



Analogic Corporation Completes Fourth Quarter Restructuring Initiatives, Provides Update on Recent Acquisition, and Announces Fourth Quarter Investor Conference Call

PEABODY, Mass.--(BUSINESS WIRE)--Aug. 8, 2008--Analogic Corporation (NASDAQ: ALOG) reported today that it completed planned restructuring initiatives during the fourth quarter ended July 31, 2008, that will lower the Company's cost structure going forward. The Company also announced continued progress in the integration of its Copley Controls acquisition.

"During the past year we completed a rigorous internal review to determine how we can gain efficiencies and accelerate response times to evolving opportunities in the medical and security marketplaces," said President and CEO Jim Green. "Early in the fourth quarter, we reorganized our engineering staff to increase efficiency, optimize the allocation of resources, and enhance communications throughout our entire engineering organization. In addition, as we noted in our third-quarter Form 10-Q, during the fourth quarter we also implemented a reduction in force and a voluntary retirement program for our U.S. workforce."

The reduction in force, implemented in May 2008, will result in a one-time charge of approximately \$0.6 million in the fourth quarter. The voluntary retirement program will result in a one-time charge of approximately \$3.4 million. Combined, these two programs will result in an estimated \$4.0 million one-time charge in the fourth quarter and are expected to save the Company an estimated \$5 million annually.

"During the quarter we also made considerable progress integrating the Copley Controls subsidiary," Green said. "Management teams from our Peabody headquarters and Copley have focused on integrating marketing, engineering, manufacturing, the supply chain, and information systems. To further strengthen customer relationships, we are working with a major Copley customer to establish lean inventory levels consistent with demand." As a result, Analogic has delayed approximately \$4.5 million in shipments originally scheduled for the fourth quarter.

Additionally, as stated in its third-quarter Form 10-Q, the Company will amortize Copley acquisition-related intangible assets and inventory fair value adjustments. This will result in a \$3.1 million charge in the fourth quarter, a \$1.6 million charge in the first quarter of fiscal 2009, and an ongoing charge of approximately \$0.7 million in subsequent quarters.

Green concluded, "We enter fiscal 2009 as a leaner and more productive organization with an improved cost structure. Copley's contribution remains in line with our original estimates, and the integration is progressing well. We look forward to realizing the long-term strategic benefits of this acquisition."

Conference Call

Analogic also announced that it will conduct an investor conference call on Thursday, September 25, at 11:00 a.m. ET to discuss the fourth-quarter and fiscal-year 2008 results and recent developments. To participate in the conference call dial 1-866-823-6992 (toll free), or 1-334-323-7225 for international callers, approximately five to ten minutes before the conference is scheduled to begin. Inform the operator that you wish to join the Analogic conference, Passcode 03391. You will then be asked for your name, organization, and telephone number and be connected to the conference. To listen to the live audio webcast, visit www.analogic.com approximately five to ten minutes before the conference is scheduled to begin.

A replay of the conference call webcast will be archived on the Company's website at www.analogic.com approximately three hours after the call is completed and will be available through Thursday, October 16, 2008.

A telephone digital replay will be available approximately two hours after the call is completed through midnight (ET) Thursday, October 16, 2008. To access the digital replay, dial 1-877-919-4059 (toll free), or 1-334-323-7226 for international callers. The conference ID number is 36252325. For more information on the conference call, visit www.analogic.com, call 978-326-4213, or email proberts@analogic.com.

About Analogic

Analogic Corporation is a leading designer and manufacturer of advanced health and security systems and subsystems sold primarily to Original Equipment Manufacturers (OEMs). The Company is recognized worldwide for advancing the state of the art in Automatic Explosives Detection, Computed Tomography (CT), Digital Radiography (DR), Ultrasound, Magnetic Resonance

Imaging (MRI), Patient Monitoring, and Advanced Signal Processing.

Forward Looking Statements

This press release contains the Company's or management's intentions, hopes, beliefs, expectations or predictions. These are considered "forward-looking statements" within the meaning of the Private Securities Litigation Act of 1995. Forward-looking statements (statements that are not historical facts) in this presentation are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that all forward-looking statements, including statements about product development, market and industry trends, strategic initiatives, regulatory approvals, sales, profits, expenses, price trends, research and development expenses and trends, and capital expenditures involve risk and uncertainties. Actual results may differ materially from those indicated by such statements as a result of various factors, including those discussed in the Company's periodic reports filed with the SEC under the heading "Risk Factors." In addition, the forward-looking statements included in this press release represent the Company's views as of August 8, 2008. The Company anticipates that subsequent events and developments will cause the Company's views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to August 8, 2008.

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