Instruction 1(h)

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT	OF CHANGES	S IN BENEFICIAL	OWNERSHIP
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**OMB APPROVAL** 3235-0287 Estimated average burden hours per response 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

		Reporting Person*					r Name <b>ar</b> , <u>Inc.</u> [		cker or Trading	Symbol			Relationship o eck all applic		g Pers	on(s) to Issı	ıer
DRUM	IMOND J	ERE A			1		,						X Directo	r		10% Ov	vner
(Last) (First) (Middle) 10260 CAMPUS POINT DRIVE				3. Date of Earliest Transaction (Month/Day/Year) 10/16/2006						Officer (give title below)			Other (s below)	pecify			
						If Ame	endment	Date	of Original File	d (Month/D:	av/Year)	6 1	ndividual or 1	oint/Groun	Filing	(Check Anr	nlicable
(Street) SAN DIEGO CA 92121			-	4. If Amendment, Date of Original Filed (Month/Day/Year)						Line	Individual or Joint/Group Filing (Check Applicable Line)     X Form filed by One Reporting Person  The filed by Many theor One Reporting Person						
(City) (State) (Zip)			-								Form filed by More than One Reporting Person						
		Tal	ble I - Nor	n-Deriv	vativ	re Se	ecuritie	s Ad	cquired, Di	sposed o	of. or Ben	eficial	lv Owned				
1. Title of Security (Instr. 3)		2. Trans	sactio			ed Date	3. Transactio	4. Securities Acquired (A) ion Disposed Of (D) (Instr. 3,		d (A) or	5. Amount Securities Beneficially Owned Fol		Form (D) or	rm: Direct or Indirect (Instr. 4)	7. Nature of Indirect Beneficial Ownership		
									Code V	Amount	(A) or (D)	Price	Reported Transact (Instr. 3 a	tion(s)			(Instr. 4)
									uired, Disp s, options,				Owned				
1. Title of Derivative Security (Instr. 3)  2. Conversi or Exerci Price of Derivativ. Security		3. Transaction Date (Month/Day/Year)	3A. Deemed Execution D if any (Month/Day)	ate, T	Code (Instr.		n of E		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amour of Securities Underlying Derivative Securit (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s (Instr. 4)		10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
					Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares					
Class A Preferred Stock <sup>(1)</sup>	(2)	10/16/2006			A		2,920		(2)	(3)	Common Stock	2,920	(4)	2,920	)	D	
Class A Preferred Stock <sup>(1)</sup>	(2)	10/16/2006			A		5,176		(2)	(3)	Common Stock	5,176	(4)	5,176	5	I	By Key Executive Stock Deferral Plan
Stock Option (Right to Buy) <sup>(1)</sup>	\$12.1733	10/16/2006			A		35,999		04/02/2005 <sup>(5)</sup>	04/01/2009	Class A Preferred Stock <sup>(2)</sup>	35,999	(6)	35,999	9	D	
Stock Option (Right to Buy) <sup>(1)</sup>	\$13.5166	10/16/2006			A		35,998		04/08/2006 <sup>(5)</sup>	04/07/2010	Class A Preferred Stock <sup>(2)</sup>	35,998	(6)	35,99	8	D	
Stock Option (Right to	\$14.64	10/16/2006			A		33,000		03/31/2007 <sup>(5)</sup>	03/30/2011	Class A Preferred Stock <sup>(2)</sup>	33,000	(6)	33,00	0	D	

Buy)(1)

- 1. On October 16, 2006, SAIC, Inc. became the successor to Science Applications International Corporation pursuant to a merger. The merger resulted in SAIC, Inc. becoming the parent holding company of Science Applications International Corporation, but did not alter the proportionate interests of security holders.
- 2. Class A Preferred Stock is convertible into Common Stock on a 1 for 1 basis on and after the following dates and in the proportionate amounts for each Series: 20% allocated to Series A-1 and convertible on January 11, 2007; 20% allocated to Series A-2 and convertible on April 11, 2007; 30% allocated to Series A-3 and convertible on July 10, 2007; 30% allocated to Series A-4 and convertible on October 8, 2007.
- 3. Class A Preferred Stock has no expiration date.
- 4. Received in a reorganization merger with Science Applications International Corporation ("Old SAIC"). On the effective date of the merger, the closing price for SAIC, Inc.'s common stock (into which the Class A preferred shares will become convertible on a one-for-one basis) was \$18.11 per share; the securities of Old SAIC were not listed on any securities exchange.
- 5. The option is exercisable according to the following annual vesting schedule: 20% in years 1, 2 and 3, and 40% in year 4. The date exercisable set forth above is the first anniversary of the date of grant of each option and represents the date on which the option first became exercisable with respect to 20% of the underlying shares in accordance with the aforementioned vesting schedule.
- 6. Received in a reorganization merger with Old SAIC in exchange for an option to purchase shares of Old SAIC common stock.

By: N. Walker, Attorney-in-fact 10/18/2006

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- \* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.