



July 14, 2004

OSI Systems Announces Large Cargo Orders in Excess of \$7 Million

July 14, 2004: Hawthorne, California

OSI Systems, Inc. (Nasdaq:OSIS) today announced that its Rapiscan subsidiary has received two new orders for large cargo inspection systems from the Government of Dubai and the Office of Customs in Korea, together valued at over \$7 million. The contracts were won through international tenders in which OSI Systems was selected over its major global competitors.

Both Dubai and the Korean Office of Customs are existing customers of OSI Systems' security group. Delivery of the two orders is scheduled for completion by the end of fiscal 2005.

"Our large cargo systems continue to gain traction in international markets. By offering a comprehensive selection of technology solutions for cargo inspection, we are able to meet the developing needs of customers who have requirements ranging from security to manifest verification," stated Ajay Mehra, President of OSI Systems Security Group.

OSI Systems has the broadest technology platform in the cargo security systems industry. The company offers x-ray, gamma ray, and neutron-based material specific technologies as well as hybrid systems that optimize performance, cost, and ability to meet customers' unique applications. The company's fixed, mobile, and relocateable large cargo inspection systems are currently deployed at various border crossings and ports. The company's ARACOR Eagle™ high-performance mobile inspection system is designed to meet homeland security goals of protecting shipping ports from terrorism. The Eagle is able to scan a 20' container in less than 25 seconds, thus improving the feasibility of inspecting a larger percentage of incoming containers without disrupting commerce. OSI's ANCORE PFNA and TNA technologies are automated non-intrusive, material-specific systems for the inspection of full-size shipping containers, trucks, air-cargo and other containerized cargo.

About OSI Systems, Inc.

OSI Systems Inc. is a Hawthorne, Calif. based diversified global developer, manufacturer and seller of security and inspection systems, medical monitoring products, and optoelectronic-based components, as well as a provider of engineering and manufacturing services. The company has more than 30 years of experience in electronics engineering and manufacturing and maintains offices and production facilities located in more than a dozen countries. OSI Systems implements a strategy of expansion by leveraging its electronics and contract manufacturing capabilities into selective end product markets through organic growth and acquisitions. For more information on OSI Systems Inc. or any of its subsidiary companies, visit www.osi-systems.com.

About Rapiscan Security Products, Inc.

Rapiscan Security Products, Inc. is a leading supplier of high quality X-ray screening and explosive detection systems. The company also markets high-performance large cargo inspection systems from OSI Systems' ANCORE and ARACOR subsidiaries. The company has delivered thousands of x-ray detection systems to customers worldwide for use in airports, customs facilities, courthouses, government buildings, mail rooms, schools, prisons, embassies, and other locations. The large cargo inspection systems use hybrid advanced technologies including gamma ray, neutron-based material specific technologies, as well as x-ray. The company's cargo systems are installed at various border crossings and ports worldwide. The Rapiscan product line, marketed under the Rapiscan, Metor, and Secure 1000, ARACOR Eagle™, and ANCORE brand names, is manufactured at four global locations and offers a wide range of security screening systems with diverse technologies. For more information on Rapiscan Security Products, Inc., please visit www.rapiscan.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 our expectations, goals or intentions about the future, including, but not limited to, statements regarding the sale of large cargo mobile inspection systems to the Government of Dubai and the Office of Customs in Korea. The actual results may differ materially from those described in or implied by any forward-looking statement. In particular, there can be no assurance that shipments for such order will be completed by the end of fiscal 2005, that growing interest in security and inspection systems will materialize in product sales, or that we will continue to be able to meet the developing needs of customers. Other important factors are set forth in our Securities and Exchange Commission filings. All forward-looking

statements speak only as of the date made, and we undertake no obligation to update these forward-looking statements.