



October 2, 2006

OSI Systems Receives \$3.2 Million Service Contract For Fixed Site Cargo Inspection System

October 02, 2006: Hawthorne, CA

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 and Inspection division, Rapiscan Systems, received a \$3.2 million multi-year service contract from EMSD (Electrical and Mechanical Services Department), a Hong Kong government agency.

The contract is for service and maintenance of the Dual 9MeV High Energy X-ray Fixed Site system installed at the Lok Ma Chau border crossing between Hong Kong and China. The system, operated by Hong Kong Customs and Excise Department, was installed by Rapiscan Systems in 2003.

Rapiscan Systems President, Mr. Ajay Mehra, stated, This is our second multi-year service contract that we have entered into with EMSD. One of Rapiscan Systems competitive advantages is our ability to offer customers around the clock after market service and maintenance globally. We currently have more than forty Cargo and Vehicle Inspection systems in various configurations deployed globally. As our installed base continues to grow, our service revenue continues to increase accordingly.

About OSI Systems, Inc.

OSI Systems, Inc. is a Hawthorne, California based diversified global developer, manufacturer and seller of specialized electronics security and inspection systems, medical monitoring and anesthesia products, and optoelectronic devices and value-added subsystems. 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 and 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 company's 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 our expectations, goals or intentions about the future, including, but not limited to, statements regarding our service capabilities and relationship with EMSD or the Hong Kong Customs and Excise Department. 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 our service revenue can continue to increase as the number of installed systems increases. 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.

For Further Information

OSI Systems Inc
Jeremy Norton Director of Investor Relations
12525 Chadron Ave
Hawthorne CA 90250
Tel: (310) 349 2237
E: jnorton@osi-systems.com