UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON DC 20549

FORM 10-Q

(Mark one)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2000

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____ to ____

Commission File Number 0-23125

OSI SYSTEMS, INC.
(Exact name of Registrant as specified in its charter)

California	33-0238801
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

12525 Chadron Avenue
Hawthorne, California 90250
(Address of principal executive offices)

Registrant's telephone number, including area code: (310) 978-0516

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period as the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past ninety days.

YES X No _____

As of February 10, 2001 there were 9,083,468 shares of common stock outstanding.

OSI SYSTEMS, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

OSI SYSTEMS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)

	December 31, 2000	June 30, 2000
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 8,329	$ 10,892
Accounts receivable, net of allowance for doubtful accounts of $881 and $855 at December 31, 2000 and June 30, 2000, respectively	31,766	29,890
Other receivables	1,917	2,184
Inventory	35,025	30,920
Prepaid expenses	1,292	821
Deferred income taxes	1,941	1,807
Income taxes receivable	206	193
Total current assets	80,476	76,707
Property and Equipment, Net	14,348	14,248
Intangible and Other Assets, Net	9,676	9,052
Deferred income taxes	3,016	3,016
Total	$ 107,516	$ 103,023
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Bank lines of credit	$ 9,548	$ 6,079
Current portion of long-term debt	4,026	2,641
Accounts payable	13,146	12,728
Accrued payroll and related expenses	2,210	2,270
Income taxes payable	2,925	1,586
Advances from customers	1,241	558
Accrued warranties	1,672	1,805
Other accrued expenses and current liabilities	3,392	3,141
Total current liabilities	38,160	30,808
Long-Term Debt	6,548	7,698
Deferred Income Taxes	162	164
Minority interest		146
Total liabilities	44,870	38,816
Shareholders' Equity		
Preferred stock, no par value; authorized, 10,000,000 shares; none issued and outstanding at December 31, 2000 and June 30, 2000, respectively		
Common stock, no par value; authorized, 40,000,000 shares; issued and outstanding 9,078,428 and 9,349,750 shares at December 31, 2000 and June 30, 2000, respectively	46,046	47,357
Retained earnings	18,635	18,787
Accumulated other comprehensive loss	(2,035)	(1,937)
Total shareholders' equity	62,646	64,207
Total	$ 107,516	$ 103,023

See accompanying notes to consolidated financial statements

OSI SYSTEMS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Three months ended December 31,		Six months ended December 31,	
	2000	1999	2000	1999
Revenues	$ 27,996	$ 26,507	$ 52,880	$ 51,462
Cost of goods sold	20,046	19,441	37,987	37,200
Gross profit	7,950	7,066	14,893	14,262
Operating expenses:				
Selling, general and administrative	5,583	5,055	11,200	10,238
Research and development	1,502	1,872	3,217	3,509
Goodwill amortization	129	137	257	264
Restrcuturing costs				1,898
Total operating expenses	7,214	7,064	14,674	15,909
Income (loss) from operations	736	2	219	(1,647)
Interest expense, net	285	176	589	299
Gain on sale of marketable securities		(309)		(309)
Income (loss) before provision for income taxes and minority interest	451	135	(370)	(1,637)
Provision (benefit) for income taxes	100	78	(70)	(313)
Income (loss) before minority interest in net loss of subsidiary	351	57	(300)	(1,324)
Minority interest in net loss of subsidiary		98	146	98
Net income (loss)	$ 351	$ 155	($154)	($1,226)
Earnings (loss) per common share	$ 0.04	$ 0.02	($0.02)	($0.13)
Earnings (loss) per common share,assuming dilution	$ 0.04	$ 0.02	($0.02)	($0.13)
Weighted average shares outstanding -assuming dilution	9,311,229	9,393,548	9,310,199	9,421,195

