symbols "TOMO" and "ARAY," respectively.

The accompanying proxy statement/prospectus provides you with detailed information about the special meeting, the merger agreement and the merger. A copy of the merger agreement is attached as Annex A to the accompanying proxy statement/prospectus. **You are encouraged**

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to read carefully the accompanying proxy statement/prospectus in its entirety including the section entitled "Risk Factors" beginning on page 29. You may also obtain more information about TomoTherapy and Accuray from documents that each has filed with the Securities and Exchange Commission.

Thank you in advance for your continued support and your consideration of this matter.

Sincerely,

Thomas Rockwell Mackie  
*Chairman of the Board*

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURES IN THIS PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

This proxy statement/prospectus is dated May 6, 2011, and is first being mailed to shareholders on or about May 9, 2011.

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**SOURCES OF ADDITIONAL INFORMATION**

This proxy statement/prospectus incorporates by reference important business and financial information about Accuray and TomoTherapy from documents that each company has filed with the Securities and Exchange Commission (the "SEC") but which have not been included in or delivered with this proxy statement/prospectus. For a list of documents incorporated by reference into this proxy statement/prospectus and how you may obtain them, see "Where You Can Find More Information" beginning on page 133.

This information is available to you without charge upon your written or oral request. You can also obtain the documents incorporated by reference into this proxy statement/prospectus by accessing the SEC's website at <http://www.sec.gov>.

In addition, Accuray's filings with the SEC are available to the public on Accuray's website, [www accuray.com](http://www accuray.com), and TomoTherapy's filings with the SEC are available to the public on TomoTherapy's website, [www.tomotherapy.com](http://www.tomotherapy.com). Except as expressly set forth in the section entitled "Where You Can Find More Information," beginning on page 133, information contained on Accuray's website, TomoTherapy's website or the website of any other person is not incorporated by reference into this proxy statement/prospectus, and you should not consider information contained on those websites as part of this proxy statement/prospectus.

Accuray and TomoTherapy will provide you with copies of their respective documents incorporated by reference into this proxy statement/prospectus, without charge, if you so request from:

Accuray Incorporated  
1310 Chesapeake Terrace  
Sunnyvale, California 94089  
Attention: Investor Relations  
Telephone Number: (408) 789-4458

TomoTherapy Incorporated  
1240 Deming Way  
Madison, Wisconsin 53717  
Attention: Investor Relations  
Telephone Number: (608) 824-2800

**If you wish to obtain any of these documents from Accuray or TomoTherapy, you should make your request no later than June 2, 2011, which is five business days before the special meeting, to ensure timely delivery before the special meeting.**

Information contained in this proxy statement/prospectus regarding Accuray has been provided by, and is the responsibility of, Accuray, and information contained in this proxy statement/prospectus regarding TomoTherapy has been provided by, and is the responsibility of, TomoTherapy. No one has been authorized to give you any other information, and neither Accuray nor TomoTherapy take responsibility for any information that others may give you. This proxy statement/prospectus is dated May 6, 2011. You should not assume that the information contained in, or incorporated by reference into, this proxy statement/prospectus is accurate as of any date other than that date. Neither TomoTherapy's mailing of this proxy statement/prospectus to TomoTherapy shareholders nor the issuance by Accuray of common stock in connection with the merger shall create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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**TOMOTHERAPY INCORPORATED**  
**1240 Deming Way**  
**Madison, Wisconsin 53717**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON JUNE 9, 2011**

NOTICE IS HEREBY GIVEN of a special meeting of shareholders of TomoTherapy Incorporated, a Wisconsin corporation ("TomoTherapy"), to be held on Thursday, June 9, 2011, starting at 8:00 a.m. central daylight time at 1212 Deming Way, Madison, Wisconsin 53717, for the following purposes:

1. To consider and vote on a proposal to approve and adopt the Agreement and Plan of Merger, dated as of March 6, 2011 (as it may be amended from time to time, the "merger agreement"), which provides for, among other things, the merger of Jaguar Acquisition, Inc. ("Merger Sub"), a wholly owned subsidiary of Accuray Incorporated ("Accuray"), with and into TomoTherapy (the "merger"), with TomoTherapy surviving the merger as a wholly-owned subsidiary of Accuray and the conversion of each share of TomoTherapy common stock outstanding immediately prior to the effective time of the merger (other than shares held in the treasury of TomoTherapy or owned, directly or indirectly, by Accuray, Merger Sub or any subsidiary of TomoTherapy) into the right to receive (i) \$3.15 in cash, without interest and less applicable withholding taxes, and (ii) 0.1648 shares of Accuray common stock, par value \$0.001 per share;
2. To consider and vote on a proposal to adjourn the special meeting to a later date or time, if necessary or appropriate, for the purpose of soliciting additional proxies in the event there are insufficient votes at the time of the special meeting to approve and adopt the merger agreement; and
3. To consider and vote on such other business as may properly come before the special meeting by or at the direction of the TomoTherapy board of directors or any adjournment or postponement of the special meeting.

Only shareholders of record at the close of business on May 10, 2011, the record date for the special meeting, are entitled to receive notice of and to vote at the special meeting and at any adjournment or postponement thereof (unless the board of directors fixes a new record date for any such postponed or adjourned meeting). Each shareholder is entitled to one vote for each share of TomoTherapy common stock held by such shareholder of record as of the close of business on the record date.

**THE TOMOTHERAPY BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND "FOR" THE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY OR APPROPRIATE, FOR THE PURPOSE OF SOLICITING ADDITIONAL PROXIES.**

By Order of the Board of Directors,

Brenda S. Furlow  
*Vice President, General Counsel and Corporate Secretary*

May 6, 2011

**Regardless of whether you plan to attend the special meeting in person, TomoTherapy requests that you complete, sign, date and return the enclosed proxy card or submit your proxy by telephone or over the Internet prior to the special meeting to ensure that your shares will be voted at the special**

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**meeting. If you have Internet access, TomoTherapy encourages you to vote over the Internet. Properly executed proxy cards with no instructions indicated on the proxy card will be voted "FOR" the approval and adoption of the merger agreement and "FOR" the adjournment of the special meeting for the purpose of soliciting additional proxies. If you attend the special meeting in person, you may revoke your proxy and vote in person if you wish, even if you have previously returned your proxy card or voted over the Internet or by telephone. Your prompt attention is greatly appreciated. YOUR VOTE IS IMPORTANT!**

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PROXY CARD

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**QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER**

*The following questions and answers are intended to address briefly some questions you may have regarding the special meeting and the proposed merger. These questions and answers may not address all questions that may be important to you as a shareholder. Please refer to the more detailed information contained elsewhere in this proxy statement/prospectus, as well as the additional documents to which this proxy statement/prospectus refers or which it incorporates by reference, including the merger agreement, a copy of which is attached to this proxy statement/prospectus as Annex A. See "Where You Can Find More Information" for the location of information incorporated by reference into this proxy statement/prospectus.*

***Q: Why am I receiving this document?***

A:

Under the merger agreement, TomoTherapy will become a wholly-owned subsidiary of Accuray and will no longer be a publicly held corporation. In the merger, in addition to the payment of cash, Accuray will issue shares of Accuray common stock as part of the consideration to be paid to holders of TomoTherapy common stock.

We are delivering this document to you as both a proxy statement of TomoTherapy and a prospectus of Accuray. It is a proxy statement because the TomoTherapy board of directors is soliciting proxies from its shareholders to vote for the approval and adoption of the merger agreement at the special meeting being held to consider and vote upon the proposal to approve and adopt the merger agreement, as well as the other matters set forth in the notice of the meeting and described in this proxy statement/prospectus, and your proxy will be used at the meeting or at any adjournment or postponement of the meeting. It is a prospectus because Accuray will issue Accuray common stock to TomoTherapy shareholders as a portion of the consideration to be paid in the merger.

***Q: On what am I being asked to vote?***

A:

At the special meeting, TomoTherapy common shareholders will be asked (1) to approve and adopt the merger agreement and (2) to approve the adjournment of the special meeting for the solicitation of additional proxies in the event there are insufficient votes present, in person or represented by proxy, at the time of the special meeting to approve and adopt the merger agreement.

***Q: What will TomoTherapy common shareholders receive in the merger?***

A:

By virtue of the merger, each share of TomoTherapy common stock, par value \$0.01 per share, issued and outstanding immediately prior to the effective time of the merger (the "Effective Time"), except for shares of TomoTherapy common stock held directly or indirectly by Accuray, Jaguar Acquisition, Inc. ("Merger Sub") or any wholly-owned subsidiary of TomoTherapy, will be automatically converted into the right to receive the merger consideration, which is:

- (i) \$3.15 in cash, without interest and less applicable withholding taxes; and
- (ii) 0.1648 shares of common stock, par value \$0.001 per share, of Accuray.

No fractional shares of Accuray will be issued in connection with the merger. Instead, a TomoTherapy shareholder who otherwise would have received a fraction of a share of Accuray common stock will receive an amount in cash rather than a fractional share. This cash amount will be determined by multiplying the fraction of a share of Accuray common stock to which the holder would otherwise be entitled by the volume weighted average closing price of one share of Accuray common stock on NASDAQ for the ten trading days ending on the last trading day immediately prior to the date on which the Effective Time occurs, as such price is reported by Bloomberg



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Financial Markets (or such other source agreed to by the parties) in composite transactions for NASDAQ. See "The Merger The Merger Consideration."

***Q: Is the merger taxable to TomoTherapy shareholders for U.S. federal income tax purposes?***

A:

The receipt of Accuray common stock and cash in exchange for TomoTherapy common stock in the merger will be a taxable transaction for U.S. federal income tax purposes. A U.S. holder (as defined below) who receives Accuray common stock and cash in the merger will generally recognize capital gain or loss equal to the difference, if any, between (1) the sum of the fair market value of Accuray common stock and cash, including any cash received in lieu of fractional shares of Accuray common stock, received in the merger, and (2) such holder's adjusted tax basis in its TomoTherapy common stock exchanged therefor.

