

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934

Date of Report: October 15, 2008

SAIC, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-33072
(Commission File Number)

20-3562868
(I.R.S. Employer Identification No.)

10260 Campus Point Drive, San Diego, CA 92121
(Address of Principal Executive Offices) (Zip Code)

(858) 826-6000
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

SAIC Institutional Investor Conference

SAIC, Inc. (Company) will hold its second Institutional Investor Conference (Conference) in McLean, Virginia today, October 15, 2008. At the Conference, several senior executives of the Company will make presentations and discuss the Company's current performance and strategies for the future. Interested parties can listen to the presentations through a live audio webcast on the Company's web site, www.saic.com, beginning at 8:00 a.m. Eastern time today, October 15, 2008.

Charts to be used in the presentations made by the Company's senior executives at the Conference are attached to this Current Report on Form 8-K as Exhibit 99.1.

Certain statements made in the charts attached to this Current Report on Form 8-K as Exhibit 99.1 or by executives at the Conference contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act). Forward-looking statements involve a number of risks and uncertainties. A number of factors could cause the Company's actual results, performance, achievements, or industry results to be materially different from any future results, performance, or achievements expressed or implied by these 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 year ended January 31, 2008, and other filings that the Company makes with the SEC from time to time. Due to these uncertainties and risks, readers of this Current Report on Form 8-K and persons who view these presentations are cautioned not to place undue reliance on such forward-looking statements, which speak only as of October 15, 2008. The Company disclaims any duty to update guidance or any other forward-looking statement provided in the Exhibit to this Current Report on Form 8-K or in the presentations made by Company executives at the Conference to reflect subsequent events, actual results or changes in the Company's expectations.

The information contained in this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act), or otherwise subject to the liabilities of that section of the Exchange Act. Furthermore, the information contained in this Current Report on Form 8-K, including the Exhibit attached hereto, shall not be deemed to be incorporated by reference into any registration statement of the Company or other document filed by the Company pursuant to the Securities Act or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit 99.1* Charts used in senior executive presentations made on October 15, 2008 at the SAIC Institutional Investor Conference.

* This Exhibit shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section of the Exchange Act, nor shall it be incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

(Registrant)

SAIC, INC.

Date: October 15, 2008

By: /s/ DOUGLAS E. SCOTT

Douglas E. Scott
Its: Executive Vice President
General Counsel and Secretary

SAIC 2008 Institutional Investor Conference



Welcome and Introduction

Stuart Davis
SVP, Investor and Employee Owner Relations



Agenda

SAIC 2008 Institutional Investor Conference



8:00 AM	Welcome	<i>Stuart Davis</i>
8:05 AM	Enterprise Overview	<i>Ken Dahlberg</i>
8:25 AM	Operational Perspectives	<i>Larry Prior</i>
8:55 AM	Financial Overview	<i>Mark Sopp</i>
9:15 AM	Corporate Q&A	

9:45 AM BREAK

10:00 AM	Defense Solutions Group and C4ISR Campaign	<i>Deb Alderson</i>
10:25 AM	Intelligence, Security and Technology Group and Space Superiority Campaign	<i>Stu Shea</i>
10:50 AM	Cyber Campaign	<i>Larry Cox</i>
11:10 AM	Infrastructure, Logistics and Product Solutions Group and Energy Campaign	<i>Joe Craver</i>
11:35 AM	IT and Network Solutions Group and Health Campaign	<i>Charles Koontz</i>

12:00 PM LUNCH

SAIC Investor Relations Website

http://investors.saic.com

SAIC 2008 Institutional Investor Conference



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Investor Relations

- Online Investor Kit
- News Releases
- Calendar of Events
- Quarterly Earnings
- Analyst Coverage
- Stock Data
- Annual Report
- SEC Filings
- Stockholder Services
- Corporate Governance
- Investor FAQs
- Contact Us/Request Information

Shareholder Tools

- Shareholder Briefcase
- Email Alerts
- Download Library
- Glossary
- RSS News Feeds

Fiscal Year 2008 Annual Report

Learn about our company's achievements in the Fiscal Year 2008 Annual Report.

[DOWNLOAD NOW](#)



Investor & Employee Owner Relations

Our goal is to present existing and potential investors with an accurate portrayal of the company's performance and prospects. Come here to find the latest financial news and information about us, including earnings announcements, webcasts and more.

Investor Events

[View All Events](#)

- 14 Oct 08 SAIC Institutional Investor Conference
- 11 Sep 08 SAIC, Inc. at Jefferies 2nd Annual Technology Conference

Replay and presentation materials available



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Forward Looking Statements

SAIC 2008 Institutional Investor Conference



Certain statements in these presentations contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended. The forward-looking statements involve a number of risks and uncertainties. A number of factors could cause our actual results, performance, achievements, or industry results to be materially different from any future results, performance, or achievements expressed or implied by these 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 year ended January 31, 2008, and other filings that the Company makes with the SEC from time to time. Due to these uncertainties and risks, persons who view these presentations are cautioned not to place undue reliance on such forward-looking statements, which speak only as of October 15, 2008. The Company disclaims any duty to update guidance or any other forward-looking statement provided in these presentations to reflect subsequent events, actual results or changes in the Company's expectations.