See accompanying notes to consolidated financial statements

OSI SYSTEMS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Six months ended December 31, 2000	1999
Cash flows from operating activities:		
Net loss	($154)	($1,226)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	2,167	2,057
Loss on sale of property and equipment	134	
Deferred income taxes	(244)	(17)
Gain on sale of marketable securities available for sale		(309)
Minority interest in net loss of subsidiary	(146)	(98)
Changes in operating assets and liabilities:		
Accounts receivable	(2,159)	(2,745)
Other receivables	286	(571)
Inventory	(4,636)	(2,928)
Prepaid expenses	(477)	(83)
Accounts payable	617	1,298
Accrued payroll and related expenses	(37)	(388)
Income taxes payable	1,375	567
Prepaid income taxes receivable	17	238
Advances from customers	689	(239)
Accrued warranty	(130)	(82)
Other accrued expenses and current liabilities	335	617
Net cash used in operating activities	(2,363)	(3,909)
Cash flows from investing activities:		
Purchases of property and equipment	(1,714)	(1,628)
Proceeds from sale of property and equipment	16	
Proceeds from sale of marketable securities available for sale		2,505
(Increase) decrease in equity investments	(117)	95
Cash paid for business acquisitions, net of cash acquired	(442)	(1,342)
Other assets	(361)	12
Net cash used in investing activities	(2,618)	(358)
Cash flows from financing activities:		
Net proceeds (payment to) from bank lines of credits	3,478	(4,575)
Net proceeds on long-term debt	239	11,410
Proceeds from exercise of stock options and warrants	36	26
Purchase of treasury stock	(1,347)	(1,820)
Net cash provided by financing activities	2,406	5,041
Effect of exchange rate changes on cash	12	106
Net (decrease) increase in cash and cash equivalents	(2,563)	880
Cash and cash equivalents, beginning of period	10,892	7,241
Cash and cash equivalents, end of period	$8,329	$8,121
Supplemental disclosures of cash flow information - Cash paid/(received) during the period for:		
Interest	$472	$255
Income taxes	($1,243)	($989)

See accompanying notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General. OSI Systems, Inc. and its subsidiaries (collectively, the "Company") is a vertically integrated worldwide provider of devices, subsystems and end-products based on optoelectronic and silicon pressure-sensor micro-structure technology. The Company designs and manufactures optoelectronic and silicon pressure-sensor devices and value-added subsystems for original equipment manufacturers in a broad range of applications, including security, medical diagnostics, telecommunications, gigabit ethernet and fiber optics, gaming, office automation, aerospace, computer peripherals and industrial automation. In addition, the Company utilizes its optoelectronic technology and design capabilities to manufacture security and inspection products that it markets worldwide to end users under the "Rapiscan", "Secure" and "Metor" brand names. These products are used to inspect people, baggage, cargo and other objects for weapons, explosives, drugs and other contraband. The Company also manufactures and sells bone densitomers, which are used to provide bone loss measurements in the diagnosis of osteoporosis.

Consolidation. The consolidated financial statements include the accounts of OSI Systems, Inc. and its majority-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated balance sheet as of December 31, 2000, the consolidated statements of operations for the three-month and six-month periods ended December 31, 2000 and 1999 and the consolidated statements of cash flows for the six month periods ended December 31, 2000 and 1999 have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "Commission"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. However, in the opinion of management all adjustments, consisting of only normal and recurring adjustments, necessary for a fair presentation of the financial position and the results of operations for the periods presented have been included. These consolidated financial statements and the accompanying notes should be read in conjunction with the audited consolidated financial statements and accompanying notes for the fiscal year ended June 30, 2000 included in the Company's Annual Report on Form 10K as filed with the Commission on September 27, 2000. The results of operations for the six months ended December 31, 2000 are not necessarily indicative of the results to be expected for the fiscal year ending June 30, 2001.

Recent Developments - In August 2000, the Company acquired substantially all the assets of Square One Technology for total consideration consisting of: $228,000 in cash, a $30,000 advance for future royalties, the return of the Square One stock held by the Company with a carrying value of $259,000, and an agreement to pay royalties equal to ten percent of net sales of the Square One products in the next five years, up to a maximum of one million dollars. The cash consideration of $228,000 approximates the fair value of the tangible assets acquired. Additional consideration, if any, will be recorded as intangible assets, and will be amortized over a period of twenty years.

In September 2000, the Company acquired an additional equity interest, representing approximately 10% of the ownership of OSI Medical Inc., for $183,000. This amount was recorded as goodwill based on the estimated fair value of the underlying net assets and is being amortized over a period of twenty years. With this additional equity investment, the Company increased its common stock ownership in OSI Medical Inc. to approximately 64%.

