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Rapiscan Systems Receives \$13.2 Million in Contract Orders from The Transportation Security Administration

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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, received \$13.2 million in contract orders from the Transportation Security Administration (TSA). Included in this total was; funding for Phase Two of the TSAs Security Technology Integrated Program (STIP), orders for Threat Image Projection Ready X-Ray (TRX) systems and peripheral equipment orders.

On June 6, 2006 Rapiscan Systems announced that it had been awarded an \$800,000 grant from the TSA for Phase One of the STIP for the development, testing and piloting of software to network security equipment at 450 airports throughout the United States. In Phase Two of the program, Rapiscan Systems will implement the software throughout its installed base of checkpoint X-ray systems, a project it expects to complete by the end of the fiscal year.

Rapiscan Systems President, Mr. Ajay Mehra, said, "This contract underscores the ongoing relationship between the TSA and Rapiscan to enhance aviation security. We applaud the TSA for fostering public-private partnerships such as this as it allows true collaboration in developing the most sophisticated, comprehensive solutions to today's complex security challenges."

STIP is expected to provide more accurate and timely information to key decision makers in the TSA. To do so, security equipment (metal detectors, X-ray machines, explosive detection systems, etc.) can be connected as a network, capable of sending data between disparate sites and machines. The initiative will also allow administrative and technical communications such as streamlined security updates, alerting functions, remote maintenance and monitoring and asset management.

About OSI Systems, Inc.

OSI Systems, Inc. and its subsidiaries 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. 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 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 companys 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.

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 companys expectations, goals or intentions about the future, including, the companys predictions about the TSAs STIP. The actual results may differ materially from those described in or implied by any forward-looking statement. In particular, the timing, and success of Phase Two of the Program may not ultimately remain in line with the companys current expectations. Other important factors are set forth in the Securities and Exchange Commission filings OSI Systems, Inc. All forward-looking statements speak only as of the date made, and the company undertakes no obligation to update these forward-looking statements.

For Further Information

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