This presentation describes financial results through 7/31/08 (FY2009 Q2)

SAIC 2008 Institutional Investor Conference



Enterprise Overview

Ken Dahlberg
Chairman and Chief Executive Officer



Company Update

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- Gaining momentum in transformation efforts
 - 8 quarters as a public company—met or exceeded expectations every quarter
 - Organizational clarity with 4 Groups and 19 Business Units
 - Costpoint implementation about half completed
 - Project Alignment well underway with the stand up of our Shared Services Center
- Investing to pursue large opportunities and create technical discriminators
 - Won 58 \$100M+ programs since IPO, with 137 more in pipeline
 - Increasing IR&D in ISR, security products, C2, and precision strike
- Developing strategies for breakout growth opportunities
 - Energy management and efficiency
 - Health data records management
 - Cyber
 - Cargo inspection
- Managing our portfolio to fuel long-term EPS growth
 - Exit non-core commodity/low margin businesses
 - Emphasize more “noble work” in system integration and some products
 - Don’t forsake our core technical services business

Smart People Solving Hard Problems

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09-1844-10-01



National Security

- Co-Lead Systems Integrator on Army's #1 program
- Prime contractor for DoD network infrastructure
- ~\$2B in Intelligence (mission support, IT, R&D)
- Leading integrated supplier for DLA



Energy and the Environment

- Driving effectiveness of oil recovery for BP
- Design/build more energy-efficient facilities for GM
- Leading provider of climate and environmental data services to NOAA and USGS



Critical Infrastructure

- #1 provider of non-intrusive inspection systems
- Selected for 8 of 9 Secure Freight Initiative ports
- #1 CBRN services provider (trained >400K first responders)
- #1 provider of DHS data center solutions



Health

- Operate the National Cancer Institute
- Support IT for military clinical systems worldwide
- Leading biosurveillance efforts for CDC and DHS
- Leading VA/DoD data sharing effort

Company Transformation

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09-1844-10-02

FY05	FY06	FY07	FY08	FY09
Revenue \$6.91B	Revenue \$7.52B	Revenue \$8.06B	Revenue \$8.94B	Revenue \$9.70B-9.98B
Organic Growth 17%	Organic Growth 3%	Organic Growth 4%	Organic Growth 7%	Organic Growth 6%-9%+
Operating Income 6.7%	Operating Income 6.3%	Operating Income 7.1%	Operating Income 7.5%	Operating Income 7.7%-7.8%

Foundational Issues New Growth Model More Competitive Posture

Transformation expected to be substantially complete in FY11

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SAIC Core Values and Purpose

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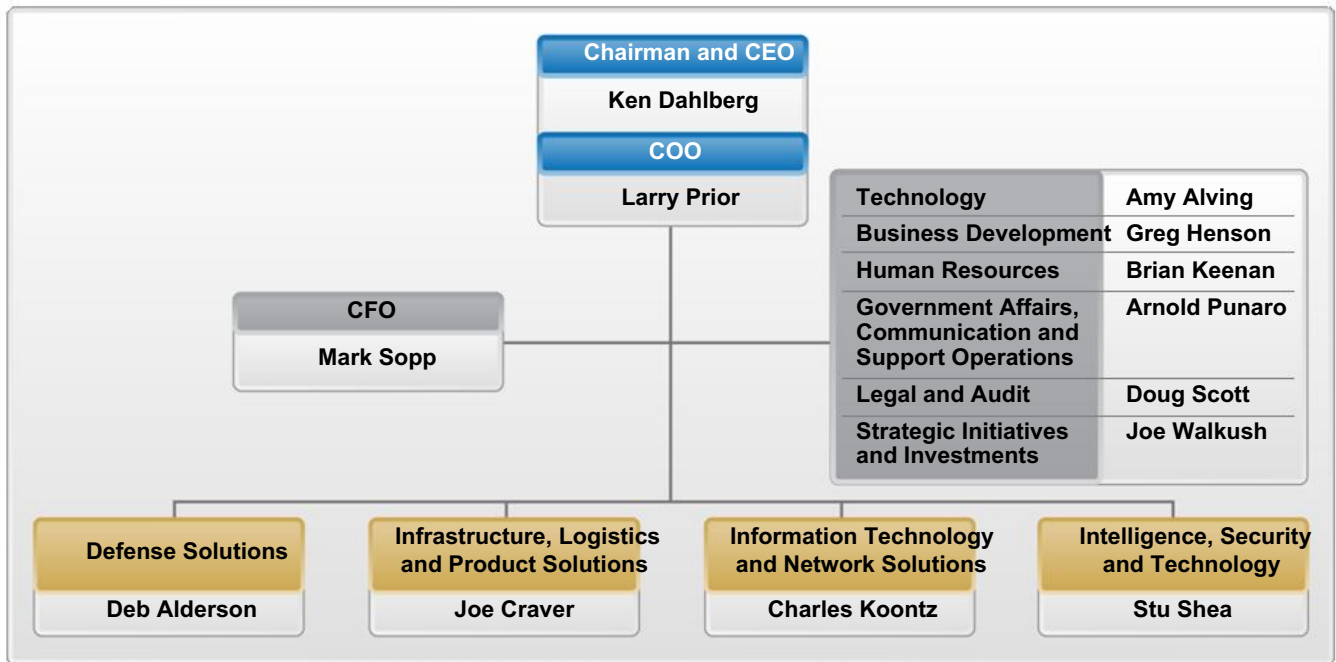


