

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934**

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): MAY 7, 2007

OSI SYSTEMS, INC.

(EXACT NAME OF REGISTRANT SPECIFIED IN CHARTER)

CALIFORNIA
(STATE OR OTHER JURISDICTION
OF INCORPORATION)

000-23125
(COMMISSION FILE NUMBER)

330238801
(IRS EMPLOYER
IDENTIFICATION NO.)

**12525 CHADRON AVENUE
HAWTHORNE, CA 90250**
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

(310) 978-0516
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On May 7, 2007, we issued a press release announcing our financial results for the third quarter ended March 31, 2007. A copy of the press release is furnished as Exhibit 99.1.

On May 8, 2007, Spacelabs Healthcare, Inc., a subsidiary that serves as a holding company for our Healthcare division, also issued a press release announcing its financial results for its third quarter ended March 31, 2007. Spacelabs Healthcare is listed on the AIM of the London Stock Exchange, where it has traded since October 2005 under the ticker symbol "SLAB." A copy of its press release is furnished as Exhibit 99.2.

We are furnishing the information contained in this Item 2.02 (including Exhibits 99.1 and 99.2). It shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.*(d) Exhibits*

- Exhibit 99.1: Press Release of OSI Systems, Inc., dated May 7, 2007.
- Exhibit 99.2: Press Release of Spacelabs Healthcare, Inc., dated May 8, 2007.

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 hereunto duly authorized.

Date: May 7, 2007

OSI SYSTEMS, INC.

By: /s/ Alan Edrick
Alan Edrick,
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release of OSI Systems, Inc., dated May 7, 2007.
99.2	Press Release of Spacelabs Healthcare, Inc., dated May 8, 2007.

For Additional Information, Contact:

Jeremy Norton
 Director, Investor Relations
 OSI Systems, Inc.
 12525 Chadron Ave.
 Hawthorne CA 90250
 Tel. (310) 349 2372

**OSI SYSTEMS REPORTS THIRD QUARTER
 FISCAL 2007 FINANCIAL RESULTS**

• **Company Announces Record Backlog of Approximately \$209 Million**

HAWTHORNE, Calif. — (BUSINESS WIRE) — May 7, 2007—OSI Systems, Inc. (NASDAQ:OSIS), a vertically integrated provider of specialized electronics products for critical applications in the Security and Healthcare industries, today announced operating results for its third quarter and nine months ended March 31, 2007.

The Company reported revenues of \$126.5 million for the third quarter of fiscal 2007, an increase of 17% from the \$108.1 million reported for the third quarter of fiscal 2006. The net income for the third quarter of fiscal 2007 was \$3.6 million, or \$0.21 per diluted share, compared to net income of \$1.0 million, or \$0.06 per diluted share, for the third quarter of fiscal 2006.

For the nine months ended March 31, 2007, the Company reported record revenues of \$379.5 million, an increase of \$52.4 million, or 16%, from \$327.1 million for the first nine months of fiscal 2006. The net loss for the first nine months of fiscal 2007 was (\$23.0) million or (\$1.37) per diluted share, compared to a net loss of (\$3.1) million, or (\$0.20) per diluted share, for the first nine months of fiscal 2006.

The financial results for the three and nine months ended March 31, 2007 were favorably impacted by the settlement of a dispute with GE related to the acquisition of Spacelabs Medical in fiscal 2004. The settlement resulted in approximately \$15.0 million of pre-tax income, which has been recorded as other income. The results were adversely impacted by a (\$2.8) million fiscal third quarter operating loss in the OSI Defense Systems business, which is included in the Optoelectronics and Manufacturing division.

In the third quarter of fiscal 2007 the Company consolidated certain manufacturing processes and facilities resulting in a pre-tax restructuring charge of \$2.2 million. These costs were directly related to the Company's previously announced plan to generate approximately \$15—\$17 million of pre-tax annualized cost savings through the integration of recent acquisitions and the rationalization of the Company's cost structure. For the first nine months of fiscal 2007, the Company has incurred impairment, restructuring and other charges of approximately \$34.0 million. Including the aforementioned restructuring charges the company incurred non-cash pre-tax charges of approximately \$21.5 million associated with the impairment of certain fixed and intangible assets as well as the recording of \$10.3 million of additional inventory reserves, which is included in cost of goods sold.

