
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): January 11, 2010

Luna Innovations Incorporated

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-52008
(Commission
File Number)

54-1560050
(IRS Employer
Identification No.)

1 Riverside Circle, Suite 400
Roanoke, Virginia 24016
(Address of principal executive offices, including zip code)

540-769-8400
(Registrant's telephone number, including area code)

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On January 11, 2010, Luna Innovations Incorporated (the “Company”) issued a press release announcing its preliminary financial results for the year ended December 31, 2009 and information regarding a conference call to be held by the Company to discuss those financial results. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Current Report on Form 8-K and the exhibit attached hereto is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release dated January 11, 2010 by Luna Innovations Incorporated.

SIGNATURES

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

Luna Innovations Incorporated

By: /s/ TALFOURD H. KEMPER, JR.
 Talfourd H. Kemper, Jr.
 Vice President and General Counsel

Date: January 11, 2010

EXHIBIT INDEX

Exhibit

Description

99.1 Press Release dated January 11, 2010 by Luna Innovations Incorporated.



Release

Luna Innovations Incorporated
 1 Riverside Circle, Suite 400
 Roanoke, VA 24016

Luna Innovations Announces Preliminary Fourth Quarter 2009 Operating Results

Product & License Revenue more than Doubles Quarter over Quarter

(ROANOKE, VA, Jan. 11, 2010) – Luna Innovations Incorporated (NASDAQ: LUNA), a company focusing on sensing & instrumentation and nanotechnology, today announced preliminary results of operations for the fourth quarter of 2009, to be followed by a conference call at 1:30 p.m. Eastern Time. The Company cautions that the preliminary estimates of financial results are prior to the completion of the Company's closing of its books and records for the fourth quarter of 2009 and have not been audited. These estimates are subject to modification in the course of completing the Company's closing of its books and records and annual financial statement audit.

The Company expects to announce for the fourth quarter of 2009:

	<u>Q4 2009 Range</u>	<u>Q4 2008 Actual</u>
Revenue:		
Technology Development	\$5.3 - \$5.5 million	\$6.0 million
Product & License	\$2.9 - \$3.1 million	\$1.4 million
Total Revenue	\$8.2 - \$8.6 million	\$7.4 million
Gross Margin	\$3.0 - \$3.2 million	\$2.3 million
Gross Margin %	37%	31%
Net Income/ (Loss)	\$23.5 - \$24.0 million (1)	(\$2.2) million
Adjusted EBITDA Excluding Litigation	\$0.5 - \$1.0 million (2)	<\$0.1 million

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- (1) Expected net income for the fourth quarter of 2009 includes the adjustment of amounts accrued in the first quarter of 2009 as a reserve for potential loss in the Company's litigation with Hansen Medical. The settlement reached with Hansen Medical includes issuance of a secured note in the amount of \$5 million and approximately 1.3 million shares of the Company's common stock to Hansen upon the Company's emergence from Chapter 11. The Company had previously accrued approximately \$36.3 million related to this matter. The estimated net income for the fourth quarter of 2009 includes an estimated value of this stock issuance at a price per share of \$4.50, the closing price of the Company's common stock on Friday, January 8, 2010. Accordingly, in addition to other adjustments that may arise as a result of the Company's completing the closing of its books and audit of its financial statements, net income will be impacted by changes in the per share value of the Company's common stock between such date and the date upon which the shares are issued.
- (2) A reconciliation of the Company's estimate of Adjusted EBITDA Excluding Litigation is provided in the attached schedule.

As previously announced, Luna will host a conference call with investors at 1:30 p.m. (EST) today to discuss this and other announcements upon the company's emergence from bankruptcy. The investor conference call will be available via live webcast on the Luna Innovations' website at <http://www.lunainnovations.com/> under the tab "Investor Relations." To participate by telephone, the domestic dial-in number is **1.800.299.7928** and the international dial-in number is **1.617.614.3926**. The participant access code is **97312544**. Investors are advised to dial in at least five minutes prior to the call to register. The webcast will be archived on the company's website under "Webcasts and Presentations" for 30 days following the conference call.

Note that today's press release is being provided in connection with Luna's potential emergence from Chapter 11 reorganization, which is still subject to various conditions precedent to our settlement with Hansen Medical, Inc., and court approval of Luna's plan of reorganization, and it should not be expected that Luna will provide similar preliminary estimates of financial results in the future.

About Luna Innovations:

Luna Innovations Incorporated (www.lunainnovations.com) is focused on sensing and instrumentation, and pharmaceutical nanomedicines. Luna develops and manufactures new-generation products for the healthcare, telecommunications, energy and defense markets. The company's products are used to measure, monitor, protect and improve critical processes in the markets we serve. Through its disciplined commercialization business model, Luna has become a recognized leader in transitioning science to solutions. Luna is headquartered in Roanoke, Virginia.

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Forward Looking Statements:

This release may include information that constitutes “forward-looking statements” made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. Statements that describe the Company’s business strategy, goals, prospects, opportunities, outlook, plans or intentions are also forward looking statements. Actual results may differ materially from the expectations expressed in such forward-looking statements as a result of various factors, including risks and uncertainties set forth in the company’s periodic reports and other filings with the Securities and Exchange Commission. Such filings are available at the SEC’s website at <http://www.sec.gov>, and at the company’s website at <http://www.lunainnovations.com>. The statements made in this release are based on information available to the company as of the date of this release and Luna Innovations undertakes no obligation to update any of the forward-looking statements after the date of this release.

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Investor Contact:

Dale Messick
Luna Innovations Incorporated
Phone: 1.540.769.8400
Email: IR@lunainnovations.com

Luna Innovations Incorporated
Reconciliation of Preliminary Adjusted EBITDA Excluding Litigation to Preliminary Net Income/ (Loss)
(Unaudited)

	Q4 2009		Q4 2008
	Low End of Range	Upper End of Range	
Preliminary Net Income/Loss	\$ 23.5	\$ 24.0	\$ (2.2)
Interest	0.1	0.1	0.1
Taxes	—	—	—
Depreciation & Amortization	0.3	0.3	0.5
Share Based Compensation	0.9	0.9	0.7
Litigation Related Costs and Reversal of Prior Accruals, net	(24.3)	(24.3)	0.9
Adjusted EBITDA Excluding Litigation	<u>\$ 0.5</u>	<u>\$ 1.0</u>	<u>\$ —</u>
	2009		2008
	Low End of Range	Upper End of Range	
Preliminary Net Loss	\$ (21.8)	\$ (21.3)	\$ (6.3)
Interest	0.5	0.5	0.1
Taxes	0.6	0.6	—
Depreciation & Amortization	1.8	1.8	1.9
Share Based Compensation	3.3	3.3	2.9
Litigation Related Costs and Charges	17.5	17.5	1.6
Adjusted EBITDA Excluding Litigation	<u>\$ 1.9</u>	<u>\$ 2.4</u>	<u>\$ 0.2</u>

Amounts in \$millions