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Rapiscan Systems Reports Deobligation of Funds for October 2009 U.S. Government Order of Cargo and Vehicle Inspection Systems

HAWTHORNE, Calif., Jan 29, 2010 (BUSINESS WIRE) -- OSI Systems, Inc. (NASDAQ:[OSIS](#)), a vertically-integrated provider of specialized electronics and services, today announced that its Security division, Rapiscan Systems has received notice of a deobligation of funds for a \$17.6 million order from the U.S. government for multiple cargo and vehicle inspection systems. The original order was announced in October, 2009. As is standard for U.S. government awards, the government maintains the right to terminate a contract in whole or part without implying any fault of the contractor. This is commonly referred to as termination for convenience. The order was not included in the Company's announced backlog, nor does it affect any previously-published financial results and guidance.

About Rapiscan Systems

Rapiscan Systems, a division of OSI Systems, Inc. is a leading supplier of security inspection solutions utilizing X-ray and gamma-ray imaging, and advanced threat identification techniques such as neutron and diffraction analysis. The company's products are sold into four market segments; Baggage and Parcel Inspection, Cargo and Vehicle Inspection, Hold Baggage Screening and People Screening. The company has an installed base globally of more than 70,000 security and inspection systems. The Rapiscan Systems product line is manufactured at four locations and supported by a global support service network. The company was recognized for its market leadership with one of the United Kingdom's most prestigious distinctions The Queen's Awards for Enterprise and named by Frost & Sullivan as the 2008 North American Homeland Security Inspection and Screening Company of the Year. For more information on Rapiscan Systems, please visit www.rapiscansystems.com.

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include information regarding the company's expectations, goals or intentions about the future, including, the Company's contracts to provide its inspection systems. The actual results may differ materially from those described in or implied by any forward-looking statement. In particular, the timing, and delivery of the systems may not ultimately remain in line with the Company's current expectations. Other important factors are set forth in the Securities and Exchange Commission filings OSI Systems, Inc. All forward-looking statements speak only as of the date made, and the company undertakes no obligation to update these forward-looking statements.

SOURCE: OSI Systems, Inc.

OSI Systems, Inc.

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