

February 28, 2011

U.S. Government Upholds \$24 Million Award to OSI Systems for Eagle® Mobile High Energy Cargo and Vehicle Inspection Systems

US GAO Upholds Finding that Eagle Systems Had Highest Ranking for Technical Performance and Best Value of Competitors

HAWTHORNE, Calif.--(BUSINESS WIRE)-- [OSI Systems, Inc.](http://www.osi-systems.com) (NASDAQ: OSIS), a vertically-integrated provider of specialized electronics and services, today announced that the U.S. General Accounting Office (GAO) has upheld the U.S. Customs and Border Protection's (CBP) total award for multiple Eagle Mobile High-Energy X-Ray systems to OSI's Security Division, Rapiscan Systems. The order was announced in October 2010 but not included in the Company's reported backlog, pending the resolution of a protest against the award that was filed by the losing bidders with the U.S. government. The Company recently received official notice which clears the way for it to begin fulfilling its contract with its U.S. government customer.

In its public decision, the GAO upheld the government's decision that the Rapiscan Eagle Mobile provided the best value to the government. The decision highlighted that the US CBP award had been made following a thorough independent analysis of Rapiscan products as well as leading competitor products. Following this analysis, Rapiscan Eagle Mobile received the highest ranking for technical performance over all other competitors. Specifically noted in the GAO ruling were Rapiscan's technology advantages in providing material separation of inspected items and full passive inspection of radiological and nuclear materials.

OSI Systems CEO, Deepak Chopra, stated, "The GAO decision is yet another demonstration of the competitive advantages of Rapiscan's High-Energy x-ray based systems, Our Eagle M-60DE cargo scanner utilizes a dual-energy method to detect contraband deep inside a container, locate radioactive materials through passive detection, and also provide discrimination among organic, metallic, and intermediate materials. Chopra further noted, "The government's decision to uphold the total order award to Rapiscan also reinforces the leading position of our detection solutions in cargo when compared to less robust technologies in the marketplace."

Ajay Mehra, President of Rapiscan Systems stated: "Rapiscan's Eagle Mobile cargo and vehicle inspection systems provide comprehensive detection of threats such as contraband, narcotics and explosives in even densely packed containers, all via a mobile and reliable platform." Mr. Mehra continued: "Now that the U.S. government has confirmed our contract award following a competitive procurement process, we look forward to meeting their inspection requirements."

The Rapiscan Eagle is a road-mobile cargo and vehicle inspection system that can be deployed for inspection at a port, checkpoint or border crossing in less than 20 minutes. It features advanced transmission x-ray technology that can identify the presence of hidden contraband, such as weapons, explosives and narcotics. The system can also be configured to detect radioactive material and can operate in either drive-by or drive through portal mode, which allows operators to adapt the Eagle to their inspection requirements. In addition, the Eagle inspection system can be equipped with Rapiscan's proprietary CabScan™ technology, which allows an occupied driver cab to be safely scanned with a low energy X-ray beam, while the container is scanned with high energy X-ray.

About OSI Systems, Inc.

OSI Systems, Inc. is a vertically integrated designer and manufacturer of specialized electronic systems and components for critical applications in the homeland security, healthcare, defense and aerospace industries. We combine more than 30 years of electronics engineering and manufacturing experience with offices and production facilities in more than a dozen countries to implement a strategy of expansion into selective end product markets. For more information on OSI Systems Inc. or any of its subsidiary companies, visit www.osi-systems.com. News Filter: OSIS-G

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 contracts to provide solutions to the Security industry. The actual results may differ materially from those described in or implied by any forward-looking statement.

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Source: OSI Systems, Inc.

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