Please carefully review the information set forth in the section entitled "The Merger Material U.S. Federal Income Tax Consequences of the Merger," for a description of the material U.S. federal income tax consequences of the merger. **The tax consequences of the merger to you will depend on your own situation. Please consult your tax advisors for a full understanding of the tax consequences of the merger to you.**

***Q: How does TomoTherapy's board of directors recommend that I vote on the proposals?***

A:

The board of directors of TomoTherapy unanimously recommends that you vote **"FOR"** the approval and adoption of the merger agreement and **"FOR"** the adjournment, if necessary, of the special meeting to solicit additional proxies in favor of approval and adoption of the merger agreement.

***Q: Are there risks that I should consider in deciding whether to vote for the merger?***

A:

Yes. In evaluating the merger, you should consider carefully the factors discussed in the section entitled "Risk Factors."

***Q: What are the conditions to consummation of the merger?***

A:

TomoTherapy's and Accuray's obligations to complete the merger are subject to several conditions, including:

the approval and adoption of the merger agreement by TomoTherapy's shareholders;

the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act");

the absence of any law or any order issued by any governmental entity prohibiting or making illegal the consummation of the merger;

approval for listing of the shares of Accuray common stock to be issued in the merger on NASDAQ, subject to official notice of issuance;

the effectiveness under the Securities Act of 1933, as amended (the "Securities Act"), of the registration statement, of which this proxy statement/prospectus forms a part, and the absence of any pending or threatened stop order suspending the effectiveness of such registration statement;

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TomoTherapy's, Accuray's and Merger Sub's performance, in all material respects, of all obligations required to be performed by TomoTherapy, Accuray and Merger Sub, respectively, under the merger agreement at or prior to the closing;

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TomoTherapy's performance, in all respects, of its obligation to transfer \$65,000,000 in cash to a TomoTherapy account with the Exchange Agent prior to closing;

the absence of any event, change, circumstance, occurrence, effect or state of facts that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on TomoTherapy or TomoTherapy's subsidiaries, taken as a whole;

the absence of certain pending or threatened actions by any governmental entity, including those that seek to challenge or make illegal or materially delay the consummation of the merger or any of the other transactions contemplated by the merger agreement;

the accuracy of TomoTherapy's representations and warranties to the extent required by the merger agreement;

the receipt by TomoTherapy and its subsidiaries of certain third-party consents; and

the accuracy of Accuray's representations and warranties to the extent required by the merger agreement.

See "The Merger Agreement Conditions to the Merger."

***Q: What will happen if the merger is not completed?***

A:

If the merger agreement is not approved and adopted by TomoTherapy shareholders or if the merger is not completed for any other reason, you will not receive any payment for your shares of TomoTherapy common stock in connection with the merger. Instead, TomoTherapy will remain an independent public company, and its common stock will continue to be listed and traded on the NASDAQ. Depending on the circumstances, TomoTherapy may be required to pay Accuray a termination fee of \$8.0 million or reimburse Accuray for up to \$1.5 million of fees and expenses Accuray has incurred in connection with the proposed merger, as described under "The Merger Agreement Transaction Fees and Expenses; Termination Fee."

***Q: Are there any other matters to be addressed at the meeting?***

A:

TomoTherapy is not aware of any other business to be acted upon at the special meeting. If, however, other matters are properly brought before the special meeting, your proxies will have discretion to vote or act on those matters according to their best judgment, and they intend to vote the shares as the TomoTherapy board of directors may recommend.

***Q: When is this proxy statement/prospectus being mailed?***

A:

This proxy statement/prospectus and the related proxy card are first being sent to TomoTherapy shareholders on or about May 9, 2011.

***Q: When and where will the special meeting be held?***

A:

The special meeting will take place at 8:00 a.m. central daylight time on Thursday, June 9, 2011, at TomoTherapy's administrative offices, located at 1212 Deming Way, Madison, Wisconsin, 53717.

***Q: Who is entitled to vote at the special meeting?***

A:

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Holders of record of outstanding shares of TomoTherapy common stock as of the close of business on May 10, 2011, the record date for the special meeting, are entitled to receive notice of, attend and vote or be represented by proxy at the special meeting and any adjournment or postponement of the special meeting. If the special meeting is postponed or adjourned the TomoTherapy board of directors may fix a new record date for any such postponed or adjourned meeting under certain

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circumstances. Each share of TomoTherapy common stock outstanding as of the close of business on the record date is entitled to one vote on each matter properly brought before the special meeting. If a broker or other nominee holds your shares, then you are not the holder of record and you must ask your broker or other nominee how you can vote in person at the special meeting. See "The Special Meeting Proxies and Revocation."

**Q: *Who may attend the special meeting?***

A: TomoTherapy shareholders (or their authorized representatives) and TomoTherapy's invited guests may attend the special meeting.

**Q: *How do I vote my shares at the special meeting if I am a record holder of shares of TomoTherapy common stock?***

A: If you are a holder of record of TomoTherapy common stock as of the close of business on May 10, 2011, the record date for the special meeting, you may authorize a proxy to vote your shares at the special meeting or you may vote your shares in person at the special meeting. However, TomoTherapy encourages you to submit a proxy before the special meeting, even if you plan to attend the special meeting. You can authorize your proxy by completing, signing, dating and returning the enclosed proxy card in the accompanying pre-addressed, postage-paid envelope and in accordance with the instructions on the proxy card or, if you prefer, by telephone or over the Internet by following the instructions on the enclosed proxy card.

**Q: *How do I vote my shares at the special meeting, if my shares of TomoTherapy common stock are held in "street name?"***

A: If your shares are held in an account at a broker or another nominee, you must instruct the broker or such other nominee on how to vote your shares by following the instructions that the broker or other nominee provides to you with these materials. Most brokers offer the ability for shareholder to submit voting instructions by mail by completing a voting instruction card, by telephone or over the Internet.

If you do not provide instructions to your broker or other nominee, your shares will not be voted on any proposal on which your broker or other nominee does not have discretionary authority to vote. This is called a broker non-vote. In these cases, the broker can register your shares as being present at the special meeting for purposes of determining a quorum but will not be able to vote on those matters for which specific authorization is required. Brokers will not have discretionary authority to vote on the proposal to approve and adopt the merger agreement. A broker non-vote will have the same effect as a vote "**AGAINST**" the approval and adoption of the merger agreement.

If you hold shares through a broker or other nominee and wish to vote your shares in person at the special meeting, you must obtain a proxy from your broker or other nominee and present it to the inspector of election with your ballot when you vote at the special meeting.

**Q: *Why is my vote important?***

A: If you do not return your proxy card, submit your proxy by telephone or over the Internet or vote in person at the special meeting, it will be more difficult for TomoTherapy to obtain the necessary quorum to hold its special meeting and obtain the necessary shareholder votes to approve and adopt the merger agreement. In addition, your failure to return a proxy card, submit a proxy by telephone or over the Internet or vote in person at the special meeting will have the same effect as a vote "**AGAINST**" the approval and adoption of the merger agreement.

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***Q: What constitutes a quorum for the meeting?***

A:

A majority of the votes entitled to be cast by holders of issued and outstanding shares of TomoTherapy common stock must be present or represented by proxy to constitute a quorum for action on the matters to be voted upon at the special meeting. All shares of TomoTherapy common stock represented at the special meeting, including abstentions and broker non-votes, will be treated as present for purposes of determining the presence or absence of a quorum for all matters voted on at the special meeting.

***Q: What vote of TomoTherapy's shareholders is required to approve and adopt the merger agreement or to approve an adjournment of the special meeting?***

A:

The affirmative vote of at least a majority of all of the votes entitled to be cast by holders of outstanding shares of TomoTherapy common stock is required to approve and adopt the merger agreement. If a quorum is present, approval of the proposal to adjourn the special meeting to solicit additional proxies requires the votes cast favoring the action to exceed the votes cast opposing the action.

***Q: What will happen if I abstain from voting or fail to vote?***

A:

With respect to the proposal to approve and adopt the merger agreement, if you abstain from voting on the proposal, fail to cast your vote in person or by proxy or if your shares are held by your broker or other nominee (*i.e.*, in "street name") and you fail to give voting instructions to your broker or other nominee on how to vote your shares, it will have the same effect as a vote "AGAINST" the proposal to approve and adopt the merger agreement.

With respect to the proposal to approve any adjournment of the special meeting for the purpose of soliciting additional proxies, if you abstain from voting on the proposal, fail to cast your vote in person or by proxy or if you hold your shares in "street name" and fail to give voting instructions to your broker or other nominee on how to vote your shares, it will not have any effect on the outcome of the vote on that proposal.

***Q: How will proxy holders vote my shares of common stock?***

A:

If you properly authorize a proxy prior to the special meeting, your shares of common stock will be voted as you direct. If you authorize a proxy but no direction is otherwise made, your shares of common stock will be voted "FOR" the proposal to approve and adopt the merger agreement and "FOR" the proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies. The proxy holders will vote in their discretion upon such other matters as may properly come before the special meeting by or at the direction of TomoTherapy's board of directors or any adjournment or postponement of the special meeting.

***Q: What happens if I sell my shares of common stock before the special meeting?***

A:

If you held your shares of TomoTherapy common stock as of the close of business on the record date but transfer them prior to the special meeting, you will retain your right to vote at the special meeting (provided that such shares remain outstanding on the date of the special meeting), but you will not have the right to receive the merger consideration for the shares. In order to receive the merger consideration, you must hold your TomoTherapy shares through completion of the merger.

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***Q: Can I change my vote?***

A:

Yes. If you own shares of common stock as a record holder as of the close of business on the record date, you may revoke a previously authorized proxy at any time prior to its exercise by delivering a properly executed, later-dated proxy card, by authorizing your proxy by telephone or over the Internet at a later date than your previously authorized proxy, by filing a written revocation of your proxy with TomoTherapy's Secretary or by voting in person at the special meeting. Attendance at the meeting will not, in itself, constitute revocation of a previously authorized proxy. If you own shares of common stock in "street name," you may revoke or change previously granted voting instructions by following the instructions provided by the broker or other nominee that is the registered owner of the shares.

