



SAIC Wins Army Research Laboratory Contract

July 12, 2004

(SAN DIEGO and WASHINGTON) – SAIC's Security and Transportation Technology Business Unit today announced they have been awarded a research and development contract from the U.S. Army Materiel Command and the Robert Morris Acquisition Center, located at Aberdeen Proving Ground, Md. Under the terms of the agreement, SAIC will provide research and development for items and systems supporting U.S. Army and Department of Defense objectives.

The five-year, indefinite-delivery/indefinite-quantity contract will be shared with three other contractors and has a ceiling value of \$400 million.

SAIC will provide engineering services to support research and development, limited prototypes, and test and evaluation support for the development of concept and future applications of technology for special customers, to include the United States Special Operations Command (SOCOM). SOCOM's principal focus is to counteract and defeat the growing worldwide asymmetrical threat.

"The award of this contract reinforces the reputation for quality that has been earned by the company over the past 35 years," said William J. Kelly, SAIC senior vice president and manager of the Security and Transportation Technology Business Unit. "SAIC is proud of the support that we provide to Special Operations. The U.S. Army Materiel Command and the Robert Morris Acquisition Center have been great customers of ours and we are happy to continue our relationship with them on this contract."

SAIC will apply technologies that are advancing at a rapid pace, such as communications, electronics, robotics and automation, batteries, data processing, graphical user interfaces and new materials. This contract supports a wide complement of mission areas to include direct action support, intelligence, surveillance and reconnaissance, urban operations, knowledge superiority and counter-drug operations.

Additional Information:

Visit SAIC's National Security section to learn more about our capabilities in this area.

SAIC is the largest employee-owned research and engineering company in the United States, providing information technology, systems integration and eSolutions to commercial and government customers. From science to solutions, SAIC engineers and scientists work to solve complex technical problems in national and homeland security, energy, the environment, space, telecommunications, health care and logistics. More information about SAIC can be found at www.saic.com.

Statements in this announcement other than historical data and information constitute forward-looking statements that involve risks and uncertainties. A number of factors could cause our actual results, performance, achievements or industry results to be very different from the results, performance or achievements expressed or implied by such forward-looking statements. Some of these factors include, but are not limited to, the risk factors set forth in the Company's Annual Report on Form 10-K for the period ended January 31, 2004, and such other filings that the Company makes with the SEC from time to time. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof.

Business Contacts:

Use our Contact Form or call 1-800-430-7629.

Press/Public Relations Contacts:

Ron Zollars - San Diego, CA
858-826-7896
zollarsr@saic.com

Alison Williams - McLean, VA
703-676-6762
williamsae@saic.com