SAIC Organization

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09-1844-ID-03



Market Outlook

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09-1844-ID-36

- Addressable market growth will flatten, but market remains large
 - Budgets less predictable with increasing deficit pressure
 - Competition more fierce—industry will experience margin pressure
 - Lowering of prices, strong cash generation will promote more consolidation
- Industry must navigate increasingly hostile environment
 - Wartime Commission
 - Congressional hearings
 - Organizational Conflicts of Interest
 - Desire to “in-source”
 - Populist rhetoric
 - Anti-contractor bias
- Companies will distinguish themselves based on positioning or execution

Faster Growing Markets

- Intelligence
- Energy
- Cyber
- C4ISR
- Logistics
- Health

Market Share Capture

- Platform Independent SE&I Agent
- Logistics Integration
- Task Order Pursuit

Impact of National Elections

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Current Views on National Security



- Increase military end strength 92,000
 - Phased withdrawal from Iraq; shift mission to counter-terrorism operations, protection of U.S. citizens, and training of Iraqi forces
 - Reduce supplementals as a funding source
 - Closely monitor funding for missile defense
 - Increase basic research
 - Increase reliance on diplomacy and humanitarian aid
 - Increase military presence in Afghanistan
- Increase military end strength 150,000
 - Support surge with no timetable for withdrawal of forces
 - Move supplemental funding into DoD appropriation
 - Fund theater ballistic missile defense
 - Increase investment in new technologies
 - Minimize cost-plus contracting
 - Increase oversight and eliminate earmarks

Manpower entitlements limit funds available for contractors; major platforms, including FCS, come under pressure



Impact of National Elections

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Current Views on Critical Infrastructure



- Implement 9-11 commission recommendations
 - Increase spending on border and port security
 - Fund first responders with additional \$.5-\$1.7 billion
 - Increase spending beyond aviation safety, e.g., mass transit, chemical/nuclear plants
 - Increase investment in transportation infrastructure
- Implement 9-11 commission recommendations
 - Increase spending on border and port security
 - Fund technologies for integrated communications for first responders
 - Increase spending beyond aviation safety, e.g., mass transit, chemical/nuclear plants
 - Increase investment in transportation infrastructure

Continued funding of DHS priorities above future year budget request levels

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Impact of National Elections

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Current Views on Energy and the Environment



- Implement market-based carbon cap-and-trade system
 - Enhance and use clean coal technology to reduce dependence on foreign oil in 10 years
 - Impose windfall profit tax on multi-national oil companies
 - Ban drilling for oil in ANWR
 - Keep nuclear power option open
 - Cut greenhouse gas emissions 80 percent below 1990 levels by 2050
- Implement market-based carbon cap-and-trade system
 - End the moratorium on offshore drilling
 - No windfall profit tax on oil companies
 - Ban drilling for oil in ANWR
 - Build 45 nuclear power plants by 2030
 - Cut greenhouse gas emissions 60 percent below 1990 levels by 2050
 - Stricter regulation of the oil futures market

**Economic incentives for energy efficiency and increased R&D
in energy alternatives and understanding climate change**

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Impact of National Elections

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Current Views on Health



- Create National Health Insurance Exchange—coverage with both private and public options
- Provide coverage for all children
- Accelerate pay-for-performance initiatives
- Invest \$50B toward adoption of electronic medical records
- Rely on market-based health care as opposed to universal healthcare
- Incentives and tax credits for individuals and families to purchase health insurance
- Consolidate billing across care providers
- Deploy health information technology to improve chronic disease care

Increased spending in government health IT

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Impact of National Elections

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Current Views on Government Services Industry



- Increase R&D funding
- Competitively bid all federal contracts >\$25K except those deemed to be emergencies
- Reduce spending on contractors by 10%
- Does not promote open trade and responsible bilateral and multilateral trade agreements
- No political appointees allowed to work on contracts or regulations related to their prior employer for 2 years after employment
- Increase R&D funding
- Expand the use of fixed-price contracts
- Limit sole-source awards
- Control costs by reorganizing the bureaucracy and changing procurement methods
- Promote open trade and responsible bilateral and multilateral trade agreements
- Would not give lobbyists special access

Increased industry oversight and regulation

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Strategic Actions

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- Deploy our capital wisely
 - Repurchase stock at an attractive return to stockholders
 - Complete mid-size acquisitions in key growth markets
 - Target larger acquisition candidates (>\$500M) opportunistically
- Focus on high-growth markets
 - Execute campaigns around energy, health, cyber, and space superiority
 - Divest non-core commodity/low-margin business
- Shape our mix of business
 - Mature capabilities in light touch production and LRIP development
 - Improve ability to develop, deliver, and support total solutions
 - Build our capabilities and reputation as a prime
 - Explore different business models
 - Invest more in our people and discriminating technologies
- Create a more competitive cost structure
 - Reduce corporate overhead and invest in internal growth