Deepak Chopra, OSI Systems' Chairman and CEO, stated, "We continued our positive top line momentum while our overall backlog increased to record levels due to the strength of our Security bookings. Improving our overall operating performance continues to be our top priority. We expect the previously announced cost cutting measures to be largely implemented by the end of the fiscal year."

The Company's backlog as of March 31, 2007 was \$209 million compared to \$197 million as of December 31, 2006. The Security Division had a backlog of approximately \$124 million as of March 31, 2007 compared to \$115 million as of December 31, 2006.

Forward-Looking Guidance

The Company reaffirms its previously published revenue guidance of \$535—\$545 million for the fiscal year ended June 30, 2007.

Conference Call Information

OSI Systems, Inc. will host a conference call and simultaneous webcast over the Internet beginning at 9:00am PST (12:00pm EST), today to discuss its results for the third quarter and first nine months of fiscal 2007. To listen, please log on to www.fulldisclosure.com or www.osi-systems.com and follow the link that will be posted on the front page. A replay of the webcast will be available shortly after the conclusion of the conference call until May 21, 2007. The replay can either be accessed through the Company's website, www.osi-systems.com, or via telephonic replay by calling 1-888-286-8010 and entering the conference call identification number '71537634' when prompted for the replay code.

About OSI Systems, Inc.

OSI Systems, Inc. is a vertically integrated designer and manufacturer of specialized electronic systems and components for critical applications. The Company sells its products in diversified markets, including homeland security, healthcare, defense and aerospace. 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. It 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 the Company's expectations, goals or intentions about the future, including, the Company's predictions about the size and effect of its cost-cutting measures, steps being taken to improve profitability and future revenues. 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 cost-cutting measures will ultimately result in savings that are in line with current expectations, that the Company will achieve profitability or that future revenues predictions will ultimately prove accurate. 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.

OSI SYSTEMS, INC. AND SUBSIDIARIES

Consolidated Statements of Operations
(in thousands, except share and per share data)

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2007	2006	2007	2006
Revenues	\$ 126,498	\$ 108,092	\$ 379,485	\$ 327,100
Cost of goods sold	82,562	65,019	257,772	201,932
Gross profit	43,936	43,073	121,713	125,168
Operating expenses:				
Selling, general and administrative	36,199	33,805	110,531	100,738
Research and development	11,390	8,851	33,424	26,281
Impairment, restructuring, and other charges	2,226	—	23,769	800
Other operating expenses	110	51	658	624
Total operating expenses	49,925	42,707	168,382	128,443
Income (loss) from operations	(5,989)	366	(46,669)	(3,275)
Interest expense	(1,239)	(236)	(3,520)	(1,186)
Interest income	85	91	322	180
Other income / (expense)	15,772	—	15,772	349
Income (loss) before provision for income taxes and minority interest	8,629	221	(34,095)	(3,932)
Provision (benefit) for income taxes	3,678	(820)	(11,607)	(1,816)
Minority interest	(1,338)	(30)	(553)	(976)
Net income (loss)	\$ 3,613	\$ 1,011	\$ (23,041)	\$ (3,092)
Diluted income (loss) per share	\$ 0.21	\$ 0.06	\$ (1.37)	\$ (0.20)
Weighted average shares outstanding – diluted	17,237	16,766	16,779	16,326

Condensed Consolidated Balance Sheets
(in thousands)

	June 30, 2006	March 31, 2007
Assets		
Cash and cash equivalents	\$ 13,799	\$ 18,787
Accounts receivable, net	119,419	120,134
Inventories	120,604	121,702
Other current assets	29,477	45,462
Total current assets	283,299	306,085
Non-current assets	119,774	126,704
Total	\$ 403,073	\$ 432,789
Liabilities and Stockholders' Equity		
Bank lines of credit	\$ 10,857	\$ 16,358
Current portion of long-term debt	1,251	5,578
Accounts payable and accrued expenses	68,526	71,910
Other current liabilities	40,509	43,312
Total current liabilities	121,143	137,158
Long-term debt	5,483	26,965
Other long-term liabilities	17,769	20,349
Total liabilities	144,395	184,472
Minority interest	9,731	9,723
Shareholders' equity	248,947	238,594
Total	\$ 403,073	\$ 432,789