New Accounting Pronouncements - In December 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin 101, Revenue Recognition In Financial Statements ("SAB 101"). SAB 101 provides guidance on applying generally accepted accounting principles to revenue recognition in financial statements. The Company will adopt SAB 101 as required in the fourth quarter of fiscal 2001. The Company is currently evaluating the impact of adopting SAB 101, and does not expect it to have a material impact on the Company's financial position or result of operations.

Effective July 1, 2000, the Company adopted FASB Statement No. 133, Accounting for Derivative Instruments and Hedging Activities ("FAS 133"). FAS 133 requires that all derivative financial instruments, such as foreign exchange contracts, be recognized in the financial statements and measured at fair value regardless of the purpose or intent for holding them. Changes in the fair value of derivative financial instruments are either recognized periodically in income or shareholders' equity (as a component of comprehensive income), depending on whether the derivative is being used to hedge changes in fair value or cash flows. The adoption of FAS 133 did not have a material effect on the Company's financial position or result of operations for the quarter and six months ended December 31, 2000.

Financial Instruments - The Company enters into forward foreign exchange contracts principally to hedge currency fluctuation in transactions denominated in foreign currencies, thereby limiting the Company's risk that would otherwise result from changes in exchange rates. The periods of the forward foreign exchange contracts correspond to the periods of the hedged transactions. The Company does not use the contracts for trading purposes. As of December 31, 2000, the total notional amount of all outstanding foreign currency contracts was $1.5 million. The estimated fair value of foreign currency contracts was not material.

Inventory. Inventory is stated at the lower of cost or market; cost is determined on the first-in, first-out method. Inventory at December 31, 2000 and June 30, 2000 consisted of the following (in thousands):

	December 31, 2000	June 30, 2000
Raw Materials	$18,463	$16,877
Work-in-process	6,977	6,619
Finished goods	9,585	7,424
Total	$35,025	$30,920

Earnings Per Share. Earnings per common share is computed using the weighted average number of shares outstanding during the period. Earnings per common share-assuming dilution, is computed using the weighted average number of shares outstanding during the period and dilutive common stock equivalents from the Company's stock option plans.

The following table reconciles the numerator and denominator used in calculating earnings per common share and earnings per common share-assuming dilution.

	For the Quarter ended December 31,					
	2000			1999		
	Income (Numerator)	Shares (Denominator)	Per-Share Amount	Income (Numerator)	Shares (Denominator)	Per-Share Amount
Earnings per common share Income available to common stockholders	$351,000	9,265,095	$0.04	$155,000	9,320,695	$0.02
Effect of Dilutive Securities Options, treasury stock method		46,134			72,853	
Earnings per common share assuming dilution Income available to common stockholder, assuming dilution	$351,000	9,311,229	$0.04	$155,000	9,393,548	$0.02

	For the six months ended December 31,					
	2000			1999		
	Loss (Numerator)	Shares (Denominator)	Per-Share Amount	Loss (Numerator)	Shares (Denominator)	Per-Share Amount
Earnings per common share Loss to common stockholders	($154,000)	9,310,199	($0.02)	($1,226,000)	9,421,195	($0.13)
Effect of Dilutive Securities Options, treasury stock method						
Earnings per common share assuming dilution Loss to common stockholders, assuming dilution	($154,000)	9,310,199	($0.02)	($1,226,000)	9,421,195	($0.13)

Comprehensive Income - Comprehensive income is computed as follows (in thousands):

	For the quarter ended December 31, 2000	1999	For the six months ended December 31, 2000	1999
Net income (loss)	$351	$155	($154)	($1,226)
Other comprehensive income (loss), net of taxes:				
Foreign currency translation adjustments	484	(431)	(98)	63
Unrealized gains on marketable securities available for sale		427		486
Other comprehensive income (loss)	484	(4)	(98)	549
Comprehensive income (loss)	$835	$151	($252)	($677)

Segment information. The company's operating locations include the North America (United States and Canada), Europe(United Kingdom, Denmark, Finland and Norway) and Asia(Singapore and Malaysia). The company's operations by geographical areas are as follows (in thousands);

