

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **November 5, 2009**

**Axcelis Technologies, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-30941**  
(Commission  
File Number)

**34-1818596**  
(IRS Employer  
Identification No.)

**108 Cherry Hill Drive, Beverly, Massachusetts**  
(Address of principal executive offices)

**01915**  
(Zip Code)

Registrant's telephone number, including area code: **(978) 787-4000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02 Results of Operations and Financial Condition**

On November 5, 2009, Axcelis Technologies, Inc. (the "Company") issued a press release regarding its financial results for the quarter ended September 30, 2009. The Company's press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits**

(c) Exhibits

99.1 Press Release dated November 5, 2009. Filed herewith.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 5, 2009

Axcelis Technologies, Inc.

By: /s/ STEPHEN G. BASSETT  
Stephen G. Bassett  
Executive Vice President  
and Chief Financial Officer

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**AXCELIS ANNOUNCES IMPROVED FINANCIAL RESULTS  
FOR THIRD QUARTER 2009**

BEVERLY, Mass.—November 5, 2009—Axcelis Technologies, Inc. (Nasdaq: ACLS) today announced improved financial results for the third quarter ended September 30, 2009.

**Operations**

The Company reported third quarter revenue of \$35.0 million, compared to \$33.6 million for the second quarter of 2009. Net loss for the third quarter was \$15.9 million, or \$0.15 per share. This compares to a net loss for the second quarter of 2009 of \$22.4 million, or \$0.22 per share of which \$4.1 million (\$.04 per share) was attributable to restructuring charges. In the corresponding quarter for the previous year, the Company reported revenue of \$46.5 million, and a net loss of \$24.7 million, or \$0.24 per share.

**Balance Sheet**

Cash and cash equivalents, including restricted cash, were \$48.5 million at September 30, 2009. Cash burn (\$8.5 million in the third quarter of which \$2.4 million was attributable to restructuring costs) continues to decline and we expect to approach cash flow break even in the fourth quarter of 2009. The Company ended the quarter with working capital of \$177.5 million. Working capital management remains a focus to enhance cash flow. During 2009 the Company has reduced inventories by \$17.2 million through the sale of product on hand.

Commenting on the Company's performance, Mary Puma, chairman and CEO, stated, "We're pleased to report improving financial results this quarter in terms of reducing our losses and

slowing our cash burn. Actions taken to reduce operating expenses and increase efficiencies throughout the organization are having, and will continue to have, a positive effect on cash flow and profitability. In fact, we expect to approach cash breakeven in the fourth quarter, as increased fab utilization drives aftermarket business and new systems orders." She added, "We've also made solid progress with our product portfolio through enhancements to productivity and advanced process capabilities. Consequently, we are well positioned to meet customers' technology demands and benefit from enhanced earnings leverage moving into 2010."

**Third Quarter 2009 Conference Call**

The Company will also be hosting a conference call today at 5:00 pm ET to discuss results for the third quarter of 2009. The call will be available to interested listeners via an audio webcast at Axcelis' home page at [www.axcelis.com](http://www.axcelis.com), or by dialing 1-888-680-0892 (1-617-213-4858 outside North America). Participants calling into the conference call will be requested to provide the passcode: 99888481. Webcast and telephone replays will be available from 8 pm ET on November 5, 2009 until 11:59 pm on February 5, 2010. Dial 1-888-286-8010 (1-617-801-6888 outside North America), and enter conference ID code#71293614.

**About Axcelis**

Axcelis Technologies, Inc. (Nasdaq: ACLS) headquartered in Beverly, Massachusetts, provides innovative, high-productivity solutions for the semiconductor industry. Axcelis is dedicated to developing enabling process applications through the design, manufacture and complete life support of ion implantation and cleaning systems. The company's Internet address is: [www.axcelis.com](http://www.axcelis.com).

