



December 14, 2006

## **OSI Systems Receives Contracts For Approximately \$10 Million For Its Multi-View X-Ray System For Hold (Checked) Baggage Screening**

**December 14, 2006: Hawthorne, CA**

OSI Systems, Inc. (NASDAQ: OSIS), a vertically-integrated provider of specialized electronic products for critical applications in the Security and Healthcare industries, announced today that its Security Division, Rapiscan Systems, has received multiple contracts totaling approximately \$10 million for its recently introduced Rapiscan MVXR5000 Inline Automated Hold Baggage Screening System (HBS) for checked baggage. The orders were received from several major undisclosed international airports.

Mr. Deepak Chopra, CEO of OSI Systems, stated, The international HBS market has been dominated in the past by L-3 Communications and Smiths. Today's announcement is a major milestone for the Company as these orders were received from key international airports who ordered multiple systems. This is a clear validation of our technology platform and ability to leverage that platform in entering this new market. These installations will act as reference sites to support our ongoing marketing and sales efforts.

The Company earlier this year announced the introduction of its first product into the HBS market, the Rapiscan MVXR5000. The international market for X-ray based HBS Systems traditionally has been shared between L-3 Communications Holdings, Inc. and Smiths Heimann a division of Smiths Group, PLC. The Company estimates that the aviation market for Inline HBS systems, outside of the U.S., is several hundred systems with the majority of the units coming due for replacement over the next three years.

Mr. Ajay Mehra, President of Rapiscan Systems, stated, Today's announcement highlights our ability to enter an established international market and immediately succeed. To achieve this success we have leveraged our broad product line, established customer relationships, brand name and international distribution channels.

The Rapiscan MVXR5000 is designed specifically for the aviation industry for the inspection of checked baggage. The system provides automated explosive detection with low false alarm rates by utilizing multi-view (5-view) high quality dual-energy X-ray images with high class image quality. The systems can be installed inline into the existing baggage conveyor infrastructure operating at speeds up to 1,800 bags per hour. The high throughput and automatic detection is coupled with the systems advanced network capabilities to allow near-real time suspicious bag analysis to be completed by a networked group of remote operators and for images to be then transmitted to the manual inspection stations as a search aid. The Rapiscan MVXR5000 has multiple layers of network redundancy designed to ensure the highest levels of system availability and fail-safe operation for the most demanding aviation security environments.

### **About OSI Systems, Inc.**

OSI Systems, Inc. is a Hawthorne, California based vertically-integrated provider of specialized electronic products for critical applications in the Security and Healthcare industries. 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](http://www.osi-systems.com).

### **About Rapiscan Systems**

Rapiscan Systems, a division of OSI Systems, Inc. is a leading supplier of high quality 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 50,000 security and inspection systems. The Rapiscan Systems product line is manufactured at four locations and supported by a global support service network. For more information on Rapiscan Systems, please visit [www.rapiscansystems.com](http://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 our expectations, goals or intentions about the future, including, but not limited to, statements regarding sales of the Rapiscan MVXR5000 and the entry into and performance of Rapiscan Systems in the hold baggage screening systems*

*market. 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 Rapiscan Systems will be able to leverage its position as a global leader in the conventional baggage screening market to drive sales in the hold baggage screening market, that Rapiscan Systems internal estimates of global market opportunities will prove accurate, that its current marketing plans will remain constant, or that future sales of the MVXR5000 will occur or be significant. 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.*

**For Further Information**

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