Enterprise Summary

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- Two years after IPO, our investment thesis is unchanged
 - SAIC can deliver strong returns by maintaining internal revenue growth, expanding margins, and deploying capital wisely
- Company is executing according to IPO plan
 - 8% internal revenue growth rate and improving operating margin since IPO
 - Divested non-core businesses—AMSEC and ANX
 - Won large competitive programs—GPS, POL-Chem, NATO BMD
 - Deployed ~\$600M on acquisitions: AMTI, Benham, AETC, Scicom, Icon, SMC
 - Executed share repurchase plan to deploy excess capital and manage dilution
 - Changed incentive programs to address option overhang
- Long-term market drivers remain in place, but budget challenges are real
 - Agility and innovation are critical—and key SAIC differentiators
 - Cost structure enhancements will make us even more competitive

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Operational Perspectives

Larry Prior
Chief Operating Officer



Agenda

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- Growth Drivers
 - Business Development
 - Our People
 - Technology Discriminators
- Operational Efficiency
 - IT Modernization
 - Project Alignment
- Operations Summary

Business Development Strategy

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- Maintain entrepreneurial approach to small jobs
 - Division and program managers staying close to their customers
 - Network resiliency and strong core in National Security
- Focus corporate resources on large SE&I jobs
 - Aggressively targeting strategic markets
- Position for market breakout inflection points
 - Secure Freight Initiative, Carbon Cap-and-Trade, Health
- Stress (and reward) cross-company collaboration
 - Attack the market as “One SAIC”
- Invest more Bid & Proposal and Internal R&D funds in high-growth areas
 - Strategic plan drives campaigns which drive Business Development priorities
- Treat each recompetes like a new capture
 - Leverage customer intimacy and start the process early
- Balance support for the customer with returns to shareholder
 - Be willing to walk away from lower margin work (e.g., EROS Data Center)

Business Development

Capture Metrics

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- Traditional metrics show increasing traction and support growth goals

Metric	FY07	FY08					FY09		
	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	FYTD
Contract Awards Only									
Bookings	8.9	1.5	1.9	3.9	1.5	8.8	2.5	3.3	5.8
Book-to-Bill	1.1	0.7	0.9	1.6	0.6	1.0	1.1	1.3	1.2
Funded Backlog	4.6	4.7	4.5	5.4	5.1	5.1	5.4	5.4	5.4
Unfunded Backlog	10.3	9.7	9.6	10.4	9.9	9.9	9.7	10.5	10.5
Total Backlog	14.9	14.4	14.1	15.8	15.0	15.0	15.1	15.9	15.9

- Expect to generate another ~\$27B in revenue from future task orders on existing IDIQs

Business Development

Major Recent Wins

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- 23 wins >\$100M YTD (11 IDIQ/12 Contract Awards)
 - 10 wins so far in Q3 (3 IDIQ/7 Contract Awards)

Contract Awards

- AITs (\$454M)**
 • IT support for Guard/Reserve Classified (\$309M)
 • Intelligence operations support Classified (\$161M)
 • Consolidated contract with Intell customer

- HRC ITSO (\$410M)**
 • IT support for Army HR Command
NASA UNITEs (\$218M extension)
 • IT support for Marshall Space Center
COCOM IT Support (\$226M)
 • IT support for COCOM C4 Directorate
NMEC OCONUS Support (\$253M)
 • Linguist/media exploitation support for DIA

IDIQs

- ENCORE II (\$500M, Multiple)**
 • Full life-cycle IT solutions for DISA
Guardian (\$250M, Single)
 • CBRN services and solutions for Army
C5ISR (\$222M, Single)
 • Tactical vehicle integration for SPAWAR
Warfighter Focus (\$200M, Single)
 • Life-cycle integrated training support
PM Support (\$200M, Multiple)
 • Technical and analytic support to DoJ agency

- FAST II (\$800M, Multiple)**
 • Logistics support for AF weapons systems
Classified (\$170M, Single)
 • Cyber support for Intell customer

Business Development

Pipeline Metrics

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Opportunity Type		FY09		FY10		FY11		FY12+		Total	
		#	\$	#	\$	#	\$	#	\$	#	\$
Standard Contract and Task Order	\$100M+	36	6,895	24	6,263	8	3,486	1	2,294	69	18,938
	<\$100M	3,665	11,738	431	4,484	73	896	57	199	4,226	17,317
	Total	3,701	18,633	455	10,747	81	4,382	58	2,493	4,295	36,255
IDIQ Master Agreements	\$100M+	30	9,934	33	13,321	4	3,550	1	300	68	27,105
	<\$100M	343	4,611	78	1,992	7	129	4	175	432	6,907
	Total	373	14,545	111	15,313	11	3,679	5	475	500	34,012
Total	\$100M+	66	16,829	57	19,584	12	7,036	2	2,594	137	46,043
	<\$100M	4,008	16,349	509	6,476	80	1,025	61	374	4,658	24,224
	Total	4,074	33,178	566	26,060	92	8,061	63	2,968	4,795	70,267
Major Recompetes		STOC II CECOM R2		NASA UNITEs GWOT IDIQ CIO-SP3 TIPSS 4 IATS ICE ITESS		GSM (DGS) AMPS ETS II NEP II		EXPO			