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**Axcelis Technologies, Inc.  
Consolidated Statements of Operations  
(In thousands, except per share amounts)  
(Unaudited)**

	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
Revenue				
Product	\$ 25,871	\$ 32,490	\$ 69,369	\$ 163,543
Service	9,132	13,163	24,527	41,360
Royalties, primarily from SEN	4	801	389	3,334
	<u>35,007</u>	<u>46,454</u>	<u>94,285</u>	<u>208,237</u>
Cost of revenue				
Product	21,681	22,759	62,571	112,906
Service	5,506	6,536	15,001	21,866
	<u>27,187</u>	<u>29,295</u>	<u>77,572</u>	<u>134,772</u>

Gross profit	7,820	17,159	16,713	73,465
<b>Operating expenses</b>				
Research and development	7,648	15,873	24,935	49,680
Sales and marketing	5,700	12,381	18,864	36,760
General and administrative	7,874	10,562	27,075	31,254
Amortization of intangible assets	—	656	—	1,968
Restructuring charges	430	444	5,528	3,512
	<u>21,652</u>	<u>39,916</u>	<u>76,402</u>	<u>123,174</u>
Loss from operations	(13,832)	(22,757)	(59,689)	(49,709)
<b>Other income (expense)</b>				
Gain on sale of SEN	—	—	1,080	—
Equity loss of SEN	—	(968)	(3,238)	(1,100)
Interest income	59	319	152	1,400
Interest expense	—	(1,724)	(1,676)	(5,005)
Other, net	(1,681)	763	(3,197)	314
	<u>(1,622)</u>	<u>(1,610)</u>	<u>(6,879)</u>	<u>(4,391)</u>
Loss before income taxes	(15,454)	(24,367)	(66,568)	(54,100)
Income taxes	<u>444</u>	<u>374</u>	<u>864</u>	<u>1,118</u>
Net loss	<u>\$ (15,898)</u>	<u>\$ (24,741)</u>	<u>\$ (67,432)</u>	<u>\$ (55,218)</u>
<b>Net loss per share</b>				
Basic and diluted net loss per share	<u>\$ (0.15)</u>	<u>\$ (0.24)</u>	<u>\$ (0.65)</u>	<u>\$ (0.54)</u>
<b>Shares used in computing basic and diluted net loss per share</b>				
Weighted average common shares outstanding	<u>103,850</u>	<u>103,002</u>	<u>103,475</u>	<u>102,635</u>

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**Axcelis Technologies, Inc.**  
**Consolidated Balance Sheets**  
(In thousands)  
(Unaudited)

	September 30, 2009	December 31, 2008
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 41,244	\$ 37,694
Restricted cash	7,239	8,654
Accounts receivable, net	26,632	27,486
Inventories, net	123,630	150,113
Prepaid expenses and other current assets	10,931	17,231
Total current assets	<u>209,676</u>	<u>241,178</u>
Property, plant and equipment, net	41,940	44,432
Investment in SEN	—	156,677
Other assets	10,875	12,894
	<u>\$ 262,491</u>	<u>\$ 455,181</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 6,432	\$ 8,066
Accrued compensation	10,938	15,841
Warranty	1,029	3,137
Income taxes	856	337
Deferred revenue	10,093	12,508
Other current liabilities	2,868	6,897
Current portion of convertible subordinated debt	—	83,210
Total current liabilities	<u>32,216</u>	<u>129,996</u>
Long-term deferred revenue	659	1,872
Other long-term liabilities	<u>3,982</u>	<u>3,936</u>
<b>Stockholders' equity</b>		
Preferred stock	—	—
Common stock	104	103

Additional paid-in capital	487,047	483,546
Treasury stock	(1,218)	(1,218)
Accumulated deficit	(265,911)	(198,479)
Accumulated other comprehensive income	5,612	35,425
	<u>225,634</u>	<u>319,377</u>
	<u>\$ 262,491</u>	<u>\$ 455,181</u>