	Three months ended December 31, 2000				
	North America	Europe	Asia	Eliminations	Consolidated
Revenues	$ 21,000	$ 5,869	$ 1,127		$ 27,996
Transfer between geographical areas	$ 2,254	$ 1,152	$ 7,760	$ (11,166)	
Net revenues	$ 23,254	$ 7,021	$ 8,887	$ (11,166)	$ 27,996
Income (loss) from operations	$ (709)	$ 249	$ 989	$ 207	$ 736

	Six months ended December 31, 2000				
	North America	Europe	Asia	Eliminations	Consolidated
Revenues	$ 36,606	$ 13,138	$ 3,136		$ 52,880
Transfer between geographical areas	$ 4,535	$ 2,591	$ 13,544	$ (20,670)	
Net revenues	$ 41,141	$ 15,729	$ 16,680	$ (20,670)	$ 52,880
Income (loss) from operations	$ (2,333)	$ 882	$ 1,525	$ 145	$ 219

	Three months ended December 31, 1999				
	North America	Europe	Asia	Eliminations	Consolidated
Revenues	$ 14,798	$ 9,166	$ 2,543		$ 26,507
Transfer between geographical areas	$ 15,004	$ 1,199	$ 5,264	$ (21,467)	
Net revenues	$ 29,802	$ 10,365	$ 7,807	$ (21,467)	$ 26,507
Income (loss) from operations	$ (1,041)	$ 298	$ 1,382	$ (637)	$ 2

	Six months ended December 31, 1999				
	North America	Europe	Asia	Eliminations	Consolidated
Revenues	$ 30,282	$ 17,233	$ 3,947		$ 51,462
Transfer between geographical areas	$ 17,018	$ 2,169	$ 10,646	$ (29,833)	
Net revenues	$ 47,300	$ 19,402	$ 14,593	$ (29,833)	$ 51,462
Income (loss) from operations	$ (2,142)	$ (1,431)	$ 29,708	$ (782)	$ (1,647)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Statements in this report that are forward-looking are based on current expectations, and actual results may differ materially. Forward-looking statements involve numerous risks and uncertainties that could cause actual results to differ materially, including, but not limited to, the possibilities that the demand for the Company's products may decline as a result of possible changes in general and industry specific economic conditions and the effects of competitive pricing and such other risks and uncertainties as are described in this report on Form 10-Q and other documents previously filed or hereafter filed by the Company from time to time with the Securities and Exchange Commission.

Results of Operations

Revenues. Revenues consist of sales of optoelectronic and pressure sensor devices, medical imaging systems and security and inspection products. Revenues are recorded net of all inter-company transactions. Revenues increased by 5.6% to $28.0 million for the three months ended December 31, 2000, compared to $26.5 million for the comparable prior year period. For the six months ended December 31, 2000, revenues increased by 2.8% to $52.9 million from $51.5 million for the comparable prior year period. Revenues for the three months ended December 31, 2000 from optoelectronic devices, value added subsystems and medical imaging systems were $15.7 million, or approximately 56.1% of the Company's revenues, and revenues from security and inspection products were $12.3 million, or approximately 43.9% of the Company's revenues. Revenues for the six months ended December 31, 2000 from optoelectronic devices, value added subsystems and medical imaging systems were $29.2 million, or approximately 55.2%, of the Company's revenues from security and inspection products were $23.7 million, or approximately 44.8% of the Company's revenues. The increase in revenues from sales of optoelectronic devices, value added subsystems and medical imaging systems for the quarter and six months ended December 31, 2000 was primarily due to increased sales of fiber optics and silicon pressure sensors and was offset in part by decreased sales of the discontinued product line of data/video projector systems. The increase in revenues from sale of security and inspection products for the quarter and six months ended December 31, 2000 was primarily due to the shipment of a large domestic order.