SEGMENT INFORMATION

(in thousands)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2007	2006	2007	2006
Revenues – by Segment Group:				
Security Group	\$ 45,044	\$ 36,446	\$ 130,479	\$ 93,787
Healthcare Group	53,671	49,429	164,639	161,799
Optoelectronics and Manufacturing Group including intersegment revenues	37,200	29,689	111,068	88,593
Intersegment revenues elimination	(9,417)	(7,472)	(26,701)	(17,079)
Total	<u>\$ 126,498</u>	<u>\$ 108,092</u>	<u>\$ 379,485</u>	<u>\$ 327,100</u>
Operating income (loss) – by Segment Group:				
Security Group	\$ 527	\$ 1,230	\$ (31,284)	\$ (2,614)
Healthcare Group	(3,381)	1,063	(8,994)	8,159
Optoelectronics and Manufacturing Group	547	3,608	7,279	7,391
Corporate	(3,291)	(5,293)	(13,436)	(16,002)
Eliminations	(391)	(242)	(234)	(209)
Total	<u>\$ (5,989)</u>	<u>\$ 366</u>	<u>\$ (46,669)</u>	<u>\$ (3,275)</u>

8 May 2007

SPACELABS HEALTHCARE, INC.
THIRD QUARTER RESULTS

OSI Systems, Inc. the majority shareholder of Spacelabs Healthcare, Inc. (LSE: "SLAB") ('Spacelabs' or the 'Company') today announced its third quarter segment operating results for its healthcare business.

	Third Quarter 2007	Third Quarter 2006	%	Nine Months 2007	Nine Months 2006	%
Revenue	\$ 53.7m	\$ 49.4m	9%	\$ 164.6m	\$ 161.8m	2%
Income (loss) from Operations	\$ (3.4)m	\$ 1.1m		\$ (9.0)m	\$ 8.2m	

The results for Spacelabs Healthcare are being reported as part of OSI System's healthcare segment. As such, these results are segment results as defined by U.S. GAAP, and therefore differ from those that would be reported for Spacelabs Healthcare on a stand-alone basis. These results do not reflect certain costs and expenses relating to services provided by OSI Systems to Spacelabs Healthcare during the quarter.

Operational Summary for Third Quarter of Fiscal 2007

- Third quarter fiscal 2007 revenue of \$53.7 million, an increase of 9% from \$49.4 million in the third quarter of fiscal 2006. Excluding revenue from Del Mar Rey nolds ("DMR"), acquired July 2006, underlying revenues decreased by 8%. Revenues and operating income were negatively impacted by weaker than expected patient monitoring sales in the U.S.
- OSI Systems announced that it expects Spacelabs Healthcare to be profitable in the fourth quarter of fiscal 2007. This is due to cost savings implemented and management's visibility.
- Rationalization of facilities and reduction of headcount associated with the integration of DMR and global review of the Company's cost structure is nearly complete with the Company expected to have the majority of the previously announced \$10 million of annualized cost savings implemented by the end of the fiscal year. The benefit of the cost savings will begin to be evident in the fourth quarter with the full benefit expected in fiscal 2008.
- The Company has expanded its presence in the Asia Pacific region with execution of a lease on a new facility in China. The new facility, expected to begin operation in the fiscal 2008, will increase the Company's competitiveness in the emerging market environment of China, India and Latin America while also improving the Company's gross margin through supply chain efficiencies.
- The Company remains committed to R&D. In the third quarter of fiscal 2007 R&D spending increased 42% compared to the third quarter of fiscal 2006. In the third quarter of fiscal 2007 the Company announced the launch of two new diagnostic cardiology products and the receipt of 510k clearance for the distribution of its Diagnostic Data Management System in the U.S.
- In the third quarter OSI Systems reached a \$15.0 million settlement in its dispute with GE Healthcare Finland Oy regarding working capital adjustments and other matters arising from OSI's March 2004 acquisition of Spacelabs Medical. Under U.S. GAAP the settlement, net of \$0.6 million of legal costs, will be recorded as Other Gains on Spacelabs' income statement, and therefore is not reflected in the segment operating results reported by OSI Systems for the third quarter of fiscal 2007. Proceeds received from GE resulted in a corresponding reduction of \$14.4 million from the outstanding inter-Company loan from OSI Systems. At the end of the third quarter the outstanding loan payable to OSI Systems was approximately \$14.0 million. As a result, interest expense in the fourth quarter is expected to be reduced.

For further information, please contact:

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Financial Dynamics

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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 predictions about the size and effect of its cost-cutting measures, steps being taken to improve profitability and future revenues. 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 cost-cutting measures will ultimately result in savings that are in line with current expectations, that the Company will achieve profitability or that future revenues predictions will ultimately prove accurate. 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.