***Q: Should I send in my TomoTherapy stock certificates now?***

A:

No. You should not send in any stock certificates at this time. Shortly after the merger is completed, you will receive a letter of transmittal with instructions informing you how to send your share certificates to the Exchange Agent in order to receive the merger consideration. You should use the letter of transmittal to exchange shares of TomoTherapy common stock for the merger consideration to which you are entitled as a result of the merger. TomoTherapy shareholders who hold their shares in book-entry form will not receive a letter of transmittal and will not need to take any action in order to receive the merger consideration.

***Q: Am I entitled to dissenters' rights?***

A:

No. Under Wisconsin law, the holders of TomoTherapy common stock are not entitled to dissenters' rights in connection with the merger.

***Q: When do you expect the merger to be completed?***

A:

TomoTherapy and Accuray are working towards completing the merger promptly. TomoTherapy and Accuray currently expect to complete the merger in the second quarter or the beginning of the third quarter of calendar 2011, subject to receipt of TomoTherapy's shareholder adoption and approval of the merger agreement, antitrust approval in the United States and other closing conditions set forth in the merger agreement. However, no assurance can be given as to when, or if, the merger will occur.

***Q: What will happen to the common stock that I currently own after completion of the merger?***

A:

Following the completion of the merger, your shares of common stock will be cancelled and will represent only the right to receive the merger consideration. Trading in TomoTherapy common stock on NASDAQ will cease, and price quotations for TomoTherapy common stock will no longer be available.

***Q: Where can I find more information about TomoTherapy and Accuray?***

A:

You can find more information about TomoTherapy and Accuray from various sources as described under "Sources of Additional Information" and "Where You Can Find More Information."

***Q: Who will solicit and pay the cost of soliciting proxies?***

A:

TomoTherapy will bear the cost of soliciting proxies for the special meeting. The TomoTherapy board of directors is soliciting your proxy on behalf of TomoTherapy. TomoTherapy's directors, officers and employees may solicit proxies by telephone and facsimile, by mail, over the Internet or in person. They will not be paid any additional amounts for soliciting proxies. TomoTherapy has

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retained MacKenzie Partners, Inc. ("MacKenzie") to assist it in the solicitation of proxies. TomoTherapy expects to pay MacKenzie a fee not to exceed \$30,000 for its services. TomoTherapy will also pay additional fees to MacKenzie depending upon the extent of additional services requested by TomoTherapy and reimburse MacKenzie for expenses it incurs in connection with its engagement by TomoTherapy. TomoTherapy also will request that banking institutions, brokerage firms, custodians, trustees, nominees, fiduciaries and other similar record holders forward the solicitation materials to the beneficial owners of common stock held of record by such person, and TomoTherapy will, upon request of such record holders, reimburse forwarding charges and out-of-pocket expenses.

***Q: Who can help answer my other questions?***

A:

Please contact MacKenzie Partners, Inc., the firm assisting us in the solicitation of proxies, at:

105 Madison Avenue  
New York, New York 10016  
[proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)  
Call Collect: (212) 929-5500  
or  
Toll-Free (800) 322-2885

TomoTherapy is not responsible for the accuracy of any information provided by or relating to Accuray contained in any proxy solicitation materials made available by or on behalf of Accuray or any other statements that Accuray may otherwise make. Accuray is not responsible for the accuracy of any information provided by or relating to TomoTherapy contained in any proxy solicitation materials made available by or on behalf of TomoTherapy or any other statements that TomoTherapy may otherwise make.



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**SUMMARY**

*The following summary highlights information in this proxy statement/prospectus and may not contain all the information that is important to you. Accordingly, TomoTherapy and Accuray encourage you to read carefully this entire proxy statement/prospectus, its annexes and the documents referred to herein for a more complete understanding of the proposals to be considered at the special meeting of TomoTherapy shareholders, the merger and the other transactions contemplated by the merger agreement. In addition, TomoTherapy and Accuray incorporate by reference important business and financial information about TomoTherapy and Accuray into this proxy statement/prospectus. For a description of this information and how you may obtain it without charge, see "Where You Can Find More Information" on page 133. Each item in this summary includes a page reference directing you to a more complete description of the item in this proxy statement/prospectus.*

*In this proxy statement/prospectus "TomoTherapy" refers to TomoTherapy Incorporated, and where appropriate, its subsidiaries, "Accuray" refers to Accuray Incorporated and "Merger Sub" refers to Jaguar Acquisition, Inc. In addition, TomoTherapy and Accuray refer to the proposed merger of Merger Sub with and into TomoTherapy as the "merger," the Agreement and Plan of Merger, dated as of March 6, 2011, by and among TomoTherapy, Accuray and Merger Sub as the "merger agreement" and the effective time of the merger as the "Effective Time."*

**The Companies (Page 39)**

**TomoTherapy Incorporated**

1240 Deming Way  
Madison, Wisconsin 53717  
(608) 824-2800

TomoTherapy, a Wisconsin corporation, together with its affiliates, develops, manufactures, markets and sells advanced radiation therapy solutions to treat a wide range of cancer types. TomoTherapy markets its products to hospitals and cancer treatment centers in the Americas, Europe, the Middle East and Asia-Pacific and offers customer support services in each region directly or through third-party distributors. TomoTherapy was originally incorporated in 1997 and sold its first clinical product, the Hi Art treatment system, in 2003. In May 2007, TomoTherapy became a publicly traded company. TomoTherapy's common stock is traded on NASDAQ under the symbol "TOMO."

As of December 31, 2010, TomoTherapy had \$270 million of assets, including \$152 million in cash, cash equivalents and short term investments, and \$163 million in shareholders' equity. TomoTherapy announced in February 2011 that it had shipped its 350<sup>th</sup> radiation therapy system.

**Accuray Incorporated**

1310 Chesapeake Terrace  
Sunnyvale, California 94089  
(408) 716-4600

Accuray, a Delaware corporation, designs, develops and sells the CyberKnife system. The CyberKnife system is an image-guided robotic radiosurgery system used for the treatment of solid tumors anywhere in the body as an alternative to traditional surgery. The CyberKnife system is designed to treat small to medium-sized, discrete tumors. Together with its subsidiaries, Accuray markets and services its products in the Americas, Asia and Europe. Accuray was incorporated in California in 1990 and commenced operations in 1992. Accuray reincorporated in Delaware in 2007 and became a publicly traded company in February 2007. Accuray's common stock is traded on NASDAQ under the symbol "ARAY."

As of December 31, 2010, Accuray had \$256 million of assets, including \$152 million in cash, cash equivalents and short-term available-for-sale securities, and \$178 million in stockholders' equity. As of

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December 31, 2010, Accuray had installed 222 CyberKnife systems at customer sites: 139 in the Americas, 48 in Asia and 35 in Europe.

**Jaguar Acquisition, Inc.**  
c/o Accuray Incorporated  
1310 Chesapeake Terrace  
Sunnyvale, California 94089  
(408) 716-4600

Merger Sub is a Wisconsin corporation that was formed solely for the purpose of entering into the merger agreement and completing the transactions contemplated by the merger agreement. Merger Sub has engaged in no business other than in connection with the transactions contemplated by the merger agreement.

**The Special Meeting (Page 40)**

**Date, Time and Place.** The special meeting will be held on Thursday, June 9, 2011, starting at 8:00 a.m. central daylight time at TomoTherapy's administrative offices, located at 1212 Deming Way, Madison, Wisconsin, 53717.

**Purpose.** You will be asked to consider and vote upon (1) the approval and adoption of the merger agreement, (2) the adjournment of the special meeting to a later date, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve and adopt the merger agreement and (3) such other business as may properly come before the special meeting by or at the direction of the TomoTherapy board of directors or any adjournments or postponements of the special meeting.

**Record Date and Quorum.** You are entitled to vote at the special meeting if you were the record owner of shares of TomoTherapy common stock at the close of business on May 10, 2011, the record date for the special meeting. Shareholders of record of TomoTherapy common stock as of the close of business on the record date will have one vote for each share of TomoTherapy common stock owned of record on the record date. As of May 10, 2011, it is expected that 56,188,986 shares of TomoTherapy common stock will be issued and outstanding and entitled to vote. A majority of the votes entitled to be cast by holders of issued and outstanding shares of TomoTherapy common stock constitutes a quorum for the purpose of the special meeting. In the event that a quorum is not present in person or represented by proxy at the special meeting, the meeting may be adjourned or postponed to solicit additional proxies.

**Vote Required.** The approval and adoption of the merger agreement requires the affirmative vote of at least a majority of all of the votes entitled to be cast by holders of outstanding shares of TomoTherapy common stock. If a quorum is present, approval of any proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the votes cast favoring the action to exceed the votes cast opposing the action.

**The Merger (Page 44) and the Merger Agreement (Page 79)**

The terms and conditions of the merger are contained in the merger agreement, which is attached to this proxy statement/prospectus as Annex A. TomoTherapy and Accuray encourage you to read the merger agreement carefully, as it is the legal document that governs the merger.

Under the terms of the merger agreement, Merger Sub will merge with and into TomoTherapy, and TomoTherapy will survive the merger as a direct, wholly-owned subsidiary of Accuray.

Table of Contents**Merger Consideration (Page 80)**

Upon completion of the merger, each outstanding share of TomoTherapy common stock, except for shares of TomoTherapy common stock held directly or indirectly by Accuray, Merger Sub or any wholly-owned subsidiary of TomoTherapy (which will be canceled as a result of the merger), will be converted into the right to receive (i) \$3.15 in cash, without interest and less applicable withholding taxes ("cash consideration"), and (ii) 0.1648 shares of Accuray common stock, par value \$0.001 per share ("stock consideration"). The per share cash consideration and stock consideration are fixed, subject to certain customary anti-dilution adjustments, and will not be adjusted for changes in the market price of either TomoTherapy common stock or Accuray common stock. Accordingly, any change in the price of Accuray common stock prior to the merger will affect the market value of the stock consideration that TomoTherapy shareholders will receive as a result of the merger. **No assurance can be given (and it is not likely) that the market price of Accuray common stock on the date that stock is received by a TomoTherapy shareholder or at any other time will be the same as the market price of Accuray common stock as of March 4, 2011, the last full trading day before the announcement of the merger agreement.** You should obtain current stock price quotations for TomoTherapy and Accuray common stock. TomoTherapy and Accuray common stock trade on NASDAQ under the symbols "TOMO" and "ARAY," respectively.