Gross Profit. Cost of goods sold consists of material, labor and manufacturing overhead. Gross profit increased by 12.5% to $8.0 million for the three months ended December 31, 2000, compared to $7.1 million for the comparable prior year period. For the six months ended December 31, 2000, gross profit increased by 4.4% to $14.9 million, compared to $14.3 million for the comparable prior year period. As a percentage of revenues, gross profit increased in the quarter and six months to 28.4% and 28.2% this year, from 26.7% and 27.7% last year, respectively. The increase in gross profit was due to improved product mix and discontinuation of the data/video projector systems product line, which had lower gross margin.

Selling, General and Administrative. Selling, general and administrative expenses consisted primarily of compensation paid to sales, marketing and administrative personnel, and professional service fees and marketing expenses. For the three months ended December 31, 2000, such expenses increased 10.4% to $5.6 million, compared to $5.1 million for the comparable prior year period. For the six months ended December 31, 2000, such expenses increased by 9.4% to $11.2 million, compared to $10.2 million for the comparable prior year period. As a percentage of revenues, selling, general and administrative expenses increased in the quarter and six months to 19.9% and 21.2% this year, from 19.1% and 19.9% last year, respectively. The increase in expenses for the quarter and six months was primarily due to the increased legal and professional fees and increased administrative expenses.

Research and Development. Research and development expenses include research related to new product development and product enhancement expenditures. For the three months ended December 31, 2000, such expenses decreased 19.8% to $1.5 million, compared to $1.9 million for the comparable prior year period. For the six months ended December 31, 2000, such expenses decreased 8.3% to $3.2 million, compared to $3.5 million for the comparable prior year period. As a percentage of revenues, research and development expenses decreased in the three month and six month periods to 5.4% and 6.1% this year from 7.1% and 6.8% last year, respectively. The decrease in expenses for the quarter and six months ended December 31, 2000 was primarily due to deploying certain research and development personnel to the manufacturing of products, offset in part by increased research spending for medical and fiber optic products.

Restructuring Costs. In August 1999, the Company decided to close the operations of Osteometer in Denmark, and relocate certain of these operations to the Company's U.S. facilities. For the six months ended December 31, 1999, the Company recorded restructuring costs of $1.9 million related to the closure of the Osteometer facility in Denmark. These costs were associated primarily with the termination of certain employees, commitments and other facility closure costs. The Company has completed the closure of the Osteometer facility in Denmark and does not anticipate any future expenses.

Income (Loss) from Operations. For the three months ended December 31, 2000, the Company had income from operations of $736,000 compared to $2,000 for the three months ended December 31, 1999. For the six months ended December 31, 2000, the Company had income from operations of $219,000 compared to loss from operations of $1.6 million for the comparable prior year period. Excluding the non-recurring restructuring costs of $1.9 million in the six months ended December 31, 1999, income from operations for six months ended December 31, 1999 was $251,000. Income from operations for the three months ended December 31, 2000 increased due to increased gross margin, reduced research and development expenses and was offset in part by increased selling, general and administrative expenses.

Interest Expense. For the three months ended December 31, 2000, the Company incurred net interest expense of $285,000, compared to net interest expense of $176,000 for the three months ended December 31, 1999. For the six months ended December 31, 2000, the Company incurred net interest expense of $589,000, compared to net interest expense of $299,000 for the six months ended December 31, 1999. The increase in net interest expense for the three and six months ended December 31, 2000 was due to increased borrowing on the Company's lines of credit and a reduction in short term investments which were used for working capital and acquisitions.

Provision (Benefit) for Income Taxes. Provision for income taxes increased to $100,000 for the three months ended December 31, 2000, compared to $78,000 for the three months ended December 31, 1999. For the six months ended December 31, 2000, the Company had an income tax benefit of $70,000 compared to a income tax benefit of $313,000 for the six months ended December 31, 1999. The change in income tax was due to a mix in income from U.S. and foreign operations.

Net Income (Loss). For the reasons outlined above, the Company had net income of $351,000 and a net loss of $154,000 for the three and six months ended December 31, 2000, compared to net income of $155,000 and a net loss of $1.2 million for the three and six months ended December 31, 1999, respectively. The six months ended December 31, 1999 included non-recurring restructuring costs of $1.9 million ($1.5 million net of income taxes).

