



SAIC Awarded National Institutes of Health Contract

February 18, 2004

(FALLS CHURCH, VA) - SAIC today announced it has won a contract from the National Institutes of Health (NIH) to support the Electronic Research Administration (eRA) in its efforts to update the agency's research grants application and processing system.

Under the terms of this eRA Systems Design, Development, and Maintenance contract, SAIC will migrate the agency's grants management system to an object-oriented design and development scheme using Java 2 Enterprise Edition (J2EE). This indefinite-delivery/indefinite-quantity, time and materials contract will be performed over a maximum period of five years.

The NIH processes approximately 55,000 research and training applications that equate to two million pieces of paper annually. eRA intends to convert this huge volume of paper to an electronic medium for full electronic grants administration and to fully integrate its grants function with the agency's other major enterprise systems. The support of existing applications and migration to the new J2EE environment is central to the continued success of the NIH's grant programs. The NIH invested approximately \$13.5 billion in grants in fiscal year 2000.

"This contract allows SAIC the opportunity to provide the customer with a team who understands the NIH grants environment and a set of technical practices needed for successful migration," said Dr. Edward D. Martin, senior vice president, Enterprise and Health Solutions Business Unit. "We are excited about this opportunity and look forward to working with our NIH and research counterparts in making this grant system as effective as possible for all users."

This contract will be executed by SAIC's Enterprise Solutions Group, located in Falls Church, Va., and at the NIH offices in Rockville, Md. SAIC's teammates include Turner Consulting Group (TCG) and Altum.

Headquartered in Washington, D.C., Turner Consulting Group enables government agencies to use the power of the Internet to improve interaction with the public, and to generate internal cost savings and efficiencies. In 1995, TCG created "Interagency Edison," the first and only interagency government system to receive secure information from the general public. Today it serves the invention and patent reporting requirements of 21 federal agencies. The company's mature J2EE practice and extensive grants management domain expertise delivers financial management information technology solutions to the government. More information about TCG can be found at <http://www.tcg.com>.

Headquartered in Reston, Va., and founded in 1997, Altum designs, develops, and integrates systems to provide Internet, wireless and database solutions configured specifically to customers' needs. Altum has deployed its grants reporting system at nine of the 27 NIH Institutes and Centers, using a Web-based, J2EE application that was implemented using RUP and CMM methodologies. More information about Altum can be found at <http://www.altum.com>.

Additional Information:

Visit SAIC's eSolutions 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, 2003, 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.

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