- Point-in-time estimate (Q2 end) of continually evolving picture
- Reported pipeline shows fully qualified opportunities
 - \$14B in proposals awaiting government decision—29 opportunities >\$100M (\$8B)
 - Another \$93B of potential opportunities in “track” status



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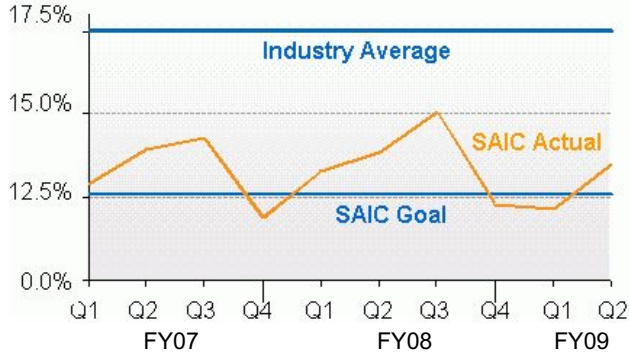
Our People

Retention and Recruiting

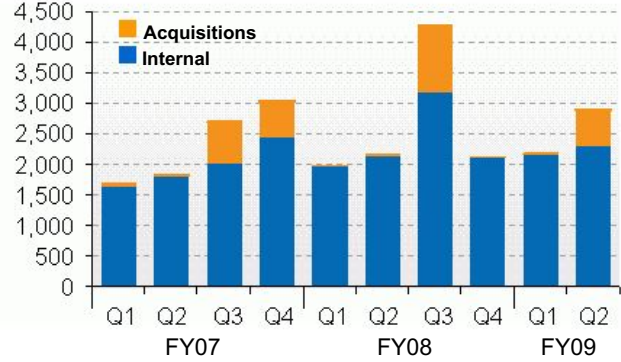
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Voluntary Turnover Rate



Number of Hires



- YTD vol turnover is 13.0%, down 50 bps
- Vol turnover is well below industry average and nearing aggressive goal of 12.6%
- >50% of at-risk employees redeployed YTD

- 8% above our hiring rate from last year
- On pace for >9,500 hires for FY09
- Net adds of almost 2,100 employees YTD

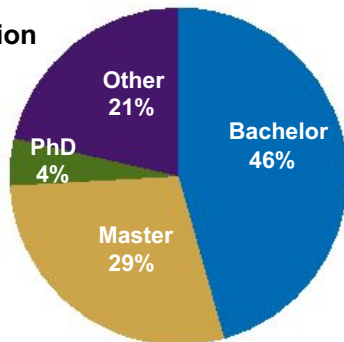
Our People

FY08 People Breakout

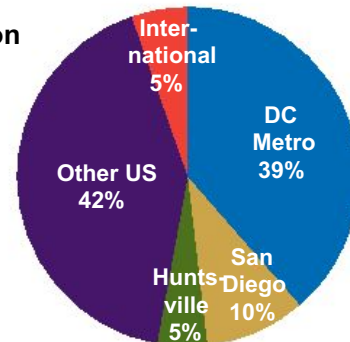
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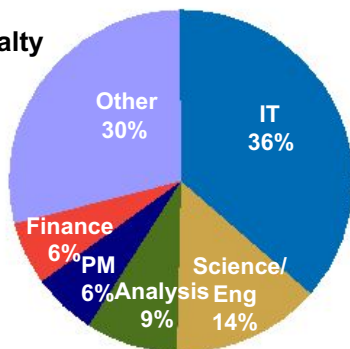
Education



Location



Specialty



- 55% have >3 years tenure with SAIC; 38% have >5 years tenure with SAIC
- 22% ethnic minority; 33% female
- >22,000 possess a security clearance

Our People

Human Capital Initiatives

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- Employee Engagement
 - Focused on improving communication, people management skills, recognition programs, and learning & development
 - Achieved greater retention and increased engagement among new hire population
- Diversity and Inclusion
 - Defined metrics measuring diversity impact and improvement within operating units
 - Improved awareness through employee networks/affinity groups and identity programs
- Professional and Career Development
 - Developed succession plans for key positions and development plans for high potentials at all levels
 - Created Chairman's Program to grow our future leaders
 - Implemented formal career paths for program managers, intelligence analysts, scientists, engineers, systems engineers, and front-line managers

Technology Discriminators

Key Enablers

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- Technology is at the heart of SAIC

SAIC Vision

*Be the leading systems, solutions, and technical services company, solving our customers' most important business and mission-critical problems through innovative applications of technology and domain knowledge.
"From Science to Solutions"*

SAIC Core Value #1

Technical and Professional Excellence

SAIC Purpose Statement #1

To solve important national and global problems through science, engineering and innovation

- Highly skilled and innovative workforce with passion for mission
- Build on our science and technology legacy with new or enhanced initiatives
 - IR&D investment and execution
 - S&T career paths
 - SAIC Technical Fellows Council
 - Internship program
 - PhD new hire program
 - University alliances
 - Enterprise-wide knowledge flow
 - Technical collaboration