Liquidity and Capital Resources

The Company's operations used net cash of $2.4 million during the six months ended December 31, 2000. The amount of net cash used by operations reflects increases in accounts receivable, inventory and prepaid expenses. Net cash used in operations was offset in part by an increase in accounts payable, income taxes payable, advances from customers, and other accrued expenses and current liabilities and reduction in other receivables. The increase in accounts receivable is mainly due to the increased sales, and the timing of shipments of certain large contracts. The increase in inventory is due to a change in product mix and a longer intercompany in transit time due to certain manufacturing being moved to Malaysia from the United States and the United Kingdom.

Net cash used in investing activities was $2.6 million and $358,000 for the six months ended December 31, 2000 and 1999, respectively. In the six month period ended December 31, 2000, net cash used in investing activities reflects cash used in business acquisitions and the purchase of property and equipment. In the six months ended December 31, 1999, the net cash used in investing activities reflects primarily cash used in business acquisitions and the purchase of property and equipment and was offset in part by proceeds received from the sale of marketable securities.

Net cash provided by financing activities was $2.4 million and $5.0 million for the six months ended December 31, 2000 and 1999, respectively. During the six months ended December 31, 2000, net cash provided by financing activities resulted primarily from borrowings under the Company's working capital lines of credit and was offset in part by the purchase of the Company's common stock pursuant to its stock repurchase program.

In March 1999, the Company announced a stock repurchase program of up to 2,000,000 shares of its common stock. Through February 10, 2001, the Company repurchased 770,500 shares at an average price $4.68 per share. The stock repurchase program did not have a material effect on the Company's liquidity and is not expected to have a material effect on liquidity in subsequent quarters. The Company retired the repurchased shares. The shares are included as a deduction from issued and outstanding common shares in the accompanying financial statements.

The Company anticipates that current cash balances, anticipated cash flows from operations and current borrowing arrangements will be sufficient to meet its working capital and capital expenditure needs for the foreseeable future. The Company was in violation of a covenant for the three months ended December 31, 2000. The covenant was waived by the bank for the three months ended December 31, 2000 only. The Company is currently negotiating the renewal of loan facilities with its existing lender. These loan facilities were to expire in November 2000; however these facilities have been extended through February 28, 2001.

Foreign Currency Translation. The accounts of the Company's operations in Singapore, Malaysia, England, Norway, Denmark, Finland and Canada are maintained in Singapore dollars, Malaysian ringgits, U.K. pounds sterling, Norwegian kroner, Danish kroner, Finnish markka and Canadian dollars, respectively. Foreign currency financial statements are translated into U.S. dollars at current rates, with the exception of revenues, costs and expenses, which are translated at average rates during the reporting period. Gains and losses resulting from foreign currency transactions are included in income, while those resulting from translation of financial statements are excluded from income and accumulated as a component of accumulated other comprehensive income. Net transaction gain (loss) of approximately $79,000 and ($67,000) were included in the Company's results for the six months ended December 31, 2000 and 1999, respectively.

Inflation. The Company does not believe that inflation has had a material impact on its results of operations for the six months ended December 31, 2000.

Item 4. Submission of Matters to a Vote of Security Holders

At the annual meeting of shareholders on November 16, 2000, the following actions were taken:

1. Election of Directors

Name	For	Withheld
Deepak Chopra	7,829,654	560,865
Ajay Mehra	7,829,654	560,865
Steven C. Good	7,829,654	560,865
Meyer Luskin	7,829,654	560,865
Madan G. Syal	7,829,654	560,865

2. Ratification of Deloitte & Touche L.L.P. as independent auditors for the year ending June 30, 2001.

For	3,881,972
Against	830,423
Abstain	40,387

3. Ratification to an amendment to the OSI Systems, Inc. 1997 Stock Option Plan.

For	3,881,972
Against	830,423
Abstain	40,387
Broker non votes	3,637,737

Item 6. Exhibits and Reports of Form 8-K

a. Exhibits

None

b. Reports on Form 8-K

None

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, in the City of Hawthorne, State of California on the 14th day of February 2001.

OSI Systems, Inc.

By: /s/ Deepak Chopra

Deepak Chopra
President and
Chief Executive Officer

By: /s/ Ajay Mehra

Ajay Mehra
Vice President and
Chief Financial Officer