The following table shows the per share closing prices for TomoTherapy common stock and Accuray common stock and the implied per share value in the merger to TomoTherapy shareholders on March 4, 2011, the last trading day completed before TomoTherapy and Accuray announced the execution of the merger agreement and on May 6, 2011, the date of this proxy statement/prospectus:

		<b>TomoTherapy Common Stock Price/Share</b>		<b>Accuray Common Stock Price/Share</b>		<b>Implied Value of One Share of TomoTherapy Common Stock*</b>
March 4, 2011	\$	3.67	\$	10.01	\$	4.80
May 6, 2011	\$	4.42	\$	7.98	\$	4.47

\*

Represents \$3.15 in cash (without interest), plus the value of 0.1648 shares of Accuray common stock valued at the per share prices for Accuray Common Stock set forth in this table.

**Treatment of Stock Options, Restricted Stock and Employee Stock Purchase Plan (Page 82)**

If the merger is completed,

each outstanding option to purchase shares of TomoTherapy common stock ("TomoTherapy option") will be converted into an option to purchase shares of Accuray common stock (an "Accuray option"), on the same terms and conditions as were applicable immediately prior to the Effective Time, but taking into account any acceleration of vesting that applies in connection with the merger. The number of shares of Accuray common stock subject to each Accuray option will be equal to the number of shares of TomoTherapy common stock subject to the related TomoTherapy option immediately prior to the Effective Time multiplied by the option exchange ratio, rounded down, if necessary, to the nearest whole share of Accuray common stock, and such Accuray option will have an exercise price per share (rounded up to the nearest whole cent) equal to the exercise price per share of TomoTherapy common stock divided by the option exchange ratio, in each case subject to adjustment in order to comply with certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and to ensure that the number of shares of Accuray common stock subject to Accuray options, together with all shares of Accuray common stock issuable in the merger, is below certain thresholds. The "option exchange ratio" is defined as the sum of (a) \$3.15 divided by the volume weighted average of the daily closing prices per share of Accuray common stock on NASDAQ for the five

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consecutive trading days ending on and including the trading day immediately preceding the Effective Time plus (b) 0.1648 shares of Accuray common stock (which equals the number of shares of Accuray common stock into which each share of TomoTherapy common stock will be converted in the merger);

each outstanding share of restricted stock of TomoTherapy (other than shares held in the treasury of TomoTherapy or owned, directly or indirectly, by Accuray, Merger Sub or any wholly-owned subsidiary of TomoTherapy) will be converted into the right to receive the cash consideration and the stock consideration (together, the "merger consideration"). However, the stock consideration payable to holders of shares of restricted stock of TomoTherapy will continue to have the same vesting and forfeiture provisions and the cash consideration payable to holders of shares of restricted stock of TomoTherapy will not be payable until the date such restricted shares would have become vested under the vesting schedule in place for such shares immediately prior to the Effective Time (subject to the same terms and conditions, including any vesting or forfeiture provisions or repurchase rights, but taking into account any acceleration thereof provided for in the applicable plan, related award document or any other agreement); and

TomoTherapy common stock will continue to be issued to participants under TomoTherapy's 2007 Employee Stock Purchase Plan, as amended (the "ESPP"), on the next currently scheduled purchase dates thereunder subject to the terms and conditions of the ESPP, any offering in progress as of the Effective Time will be shortened, and the "Exercise Date" (as defined in the ESPP) will be the business day immediately preceding the Effective Time. Each then outstanding option under the ESPP will be exercised automatically on such Exercise Date. The ESPP will be terminated as of or prior to the Effective Time.

**TomoTherapy's Reasons for the Merger (Page 52)**

In reaching its decision to approve, adopt and declare advisable the merger agreement, the merger and the other transactions contemplated by the merger agreement, the TomoTherapy board of directors consulted with TomoTherapy's senior management, as well as its financial and legal advisors, and considered a number of factors that the board members believed supported their decision.

**Recommendation of TomoTherapy Board of Directors (Page 52)**

The TomoTherapy board of directors has unanimously determined that the entry into the merger agreement and the consummation of the merger and the other transactions contemplated by the merger agreement are advisable and in the best interests of the shareholders of TomoTherapy, unanimously authorized, approved and adopted the merger agreement, the merger and the other transactions contemplated thereby and unanimously determined that the merger consideration is fair to the shareholders of TomoTherapy entitled to receive the merger consideration. **The TomoTherapy board of directors unanimously recommends that TomoTherapy shareholders vote "FOR" the approval and adoption of the merger agreement and "FOR" the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies.**

**Accuray's Reasons for the Merger (Page 66)**

In reaching its decision to approve the merger and its determination that the terms of the merger agreement and the transactions contemplated thereby are advisable, and in the best interests of, Accuray and its stockholders, the Accuray board of directors evaluated the merger in consultation with Accuray's senior management and advisors, and considered a number of factors that the board members believed supported their decision.

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**Common Stock Ownership of Directors and Executive Officers; Support Agreement (Page 103)**

In connection with the transactions contemplated by the merger agreement, all of TomoTherapy's executive officers and directors have, in their capacity as shareholders of TomoTherapy, entered into a support agreement (the "support agreement") with Accuray pursuant to which, among other things, they irrevocably agreed to vote the shares of TomoTherapy common stock beneficially owned by them in favor of the merger. Such shareholders also agreed to vote all such shares of TomoTherapy common stock against, among other things, any other acquisition proposal or alternative acquisition agreement, any proposal for any recapitalization, reorganization, liquidation, dissolution, or business combination between TomoTherapy and any person other than Accuray, and any other action that could reasonably be expected to impede, interfere with, delay, postpone, discourage or adversely affect the consummation of the merger. As of May 10, 2011, the record date for the special meeting, the directors and executive officers of TomoTherapy are expected to beneficially own in the aggregate approximately 6,293,419 shares of TomoTherapy common stock entitled to vote at the special meeting, representing approximately 11% of the shares of TomoTherapy common stock expected to be outstanding as of the record date.

**Opinion of TomoTherapy's Financial Advisor (Page 57)**

In connection with the merger, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill Lynch"), TomoTherapy's financial advisor, delivered a written opinion, dated March 6, 2011, to TomoTherapy's board of directors to the effect that, as of the date of the opinion and based on and subject to various assumptions and limitations described in its opinion, the merger consideration was fair, from a financial point of view, to holders of TomoTherapy common stock. The full text of the written opinion, dated March 6, 2011, of BofA Merrill Lynch, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex C to this proxy statement/prospectus and is incorporated by reference herein in its entirety. **BofA Merrill Lynch provided its opinion to TomoTherapy's board of directors for the benefit and use of TomoTherapy's board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the merger and does not constitute a recommendation to any shareholder as to how to vote or act in connection with the proposed merger or any related matter.**

**Material U.S. Federal Income Tax Consequences of the Merger (Page 73)**

The receipt of Accuray common stock and cash in exchange for TomoTherapy common stock in the merger will be a taxable transaction for U.S. federal income tax purposes. A U.S. holder (as defined below) who receives Accuray common stock and cash in the merger will generally recognize capital gain or loss equal to the difference, if any, between (1) the sum of the fair market value of Accuray common stock and cash, including any cash received in lieu of fractional shares of Accuray common stock, received in the merger, and (2) such holder's adjusted tax basis in its TomoTherapy common stock exchanged therefor.

**Interests of TomoTherapy's Directors and Executive Officers in the Merger (Page 69)**

In considering the recommendation of the TomoTherapy board of directors to approve and adopt the merger agreement you should be aware that TomoTherapy's directors and executive officers have interests in the merger that are different from, or in addition to, their interests as TomoTherapy shareholders. The TomoTherapy board of directors was aware of and considered these interests, among other matters, in reaching its decision to approve, adopt and declare advisable the merger agreement, the merger and the other transactions contemplated by the merger agreement. All of TomoTherapy's executive officers are parties to change in control severance agreements with TomoTherapy, each of

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which provides severance and other benefits in the case of such executive's employment is terminated or such executive's employment agreement is not renewed in connection with a change in control of TomoTherapy, including the consummation of the merger. Under certain circumstances, the termination of employment of the chief executive officer will result in, among other things, acceleration of vesting of all unvested equity awards granted to the chief executive officer. On March 6, 2011, the board of directors of TomoTherapy adopted a resolution that amended all unvested TomoTherapy option and restricted stock awards outstanding under TomoTherapy's 2007 Equity Incentive Plan. As a result of such amendment, if any person who, as of immediately prior to the Effective Time, is an employee, officer or director of TomoTherapy, ceases to be employed by, or to provide services to, TomoTherapy and its affiliates due to a termination of such employment or services by TomoTherapy or its affiliates without "cause" within one year after the Effective Time, then all such person's awards that were outstanding under the TomoTherapy 2007 Equity Incentive Plan as of the Effective Time will immediately become fully vested. Executive officers and directors of TomoTherapy have rights to indemnification, advancement of expenses and directors' and officers' liability insurance that will survive consummation of the merger.