Technology Discriminators

SAIC's Technology-Based Capabilities Today

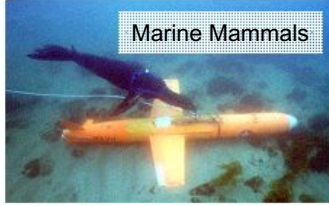
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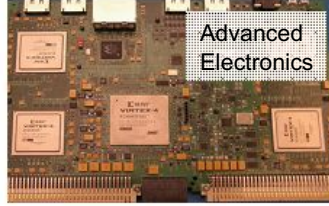
Neuro-Science



Marine Mammals



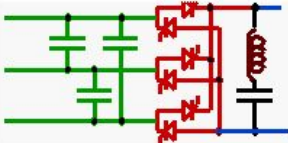
Advanced Electronics



Advanced Guidance and Navigation



Advanced Power Management



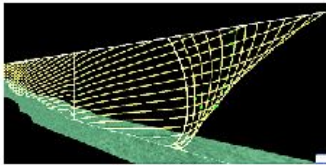
Cryptology



Advanced Sensors



Advanced Materials

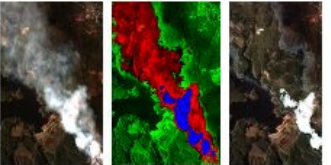


Physics-Based Modeling

Advanced Simulators



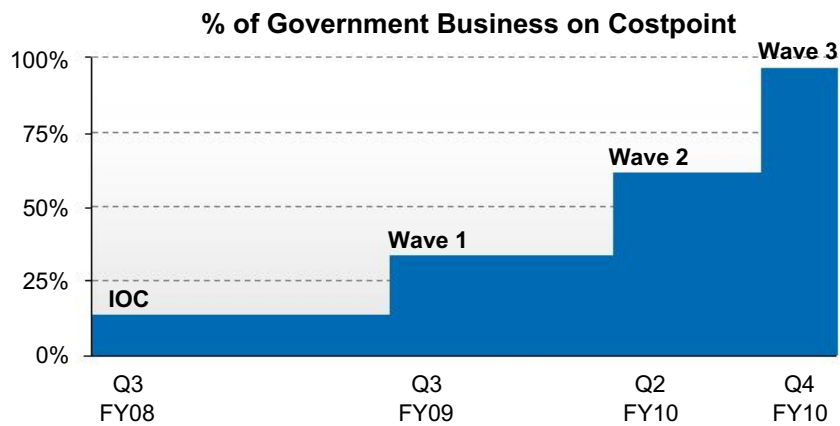
Non-Intrusive Inspection



Advanced Image Analysis

IT Modernization Costpoint Update

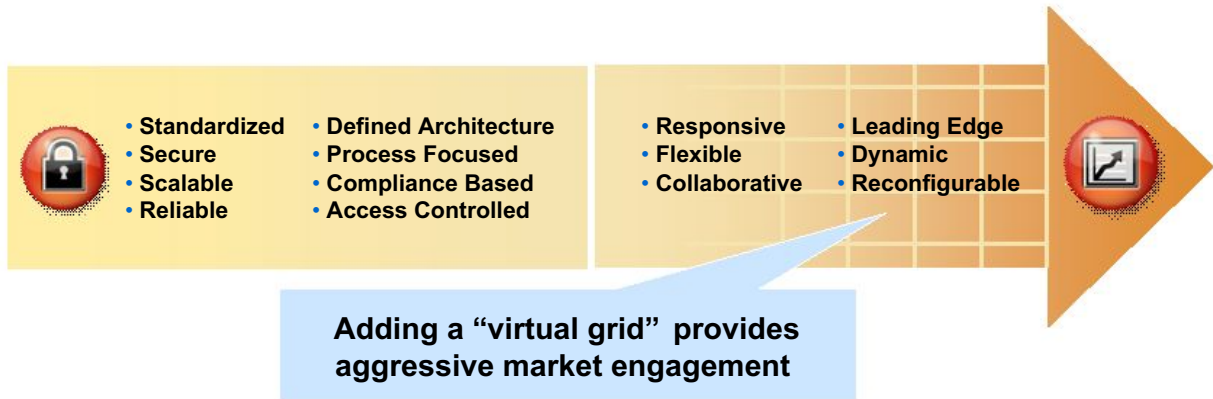
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- System deployment is on schedule and business operations are uninterrupted
 - Completed systems engineering to improve scalability and performance
 - Simplified accounting structure and financial processes

IT Modernization Strategic View

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Project Alignment Overview

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- Multi-year effort to redesign and improve internal business support services
 - Top-to-bottom review of the Company
 - Disciplined engineering and program management approach
 - Extensive line and corporate participation
- Program objectives
 - Reduce hassle—simplify and standardize business processes
 - Consolidate business support functions where it makes sense
 - Generate additional internal investment funds to drive internal growth
 - Improve competitiveness
- Efforts to date have focused on:
 - Evaluating each functional discipline and developing an end-state vision
 - Implementing improvements in Corporate functions
 - Establishing Shared Service Center to house transactional support functions
 - Building the roadmap to modernize the IT infrastructure

