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OSI Receives \$3.4 Million Order for Hybrid-Technology Large Cargo Systems; To Be Used for Inspection of Air Cargo Containers

November 01, 2004: Hawthorne, California

Eliminates costly need to unpack air containers for inspection

OSI Systems, Inc. (Nasdaq:OSIS) today announced that its wholly owned subsidiary, Rapiscan, has received a \$3.4 million order from an international customer for hybrid-technology large cargo inspection systems and associated maintenance.

The hybrid-systems are to be installed at major international airports and used for the inspection of bulk air cargo. The systems are scheduled to be delivered in the second half of fiscal 2005.

These hybrid-systems will conduct a two-phased inspection process; imaging and material-specific inspection. The inspection process eliminates the current costly need to manually open, unpack, inspect and repack the contents of the air cargo container, thereby significantly improving throughput and reducing false alarm rate.

During the first phase of the inspection, the container is scanned with our imaging technology. The image is interpreted by the operator for manifest verification and threat detection. If a suspicious object is identified during this process, the operator has the ability to scan the container with the material-specific technology. This technology will automatically produce a "red light/green light" response for the operator, minimizing human error and false alarms, which result in costly and time-consuming manual inspection.

"We continue to expand our customer base in the international markets for large cargo systems. This unique hybrid-system demonstrates the ability and willingness of the OSI Security Group to develop products for our customers' needs, utilizing the broad range of inspection technologies that we have available," stated Mr. Ajay Mehra, President of OSI Security Group.

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 has delivered thousands of these detection systems to customers worldwide for use in airports, customs facilities, courthouses, government buildings, mail rooms, schools, prisons, embassies and other locations. The Rapiscan product line, marketed under the Rapiscan, Metor, and Secure 1000 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.

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.

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 growth of our install base of large cargo inspection system. 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 such growth will occur either at their expected rates or at all. 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.