**Conditions to the Merger (Page 98)**

***Conditions to Each Party's Obligations.*** TomoTherapy's and Accuray's obligations to complete the merger are subject to the satisfaction or waiver of the following conditions:

the approval and adoption of the merger agreement by TomoTherapy's shareholders;

the expiration or termination of the applicable waiting period under the HSR Act;

the absence of any law, temporary restraining order, preliminary or permanent injunction or other judgment, order or decree issued by any governmental entity that prohibits or makes illegal the consummation of the merger;

approval for listing of the shares of Accuray common stock to be issued in the merger on NASDAQ, subject to official notice of issuance; and

the effectiveness under the Securities Act, of the registration statement of which this proxy statement/prospectus forms a part and the absence of any initiated or threatened proceedings by the SEC or the Financial Industry Regulatory Authority ("FINRA") seeking a stop order with respect to such registration statement.

***Conditions to Accuray's and Merger Sub's Obligations.*** Accuray's and Merger Sub's obligations to effect the merger are further subject to the satisfaction by TomoTherapy or waiver by Accuray and Merger Sub of the following conditions:

TomoTherapy's performance, in all material respects, of all obligations required to be performed by TomoTherapy under the merger agreement at or prior to the closing date, and TomoTherapy's performance, in all respects, of its obligation to transfer \$65,000,000 in cash to a TomoTherapy account with the Exchange Agent prior to closing;

the absence of any event, change, circumstance, occurrence, effect or state of facts that, individually on in the aggregate, has had or would reasonably be expected to have a material adverse effect (as described in "The Merger Agreement Representations and Warranties") on TomoTherapy or TomoTherapy's subsidiaries, taken as a whole;

the absence of any pending or threatened action by any governmental entity that seeks, directly or indirectly, to (i) challenge or make illegal or otherwise prohibit or materially delay the consummation of the merger or any of the other transactions contemplated by the merger agreement, or to make materially more costly the merger, or to obtain from TomoTherapy, Accuray or Merger Sub any damages that are material in relation to TomoTherapy and its



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subsidiaries taken as a whole, (ii) to prohibit or limit the ownership, operation or control by TomoTherapy, Accuray or any of their respective subsidiaries of any material portion of the business or assets of TomoTherapy, Accuray or any of their respective subsidiaries, or to compel TomoTherapy, Accuray or any of their respective subsidiaries to dispose of or hold separate any material portion of the business or assets of TomoTherapy, Accuray or any of their respective subsidiaries or (iii) to impose limitations on the ability of Accuray to acquire or hold, or exercise full rights of ownership of, any shares of TomoTherapy common stock;

the accuracy of TomoTherapy's representations and warranties

other than *de minimis* inaccuracies, in the case of certain fundamental representations and warranties (organization, standing and power; TomoTherapy's amended and restated articles of incorporation and bylaws; capital stock; authority; no conflict with charter and bylaws of TomoTherapy; state takeover statutes; no rights plan);

in all material respects, in the case of certain other representations and warranties (subsidiary charters and bylaws; outstanding equity awards; subsidiary capital stock; no conflict with charters and bylaws of subsidiaries); and

except for such inaccuracies that would not have a TomoTherapy material adverse effect (as described in "The Merger Agreement Representations and Warranties") in the case of all other representations and warranties;

the receipt by TomoTherapy and its subsidiaries of certain third-party consents; and

the delivery of an officer's certificate of TomoTherapy to Accuray certifying that certain of the above conditions have been satisfied.

***Conditions to TomoTherapy's Obligations.*** TomoTherapy's obligations to effect the merger are subject to the further satisfaction by Accuray and/or Merger Sub or waiver by TomoTherapy of the following conditions:

Accuray's and Merger Sub's performance, in all material respects of all obligations required to be performed by them under the merger agreement at or prior to the closing date;

the accuracy of Accuray's representations and warranties

other than *de minimis* inaccuracies, in the case of certain fundamental representations and warranties (organization, standing and power; Accuray's charter and bylaws; capital stock of Accuray and Merger Sub; authority; no conflict with charter and bylaws of Accuray or Merger Sub; ownership of TomoTherapy securities);

in all material respects, in the case of certain other representations and warranties (subsidiary charters and bylaws; subsidiary capital stock; no conflict with charters and bylaws of subsidiaries; history of Merger Sub);

except for such inaccuracies that would not have a Parent material adverse effect (as described in "The Merger Agreement Representations and Warranties") in the case of all other representations and warranties; and



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the delivery of an officer's certificate of Accuray to TomoTherapy certifying that certain of the above conditions have been satisfied.

The definition of a "TomoTherapy material adverse effect" is described in the section of this proxy statement/prospectus entitled "The Merger Agreement Representations and Warranties."

The definition of a "Parent material adverse effect" is described in the section of this proxy statement/prospectus entitled "The Merger Agreement Representations and Warranties."

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**No Solicitation (Page 91)**

The merger agreement prohibits TomoTherapy from directly or indirectly soliciting or negotiating acquisition proposals (as that term is described in the section of this proxy statement/prospectus entitled "The Merger Agreement No Solicitation"). However, under certain circumstances the merger agreement permits TomoTherapy to respond to certain written acquisition proposals TomoTherapy receives and, subject to payment of a termination fee, terminate the merger agreement to enter into a definitive agreement with respect to a superior proposal (as that term is described in the section of this proxy statement/prospectus entitled "The Merger Agreement No Solicitation").

**Termination of the Merger Agreement (Page 99); Termination Fee (Page 101)**

Accuray and TomoTherapy may terminate the merger agreement at any time upon mutual written consent of the parties. Other circumstances under which Accuray or TomoTherapy may terminate the merger agreement are described in the section of this proxy statement/prospectus entitled "The Merger Agreement Termination of the Merger Agreement."

TomoTherapy is required to pay Accuray a termination fee of \$8,000,000 if the merger agreement is terminated following the TomoTherapy board of directors' change of its recommendation in favor of the merger or TomoTherapy's acceptance of a superior proposal (as such term is described in the section of this proxy statement/prospectus entitled "The Merger Agreement No Solicitation") from another party or under certain other circumstances, all as described in the section of this proxy statement/prospectus entitled "The Merger Agreement Transaction Fees and Expenses; Termination Fee."

TomoTherapy is required to pay Accuray's and Merger Sub's expenses incurred in connection with the merger, in an amount not to exceed \$1,500,000, if the merger agreement is terminated under certain other circumstances. See the section of this proxy statement/prospectus entitled "The Merger Agreement Transaction Fees and Expenses; Termination Fee."

In no event will TomoTherapy be required to pay both the termination fee and Accuray's and Merger Sub's expenses.

**Regulatory Approvals (Page 75)**

TomoTherapy and Accuray cannot complete the merger unless they receive approvals or waivers of approval from applicable regulatory authorities. The merger is subject to review by U.S. antitrust authorities under the HSR Act. The merger can be completed only after expiration or termination of the applicable waiting periods required under the HSR Act and any other applicable antitrust law. The applicable waiting period under the HSR Act expired on April 26, 2011 without a request for additional information. TomoTherapy and Accuray have agreed to use their respective reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with each other in doing, all things necessary, proper or advisable to obtain all approvals, consents, registrations, permits, authorizations and other confirmations from any governmental authority or third party necessary, proper or advisable to consummate the merger.

For a discussion of the parties' obligations to use certain efforts to obtain regulatory approvals for the merger, see the section of this proxy statement/prospectus entitled "The Merger Agreement Efforts to Consummate the Merger; Regulatory Matters."

**Dissenters' Rights (Page 77)**

Under Wisconsin law, dissenters' rights are not available to holders of shares of a corporation, such as shares of TomoTherapy common stock, that are listed on a national securities exchange, unless the corporation's articles of incorporation provide otherwise. TomoTherapy's amended and restated

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articles of incorporation do not otherwise provide for dissenters' rights. Accordingly, holders of TomoTherapy common stock are not entitled to dissenters' rights in connection with the merger.

**Current Market Price of TomoTherapy and Accuray Common Stock (Page 13)**

TomoTherapy common stock trades on NASDAQ under the ticker symbol "TOMO." The closing sale price of TomoTherapy common stock on NASDAQ on March 4, 2011, the last full trading day prior to the date of the public announcement of the merger agreement, was \$3.67. On May 6, 2011, the date of this proxy statement/prospectus, the closing price of TomoTherapy common stock on NASDAQ was \$4.42. You are encouraged to obtain current market quotations for TomoTherapy common stock in connection with voting your shares.

Accuray common stock trades on NASDAQ under the ticker symbol "ARAY." The closing sale price of Accuray common stock on NASDAQ on March 4, 2011, the last full trading day prior to the date of the public announcement of the merger agreement, was \$10.01. On May 6, 2011, the date of this proxy statement/prospectus, the closing price of Accuray common stock on NASDAQ was \$7.98. You are encouraged to obtain current market quotations for Accuray common stock in connection with voting your shares.

**Risk Factors (Page 29)**

In evaluating the merger and the merger agreement and deciding how to vote at the special meeting, you should read carefully this proxy statement/prospectus, and especially consider the factors discussed in the section entitled "Risk Factors" beginning on page 29, in addition to the risks described in Item 1A of Accuray's Form 10-Q for the quarter ended December 31, 2010, filed with the SEC on January 27, 2011, in Item 1A of Accuray's Form 10-K for the year ended June 30, 2010, filed with the SEC on September 1, 2010, and in Item 1A of TomoTherapy's Form 10-K for the year ended December 31, 2010, as amended, filed with the SEC on March 3, 2011 and April 15, 2011, and the risks described in the other information contained in or incorporated by reference into this proxy statement/prospectus, including the matters addressed under the heading "Forward-Looking Statements."