Savings target: \$100M annually

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Project Alignment

Shared Services Center

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- Consolidating Accounts Payable, Corporate Purchasing, and HR Service Centers
 - Simplified and standardized service delivery models
 - Lower cost area with wages expected to be >12% below current levels
- Space scheduled for occupancy by mid-November
 - Demolition began on August 18; construction began on September 2
- 20,000 sq ft in SAIC-owned facility
 - Improve existing density with open architecture design
- Limited investment required
 - Consolidated buying power to fit our standard facility and IT architecture
 - Internal SAIC capabilities for architecture and engineering design
- Run as a “business within the business” focused on customer satisfaction and continuous process improvement



33

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Project Alignment

Major Accomplishments

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- Moved key IT functions to existing customer-facing operations
 - Transitioned security monitoring to SAIC's IS&T Security Operations Services
 - Leverage knowledge of global cyber threats and prevention/remediation services
 - Improved monitoring, event correlation, event management, and diagnostics
 - Transitioned network operations and service to SAIC's IT&NS Network Services
 - Leverage commercial network management services
 - Consolidate data, voice, and audio/video network support in anticipation of future convergence
 - Transitioned service desk operations to SAIC's IT&NS Service Management Center
 - Leverage SAIC's ISO 20000 certified service
 - Improve call handling, resolution, and hours of operation
- Other accomplishments
 - Evaluated and reduced corporate staff
 - Cut facility footprint by 150K sq ft by terminating or consolidating 21 leases
 - Outsourced employment verification, background investigations, and utility vendor payments
 - Consolidated data and voice contract
 - Implemented and enforced new policy on Common Operating Environment
 - Eliminated millions of hardcopy pages with digital workflows and data stores

Project is gaining momentum and delivering early results

Energy | Environment | National Security | Health | Critical Infrastructure



Project Alignment

FY10 Plans

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- Mature operations of Shared Service Center
- Continue populating Shared Service Center with highly transactional services
 - Move services from high cost locations to low cost location
 - Primarily focusing first on less complex and relatively self-contained services
- Streamline corporate operations and facilities
 - Continue to consolidate departments and drive operating efficiencies
 - Close at least two mid to large size buildings
- Simplify and standardize processes
 - Eliminate hassle and inefficiencies
 - Leverage the company's buying power by using e-catalog services
 - Digitize records/forms; significantly reduce the processing and storage of paper
 - Start capturing savings associated with implementation of Costpoint

Operations Summary

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- People First
- Driving Growth Today
 - Resilient network of SAIC entrepreneurs close to the customer
 - Focused investment on large SE&I jobs
 - Position for breakout opportunities
 - Expand our technical talent and discriminators
- Building Cost Structure for Tomorrow
- Executing with a Culture of Discipline
- Actively Managing our Risk Profile

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Financial Overview

Mark Sopp
Chief Financial Officer



Agenda

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- Guidance
- Income Statement
 - Revenue Growth Trend
 - Revenue Breakout
 - Forward Revenue Visibility
 - Operating Margin Expansion
- Equity Programs
- Cash Flow
- Capital Deployment and Liquidity
- Cash Investments
- Financial Summary

Guidance

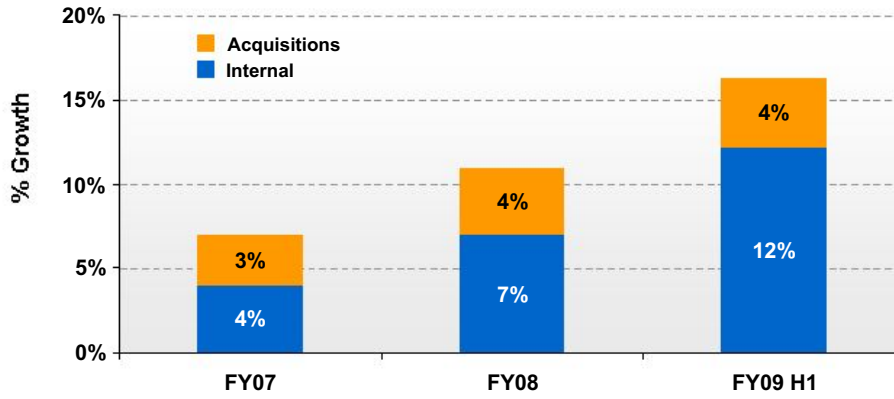
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- Long-term guidance model intact—in place since the IPO
 - 6%-9% internal revenue growth
 - 20-30 bps operating margin expansion
 - 2%-4% growth from acquisitions
 - 11%-18% EPS growth with target of 15%
 - Assuming share count held constant through share repurchase program and no material below the line changes
- On 9/3 earnings conference call, we reaffirmed that we expect to meet these long-term goals for FY09
 - Also indicated that if M&S demand is high in Q4, revenue range may be exceeded and margin expansion target would be tougher to meet
- Since then, DoD, DHS, and MilCon/VA have full-year budgets with healthy increases and all other departments have Continuing Resolutions in place
- Today we reaffirm this guidance for FY09

Revenue Growth Trend

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Key Growth Drivers

- Renewed BD focus: bookings targets, more B&P \$, improved account management
- Greater emphasis on and more collaborative approach to larger pursuits (\$100M+)
- Customer domain expertise—expanding scope on existing contracts and accounts

