



August 4, 2004

OSI Systems Announces Large Cargo Service Contract for Approximately \$2.4 Million

August 04, 2004: Hawthorne, California

OSI Systems, Inc. (Nasdaq:OSIS) today announced that its Rapiscan subsidiary has received an approximately \$2.4 million contract to provide maintenance and service for its Rapiscan 2000 Series Large Vehicle Cargo X-ray Systems to the Customs and Excise Department of China's Hong Kong Special Administration Region. Rapiscan had previously delivered these systems in June of 2003 to Hong Kong's Lok Ma Chau border, one of the busiest border crossings in the world.

"As our installed base of large cargo systems continues to grow worldwide, we are capitalizing on opportunities to increase our service revenues. We expect to see continued growth in recurring revenues from service contracts. We are pleased that the Hong Kong customs authorities have selected Rapiscan to service our fixed site cargo inspection systems," stated Ajay Mehra, President of OSI Systems Security Group.

About OSI Systems, Inc.

OSI Systems Inc. is a Hawthorne, California 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.

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 also markets high-performance large cargo inspection systems from OSI Systems' Ancore and ARACOR subsidiaries. The company has delivered thousands of x-ray detection systems to customers worldwide for use in airports, customs facilities, courthouses, government buildings, mail rooms, schools, prisons, embassies, and other locations. The large cargo inspection systems use hybrid advanced technologies including gamma ray, neutron-based material specific technologies, as well as x-ray. The company's cargo systems are installed at various border crossings and ports worldwide. The Rapiscan product line, marketed under the Rapiscan, Metor, and Secure 1000, ARACOR Eagle™, and Ancore 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.

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 systems, service revenues and service contracts. 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.