**Delisting and Deregistration of TomoTherapy Common Stock (Page 78)**

If the merger is completed, shares of TomoTherapy common stock will no longer be listed or traded on NASDAQ and will be deregistered under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

**Litigation Related to the Merger (Page 76)**

On or about March 11, 2011, an alleged TomoTherapy shareholder, Andrew M. Storch, filed a purported class action complaint on behalf of himself and all other similarly situated shareholders of TomoTherapy in the Circuit Court of Dane County, Wisconsin, captioned *Storch v. TomoTherapy Incorporated, et al.*, Case No. 11 CV 1183, seeking equitable relief, including an injunction of the merger, and costs and expenses of the litigation, including attorneys' fees. The lawsuit named as defendants TomoTherapy and the ten members of TomoTherapy's board of directors (which, together with TomoTherapy, we refer to as the "TomoTherapy defendants"). Thereafter, four more alleged TomoTherapy shareholders filed complaints in the same court on behalf of the same purported class and against the same defendants, under the following captions: *Janz v. TomoTherapy Incorporated, et al.*, No. 11 CV 1184 (filed on March 11, 2011); *Haselwander v. TomoTherapy Incorporated, et al.*, No. 11 CV 1189 (filed on March 14, 2011); *Reiter v. TomoTherapy Incorporated, et al.*, No. 11 CV 1203 (filed on March 15, 2011); and *Shuen v. TomoTherapy Incorporated, et al.*, No. 11 CV 1208 (filed on March 15, 2011). The *Reiter* and the *Shuen* complaints also named Accuray and Merger Sub as defendants

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(collectively, the "Accuray defendants"). On April 15, 2011, plaintiffs moved to voluntarily dismiss the Accuray defendants. On April 4, 2011, all five actions were consolidated, and on April 18, 2011, the consolidated action plaintiffs filed a consolidated class action complaint (the "Consolidated Complaint") against the TomoTherapy defendants in the same court and on behalf of the same purported class, captioned *In re TomoTherapy Incorporated Shareholder Litigation*, Lead Case No. 11-CV-1183. The TomoTherapy defendants moved to dismiss the Consolidated Complaint in its entirety on the grounds that its allegations were conclusory and failed to state a claim upon which relief can be granted. The TomoTherapy defendants believe that the claims asserted in the Consolidated Complaint are without merit and intend to vigorously defend against them. See "The Merger Litigation Related to the Merger."

**Comparison of Rights of Accuray Stockholders and TomoTherapy Shareholders (Page 104)**

TomoTherapy is a Wisconsin corporation and Accuray is a Delaware corporation. As a result, the rights of TomoTherapy shareholders are governed by Wisconsin law, and the rights of Accuray stockholders are governed by Delaware law. The rights of Accuray stockholders also are governed by Accuray's amended and restated certificate of incorporation and Accuray's amended and restated bylaws, whereas the rights of TomoTherapy's shareholders are governed by TomoTherapy's amended and restated articles of incorporation and TomoTherapy's amended and restated bylaws. TomoTherapy's amended and restated articles of incorporation and amended and restated bylaws differ from Accuray's amended and restated certificate of incorporation and amended and restated bylaws in certain respects. Important differences between the rights of shareholders in a Wisconsin corporation and the rights of stockholders in a Delaware corporation include differences with respect to the fiduciary duties of directors, anti-takeover provisions, rights to call shareholder meetings, ability to take shareholder action without a meeting, the stockholder vote required for certain mergers, dividends that may be declared, dissenters' rights, indemnification of officers and directors and limitations on directors' liability. TomoTherapy's shareholders should be aware of these differences when they vote at the special meeting, because, upon completion of the merger, they will own shares of Accuray common stock and, therefore, their rights will be governed by Accuray's amended and restated certificate of incorporation and amended and restated bylaws and Delaware law.

Table of Contents**COMPARATIVE PER SHARE DATA**

The following table shows unaudited per share data regarding net income (loss) from continuing operations, book value and cash dividends for Accuray and TomoTherapy on a historical and pro forma combined basis. The pro forma book value information was computed as if the merger had been completed on December 31, 2010. The pro forma net loss from continuing operations information was computed as if the merger had been completed on July 1, 2009. The TomoTherapy pro forma equivalent information was calculated by multiplying the corresponding pro forma combined data by an assumed exchange ratio of 0.1648 shares of Accuray common stock issued in exchange for each outstanding share of TomoTherapy common stock. This information shows how each share of TomoTherapy common stock would have participated in the combined company's loss from continuing operations and book value if the merger had been completed on the relevant dates. These amounts do not necessarily reflect expected future per share amounts of net loss from continuing operations and book value of the combined company.

The following unaudited comparative per share data are derived from the historical consolidated financial statements of each of Accuray and TomoTherapy. The information below should be read in conjunction with the audited and unaudited consolidated financial statements and accompanying notes of Accuray, which are incorporated by reference into this proxy statement/prospectus, and of TomoTherapy, which are incorporated by reference into this proxy statement/prospectus (see "Where You Can Find More Information" beginning on page 133). You are urged to also read "Accuray and TomoTherapy Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 19. The unaudited pro forma combined per share information does not purport to represent what the actual results of operations of Accuray and TomoTherapy would have been had the companies been combined during these periods or to project Accuray's and TomoTherapy's results of operations that may be achieved after the merger.

	As of and for the six months ended December 31, 2010	As of and for the twelve months ended June 30, 2010
<b>Accuray Historical Data</b>		
Net income (loss) per share basic and diluted	\$ (0.01)	\$ 0.05
Book value per share(1)	2.97	2.91
Cash dividends		
<b>TomoTherapy Historical Data</b>		
Net loss per share basic and diluted	(0.35)	(0.56)
Book value per share(1)(2)	2.90	3.24
Cash dividends		
<b>Accuray Combined Pro Forma Data(3)</b>		
Net loss per share basic and diluted	(0.32)	(0.53)
Book value per share(2)	3.69	n/a
Cash dividends		
<b>TomoTherapy Pro Forma Equivalent Data(4)</b>		
Net loss per share basic and diluted	(0.05)	(0.09)
Book value per share	0.61	n/a
Cash dividends		

- (1) Calculated using book value attributable to Accuray or TomoTherapy, as applicable, excluding book value attributable to minority interests, divided by the number of shares of common stock outstanding at the stated balance sheet date.

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- (2) Calculated using book value attributable to TomoTherapy, excluding book value attributable to minority interests.
- (3) Calculated using the number of shares of Accuray common stock outstanding at the stated balance sheet date plus 9.2 million shares issued as a result of the merger.
- (4) TomoTherapy pro forma equivalent amounts are calculated by multiplying pro forma combined per share amounts by the exchange ratio of 0.1648 calculated as of December 31, 2010.

Table of Contents**COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION****Market Prices**

Shares of Accuray common stock and shares of TomoTherapy common stock are listed on NASDAQ. The following table sets forth the high and low sales prices of shares of Accuray common stock and TomoTherapy common stock as reported on NASDAQ for each company's two most recent full fiscal years and any subsequent fiscal quarters. Neither Accuray nor TomoTherapy declared any dividends during the periods indicated.

**Accuray:**

	Price Range of Common Stock	
	High	Low
<b>2009 Fiscal Year</b>		
First Fiscal Quarter	\$ 9.08	\$ 6.72
Second Fiscal Quarter	9.00	3.70
Third Fiscal Quarter	6.59	3.78
Fourth Fiscal Quarter	8.35	4.72
<b>2010 Fiscal Year</b>		
First Fiscal Quarter	7.58	5.75
Second Fiscal Quarter	6.86	4.93
Third Fiscal Quarter	7.75	5.50
Fourth Fiscal Quarter	7.18	5.77
<b>2011 Fiscal Year</b>		
First Fiscal Quarter	7.00	5.87
Second Fiscal Quarter	7.00	5.85
Third Fiscal Quarter	11.16	6.63
Fourth Fiscal Quarter (through May 6, 2011)	9.64	7.71

**TomoTherapy:**

	Price Range of Common Stock	
	High	Low
<b>2009</b>		
First Quarter	\$ 3.26	\$ 1.97
Second Quarter	3.40	2.08
Third Quarter	4.67	2.43
Fourth Quarter	4.50	2.89
<b>2010</b>		
First Quarter	4.44	3.11
Second Quarter	3.94	2.59
Third Quarter	3.58	2.91
Fourth Quarter	4.18	3.36
<b>2011</b>		
First Quarter	4.70	3.28
Second Quarter (through May 6, 2011)	5.57	4.37

On March 4, 2011, the last trading day before the merger agreement was announced, the high and low sale prices of shares of TomoTherapy common stock as reported on NASDAQ were \$3.68 and \$3.63, respectively. On May 6, 2011, the date of this proxy statement/prospectus, the high and low sale

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prices of shares of TomoTherapy common stock as reported on NASDAQ were \$4.59 and \$4.37, respectively.

On March 4, 2011, the last trading day before the merger agreement was announced, the high and low sale prices of shares of Accuray common stock as reported on NASDAQ were \$10.14 and \$9.89, respectively. On May 6, 2011, the date of this proxy statement/prospectus, the high and low sale prices of shares of Accuray common stock as reported on NASDAQ were \$8.68 and \$7.71, respectively.

As of May 5, 2011, the last date prior to printing this proxy statement/prospectus for which it was practicable to obtain this information, there were approximately 81 registered holders of Accuray common stock and approximately 468 registered holders of TomoTherapy common stock.

Accuray stockholders and TomoTherapy shareholders are advised to obtain current market quotations for Accuray common stock and TomoTherapy common stock. The market price of Accuray common stock and TomoTherapy common stock will fluctuate between the date of this proxy statement/prospectus and the completion of the merger. No assurance can be given concerning the market price of Accuray common stock before or after the Effective Time or TomoTherapy common stock before the Effective Time.

Accuray has never declared or paid cash dividends on its capital stock. For the foreseeable future, Accuray does not anticipate declaring or paying cash dividends, as it currently intends to retain future earnings for the operation and expansion of its business. The payment of dividends will be at the discretion of Accuray's board of directors and will depend on its results of operations, capital requirements, financial condition, prospects, contractual arrangements and other factors Accuray's board of directors may deem relevant. In addition, Accuray has agreed in the merger agreement that, through the Effective Time, it will not declare, set aside or pay any dividends on any of its capital stock.



Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ACCURAY**

The following table sets forth selected historical consolidated financial data of Accuray. The selected historical consolidated financial data of Accuray as of and for the years ended June 30, 2010, 2009, 2008, 2007 and 2006 have been derived from Accuray's historical audited consolidated financial statements. The consolidated statements of operations data for the six months ended and the balance sheet data as of December 31, 2010 and 2009 have been derived from Accuray's unaudited consolidated financial statements and related notes that are incorporated by reference into this proxy statement/prospectus. The historical consolidated statements of operations data for the years ended June 30, 2010, 2009 and 2008, and the consolidated balance sheet data at June 30, 2010 and 2009 are derived from the audited financial statements contained in Accuray's Annual Report on Form 10-K for the year ended June 30, 2010, which are incorporated by reference into this proxy statement/prospectus. The historical consolidated statements of operations data for the years ended June 30, 2007 and 2006, and the consolidated balance sheet data at June 30, 2008, 2007 and 2006 are derived from Accuray's audited consolidated financial statements that do not appear in this proxy statement/prospectus. This information is only a summary and should be read in conjunction with Accuray's historical consolidated financial statements and the related notes contained in the reports and the other information that Accuray has previously filed with the SEC and which are incorporated into this proxy statement/prospectus by reference. For additional information, please see the section entitled "Where You Can Find More Information."

**Consolidated Statement of Operations Data (in thousands except per share data):**

	Six Months Ended			Fiscal Year Ended			
	December 31, 2010	December 31, 2009	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006
Net revenue	\$ 92,314	\$ 107,896	\$ 221,625	\$ 233,598	\$ 210,381	\$ 140,452	\$ 52,897
Income (loss) before income tax and cumulative effect of change in accounting principle	(152)	(5,009)	2,837	664	6,250	(5,010)	(33,436)
Provision (benefit) for income tax	390	(557)	(4)	55	867	1,444	258
Income (loss) before cumulative effect of change in accounting principle	(542)	(4,452)	2,841	609	5,383	(6,454)	(33,694)
Cumulative effect of change in accounting principle, net of tax of \$0						838	
Net income (loss) attributable to common stockholders	\$ (542)	\$ (4,452)	\$ 2,841	\$ 609	\$ 5,383	\$ (5,616)	\$ (33,694)
Net income (loss) per common share attributable to stockholders							
Basic net income (loss) per share	\$ (0.01)	\$ (0.08)	\$ 0.05	\$ 0.01	\$ 0.10	\$ (0.18)	\$ (2.11)
Diluted net income (loss) per share	\$ (0.01)	\$ (0.08)	\$ 0.05	\$ 0.01	\$ 0.09	\$ (0.18)	\$ (2.11)
Weighted average common shares outstanding used in computing net income (loss) per share attributable to stockholders:							
Basic	58,975	57,112	57,560	55,413	54,531	30,764	15,997
Diluted	58,975	57,112	60,191	58,729	60,434	30,764	15,997

Table of Contents**Consolidated Balance Sheet Data (in thousands):**

	December 31,		As of				
	2010	2009	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006
Cash and cash equivalents	\$ 49,513	\$ 39,463	\$ 45,434	\$ 36,835	\$ 36,936	\$ 204,830	\$ 27,856
Short-term investments	102,427	74,504	99,881	64,634	85,536		
Receivables, net	29,856	37,433	37,955	36,427	33,918	10,105	11,698
Inventories	35,646	25,292	28,186	28,909	23,047	16,984	10,100
Working capital	157,070	128,115	152,048	80,083	87,744	148,522	(3,783)
Total assets	256,420	260,517	263,184	274,386	295,004	332,109	138,623
Deferred revenue and customer advances	52,527	72,893	60,277	89,067	139,406	175,279	172,193

Sales of *Campbell's* condensed soups declined 1%. Sales of eating varieties declined as the business was negatively impacted by promotional discounting in the ready-to-serve segment. Sales of condensed cooking varieties rose driven by increased advertising and promotional activity.

Sales of ready-to-serve soups decreased 13%.

Broth sales decreased 2%.

Redeemable convertible preferred stock

Within the U.S. Soup, Sauces and Beverages segment, beverage sales increased 10% driven by double-digit volume gains. *V8 V-Fusion* juice and beverage sales grew double digits due to increased marketing support and new item launches. Sales of *V8* vegetable juice grew benefiting from increased advertising. Sales of *V8 Splash* juice drinks rose double digits. Sales of *Prego* pasta sauce declined as higher promotional spending was only partly offset by volume gains. Sales of *Pace* Mexican sauce declined due to increased competitive activity.

In Baking and Snacking, sales increased 3%. Sales at Pepperidge Farm were comparable to a year ago, as volume gains were offset by increased promotional spending. Within Pepperidge Farm, sales from the bakery business declined, reflecting lower sales of stuffing and artisan bread, while *Goldfish* snack crackers and *Baked Naturals* crackers delivered sales gains. In Arnott's, sales increased due to currency. Excluding currency, gains in *Shapes* and *Vita-Weat* savory crackers were offset by declines in chocolate and other sweet biscuit products.

In International Soup, Sauces and Beverages, sales decreased 1% primarily due to currency as volume gains were offset by increased promotional spending. In Europe, sales declined primarily due to currency, partly offset by higher sales in Germany. In Asia Pacific, sales increased primarily due to currency and volume-driven gains in Australia and Japan, partly offset by a decline in Hong Kong. In Canada, sales increased due to currency and solid volume gains, partially offset by increased promotional spending. Sales in Latin America declined.

In North America Foodservice, sales declined 4% primarily due to continued weakness in the food service sector.

#### ***Gross Profit***

Gross profit, defined as Net sales less Cost of products sold, decreased by \$29 million in 2011. As a percent of sales, gross profit decreased from 41.9% in 2010 to 41.2% in 2011. The 0.7 percentage point decrease was due to the impact of cost inflation and other factors (approximately 1.8 percentage points) and increased promotional spending (approximately 1.6 percentage points), partially offset by productivity improvements (approximately 1.6 percentage points), favorable mix (approximately 1.0 percentage point), and higher selling prices (approximately 0.1 percentage point).

#### ***Marketing and Selling Expenses***

Marketing and selling expenses as a percent of sales were 12.8% in 2011 and 12.9% in 2010. Marketing and selling expenses decreased 2% in 2011 from 2010. The decrease was primarily due to lower selling expenses (approximately 2 percentage points) and cost savings in marketing overhead (approximately 1 percentage point), partially offset by increased advertising and consumer promotion spending (approximately 1 percentage point). The lower selling expenses primarily resulted from a reorganization of the company's U.S. sales teams.

#### ***Administrative Expenses***

Administrative expenses as a percent of sales were 6.4% in 2011 and 6.0% in 2010. Administrative expenses increased by 5% in 2011 from 2010, primarily due to an increase in pension costs (approximately 2 percentage points), long-term compensation costs (approximately 1 percentage point), the impact of currency (approximately 1 percentage point), and higher general administrative costs (approximately 1 percentage point).

**Table of Contents****Operating Earnings**

Segment operating earnings decreased 6% in 2011 from 2010.

An analysis of operating earnings by segment follows:

	2011	2010	%
	(Millions)		Change
U.S. Soup, Sauces and Beverages	\$ 295	\$ 331	(11)%
Baking and Snacking	100	100	
International Soup, Sauces and Beverages	51	44	16
North America Foodservice	23	26	(12)
	469	501	(6)%
Corporate	(25)	(23)	
	\$ 444	\$ 478	

Earnings from U.S. Soup, Sauces and Beverages decreased 11% in 2011 versus 2010 primarily due to increased promotional spending and cost inflation, partly offset by productivity improvements.

Earnings from Baking and Snacking were comparable to the prior-year period as the impact of currency and higher earnings in Pepperidge Farm were offset by lower earnings in Arnott's.

Earnings from International Soup, Sauces and Beverages increased 16% in 2011 versus 2010. The increase in operating earnings was driven by growth in Europe.

Earnings from North America Foodservice decreased 12% in 2011 versus 2010. The decrease in earnings reflected the lower sales in the current year.

**Interest Expense/Income**

Interest expense increased to \$32 million from \$28 million in the prior year, primarily due to an increase in fixed-rate debt.

**Taxes on Earnings**

The effective tax rate was 32.6% for the current quarter and year-ago quarter.

**LIQUIDITY AND CAPITAL RESOURCES**

The company expects that foreseeable liquidity and capital resource requirements, including cash outflows to repurchase shares, pay dividends and fund pension plan contributions, will be met through anticipated cash flows from operations; long-term borrowings under its shelf registration statement; short-term borrowings, including commercial paper; and cash and cash equivalents. The company expects that its sources of financing are adequate to meet its future liquidity and capital resource requirements. The cost and terms of any future financing arrangements may be negatively impacted by capital and credit market disruptions and will depend on the market conditions and the company's financial position at the time.

The company used cash from operations of \$29 million in 2011, compared to cash used from operations of \$36 million last year. The benefit of lower pension contributions in 2011 was mostly offset by higher working capital requirements and lower earnings.

Capital expenditures were \$27 million in 2011 compared to \$44 million a year ago. Capital expenditures in 2011 included the ongoing implementation of SAP in Australia and New Zealand (approximately \$3 million), expansion of beverage production capacity (approximately \$2 million), expansion of Pepperidge Farm's production capacity (approximately \$1 million), and continued enhancement of the company's corporate headquarters (approximately \$1 million). Capital expenditures are expected to total approximately \$300 million in 2011.

Excluding shares owned and tendered by employees to satisfy tax withholding requirements on the vesting of restricted shares and for stock option exercises, the company repurchased 4 million shares at a cost of \$156 million during the three-month period ended



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October 31, 2010 and 3 million shares at a cost of \$94 million during the three-month period ended November 1, 2009. Approximately 2.7 million of the shares repurchased in the current year and approximately 1.5 million of the shares repurchased in the prior-year period were repurchased pursuant to the company's June 2008 publicly announced share repurchase program. Approximately \$453 million remains available under the June 2008 repurchase program as of October 31, 2010. In addition to the June 2008 publicly announced share repurchase program, the company also purchased shares to offset the impact of dilution from shares issued under the company's stock compensation plans. The company expects to continue this practice in the future. See "Unregistered Sales of Equity Securities and Use of Proceeds" for more information.

At October 31, 2010, the company had \$1,134 million of short-term borrowings due within one year and \$24 million of standby letters of credit issued on behalf of the company. The company has a \$975 million committed 364-day revolving credit facility that matures in September 2011. The company also has a \$975 million committed revolving credit facility that matures in September 2013. The facilities remained unused at October 31, 2010, except for \$2 million of standby letters of credit issued on behalf of the company. The agreements support the company's commercial paper programs.

In November 2008, the company filed a registration statement with the Securities and Exchange Commission that registered an indeterminate amount of debt securities. Under the registration statement, the company may issue debt securities, depending on market conditions.

The company is in compliance with the covenants contained in its revolving credit facilities and debt securities.

**SIGNIFICANT ACCOUNTING ESTIMATES**

The consolidated financial statements of the company are prepared in conformity with accounting principles generally accepted in the United States. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. The significant accounting policies of the company are described in Note 1 to the Consolidated Financial Statements. The significant accounting estimates are described in Management's Discussion and Analysis included in the 2010 Annual Report on Form 10-K. The impact of new accounting standards is discussed in the following section. There have been no other changes in the company's accounting policies in the current period that had a material impact on the company's consolidated financial condition or results of operation.

**RECENT ACCOUNTING PRONOUNCEMENTS**

In June 2009, the Financial Accounting Standards Board (FASB) issued authoritative guidance that changed the consolidation model for variable interest entities (VIE). The revised guidance requires an enterprise to qualitatively assess the determination of the primary beneficiary, or consolidator of a VIE, based on whether the entity has the power to direct matters that most significantly impact the activities of the VIE, and has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The revised guidance also amended the consideration of kick-out rights in determining if an entity is a VIE and requires an ongoing reconsideration of the primary beneficiary. It also amends the events that trigger a reassessment of whether an entity is a VIE. The provisions are effective for the first quarter of fiscal 2011. The adoption did not have a material impact on the company's consolidated financial statements.

In January 2010, the FASB issued additional authoritative guidance related to fair value measurements and disclosures. The guidance requires a roll forward, separately presenting information about purchases, sales, issuances and settlements on a gross basis, rather than net, of the assets and liabilities measured using significant unobservable inputs (Level 3 fair value measurements). The roll forward information must be provided by the company for the first quarter of fiscal 2012, as the provision is effective for annual reporting periods beginning after December 15, 2010 and for interim reporting periods within those years.

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**FORWARD-LOOKING STATEMENTS**

This quarterly report contains forward-looking statements that reflect the company's current expectations regarding future results of operations, economic performance, financial condition and achievements of the company. The company tries, wherever possible, to identify these forward-looking statements by using words such as anticipate, believe, estimate, expect, will and similar expressions. One can also identify them by the fact that they do not relate strictly to historical or current facts. These statements reflect the company's current plans and expectations and are based on information currently available to it. They rely on a number of assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties.

The company wishes to caution the reader that the following important factors and those important factors described in other Securities and Exchange Commission filings of the company, or in the company's 2010 Annual Report on Form 10-K, could affect the company's actual results and could cause such results to vary materially from those expressed in any forward-looking statements made by, or on behalf of, the company:

the impact of strong competitive response to the company's efforts to leverage its brand power with product innovation, promotional programs and new advertising, and of changes in consumer demand for the company's products;

the risks in the marketplace associated with trade and consumer acceptance of product improvements, shelving initiatives, new product introductions, and pricing and promotional strategies;

the company's ability to achieve sales and earnings guidance, which is based on assumptions about sales volume, product mix, the development and success of new products, the impact of marketing, promotional and pricing actions, product costs and currency;

the company's ability to realize projected cost savings and benefits;

the company's ability to successfully manage changes to its business processes, including selling, distribution, manufacturing, information management systems and the integration of acquisitions;

the increased significance of certain of the company's key trade customers;

the impact of inventory management practices by the company's trade customers;

the impact of fluctuations in the supply and inflation in energy, raw and packaging materials cost;

the impact associated with portfolio changes and completion of acquisitions and divestitures;

the uncertainties of litigation described from time to time in the company's Securities and Exchange Commission filings;

the impact of changes in currency exchange rates, tax rates, interest rates, debt and equity markets, inflation rates, economic conditions and other external factors; and

the impact of unforeseen business disruptions in one or more of the company's markets due to political instability, civil disobedience, armed hostilities, natural disasters or other calamities.

This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may impact the company's outlook. The company disclaims any obligation or intent to update forward-looking statements made by the company in order to reflect new information, events or circumstances after the date they are made.

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**Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

For information regarding the company's exposure to certain market risk, see Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in the 2010 Annual Report on Form 10-K. There have been no significant changes in the company's portfolio of financial instruments or market risk exposures from the fiscal 2010 year-end.

**Item 4. CONTROLS AND PROCEDURES**

a. Evaluation of Disclosure Controls and Procedures

The company, under the supervision and with the participation of its management, including the President and Chief Executive Officer and the Senior Vice President Chief Financial Officer and Chief Administrative Officer, has evaluated the effectiveness of the company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of October 31, 2010 (Evaluation Date). Based on such evaluation, the President and Chief Executive Officer and the Senior Vice President Chief Financial Officer and Chief Administrative Officer have concluded that, as of the Evaluation Date, the company's disclosure controls and procedures are effective.

b. Changes in Internal Controls

During the quarter ended October 31, 2010, as part of the previously announced SAP enterprise-resource planning system implementation, the company implemented SAP software at its Virginia, Queensland, Australia, manufacturing facility. In conjunction with this SAP implementation, the company modified the design, operation and documentation of its internal control over financial reporting. Specifically, the company modified controls in the business processes impacted by the new system, such as user access security, system reporting and authorization and reconciliation procedures. There were no other changes in the company's internal control over financial reporting that materially affected, or were likely to materially affect, such control over financial reporting.



**Table of Contents****Part II****Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**  
**Issuer Purchases of Equity Securities**

<b>Period</b>	<b>Total Number of Shares Purchased(1)</b>	<b>Average Price Paid Per Share(2)</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(3)</b>	<b>Approximate Dollar Value of Shares that may yet be Purchased Under the Plans or Programs (\$ in Millions)(3)</b>
8/2/10 8/31/10	1,317,738(4)	\$ 36.26(4)	802,760	\$ 521
9/1/10 9/30/10	1,967,992(5)	\$ 36.13(5)	856,357	\$ 489
10/1/10 10/31/10	1,706,814(6)	\$ 36.15(6)	1,022,165	\$ 453
<b>Total</b>	<b>4,992,544</b>	<b>\$ 36.17</b>	<b>2,681,282</b>	<b>\$ 453</b>

(1) Includes (i) 1,631,978 shares repurchased in open-market transactions to offset the dilutive impact to existing shareowners of issuances under the company's stock compensation plans, (ii) 573,127 shares owned and tendered by employees to satisfy tax withholding obligations on the vesting of restricted shares, and (iii) 106,157 shares owned and tendered in connection with stock option exercises. Unless otherwise indicated, shares owned and tendered by employees to satisfy tax withholding obligations were purchased at the closing price of the company's shares on the date of vesting.

(2) Average price paid per share is calculated on a settlement basis and excludes commission.

(3) During the first quarter of fiscal 2011, the company had one publicly announced share repurchase program. Under this program, which was announced on June 30, 2008, the company's Board of Directors authorized the purchase of up to \$1.2 billion of company stock through the end of fiscal 2011. In addition to the publicly announced share repurchase program, the company expects to continue to purchase shares, under separate authorization, as part of its practice of buying back shares sufficient to offset shares issued under incentive compensation plans.

(4) Includes (i) 513,240 shares repurchased in open-market transactions at an average price of \$36.26 to offset the dilutive impact to existing shareowners of issuances under the company's stock compensation plans, and (ii) 1,738 shares owned and tendered by employees at an average price per share of \$36.40 to satisfy tax withholding requirements on the vesting of restricted shares.

(5) Includes (i) 543,770 shares repurchased in open-market transactions at an average price of \$36.28 to offset the dilutive impact to existing shareowners of issuances under the company's stock compensation plans, and (ii) 567,865 shares owned and tendered by employees at an average price per share of \$35.75 to satisfy tax withholding requirements on the vesting of restricted shares.

- (6) Includes (i) 574,968 shares repurchased in open-market transactions at an average price of \$36.13 to offset the dilutive impact to existing shareowners of issuances under the company's stock compensation plans, (ii) 3,524 shares owned and tendered by employees at an average price per share of \$36.09 to satisfy tax withholding requirements on the vesting of restricted shares, and (iii) 106,157 shares owned and tendered at an average price per share of \$36.47 in connection with stock option exercises.

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**Item 6. EXHIBITS**

- 10(a) Campbell Soup Company 2005 Long-Term Incentive Plan, as amended and restated on November 18, 2010, was filed with the SEC with Campbell's 2010 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.
- 31(a) Certification of Douglas R. Conant pursuant to Rule 13a-14(a).
- 31(b) Certification of B. Craig Owens pursuant to Rule 13a-14(a).
- 32(a) Certification of Douglas R. Conant pursuant to 18 U.S.C. Section 1350.
- 32(b) Certification of B. Craig Owens pursuant to 18 U.S.C. Section 1350.
- 101.INS XBRL Instance Document
- 101.SCH XBRL Schema Document
- 101.CAL XBRL Calculation Linkbase Document
- 101.DEF XBRL Definition Linkbase Document
- 101.LAB XBRL Label Linkbase Document
- 101.PRE XBRL Presentation Linkbase Document

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**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.

Date: December 9, 2010

**CAMPBELL SOUP COMPANY**

By: /s/ B. Craig Owens  
B. Craig Owens  
Senior Vice President Chief  
Financial Officer and Chief  
Administrative Officer

By: /s/ Ellen Oran Kaden  
Ellen Oran Kaden  
Senior Vice President Law and  
Government Affairs

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