Revenue Breakout

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	Attribute	FY08 Revenue
Organization	Intelligence, Security and Technology	32%
	Defense Solutions	29%
	Infrastructure, Logistics and Product Solutions	22%
	IT & Network Solutions	17%
Revenue Type	Labor-Related	61%
	Material and Subcontract	39%
Contract Type	Cost-Reimbursement	47%
	Time and Materials	35%
	Fixed Price	18%
Contract Source	Standard Contract	36%
	Single-Award IDIQ TO	24%
	Multiple-Award IDIQ TO	26%
	GSA Schedule	14%
Customer	Army	21%
	Navy/Marines	14%
	Air Force	8%
	Intell/Other DoD	27%
	NASA	5%
	Other Federal Civil	12%
	Commercial, International & State/Local	13%



Forward Revenue Visibility

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- Bookings momentum and funding strength throughout business
 - TTM and H1 FY09 Book-to-Bill of 1.2x
- Needle moving new wins (estimated annual revenue)
 - POL-Chem (\$75-100M), AITS (\$75-100M), Classified Intell (\$50-60M), Classified Cyber (\$10-20M)
- Some holes in the base to be filled
 - MRAP C3 Integration wind down ~\$125M
 - EROS and FASI recompile losses ~\$30M
- Strong IDIQ book of business and task order generation capability

Backlog	FY09	FY10	FY11	FY12+	Total
Funded	3.2	1.2	0.5	0.5	5.4
Negotiated Unfunded	0.9	3.8	2.6	3.2	10.5
Total	4.1	5.0	3.1	3.7	15.9

Operating Margin Expansion

High-Level Framework

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Measure	FY07	FY08	Future State		
Revenue	100%	100%	100%	100%	100%
– COGS	86.5%	86.2%	85.9%	85.5%	85.1%
Gross Margin	13.5 %	13.8%	14.1%	14.5%	14.9%
– SG&A	6.4 %	6.4%	6.1%	6.0%	5.9%
Op Margin	7.1%	7.5%	8.0%	8.5%	9.0%

- COGS: +30 to 110 bps
 - Contract fees: business mix, collaboration, higher M&S loads, technology discriminators
 - Overhead efficiencies: facilities consolidation, IT modernization, rate management, scale
 - Unallowable: control/reduce, re-evaluate policies
- SG&A: +30 to 50 bps
 - Corporate costs: process streamlining, IT modernization, scale
 - Other: option reductions, amortization
 - Some cost savings assumed reinvested in B&P and IR&D

Operating Margin Expansion

Estimated Impact and Time Phasing of Key Elements

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Margin Expansion Initiative	FY09	FY10	FY11	FY12
Contract Fee Improvements (Collaboration, M&S)	10–50 bps			
Faster Growth in Higher Margin Areas	10–30 bps			
Facilities Consolidation	10–20 bps			
IT Modernization	10–20 bps			
Unallowable Control/Reduction	10–20 bps			
Corporate Efficiency/Economies of Scale	10–20 bps	20–40 bps		
Option Reduction (to Recoverable Vesting Stock)	10–20 bps			
Reinvest in B&P and IR&D	(20)–(40) bps			
Reduce Rates/Increase Competitiveness (CR Contracts)	(20)–(30) bps			
Total	50–150 bps			

We have well-identified drivers to reach 8%-9% operating margin

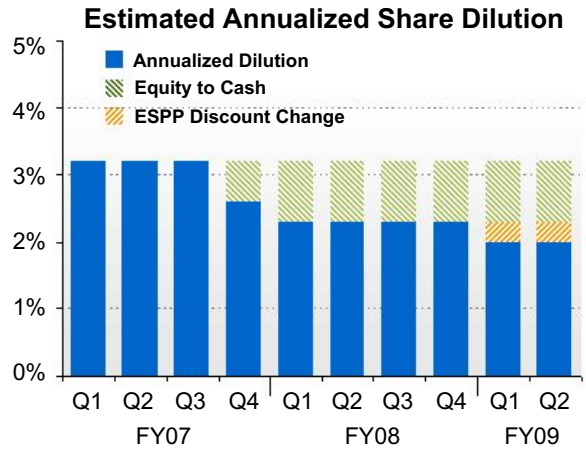
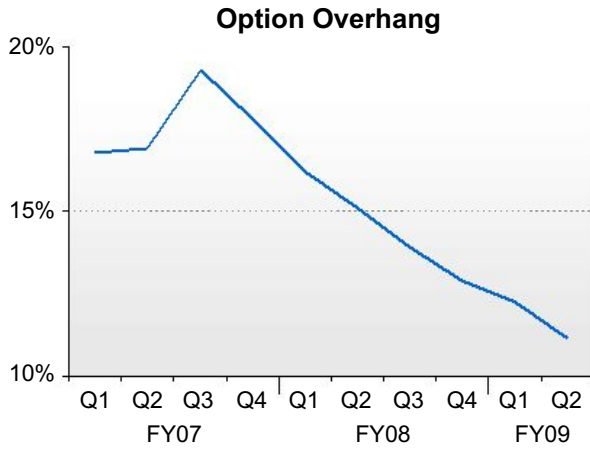
Energy | Environment | National Security | Health | Critical Infrastructure



Equity Programs

Issuance and Option Trends

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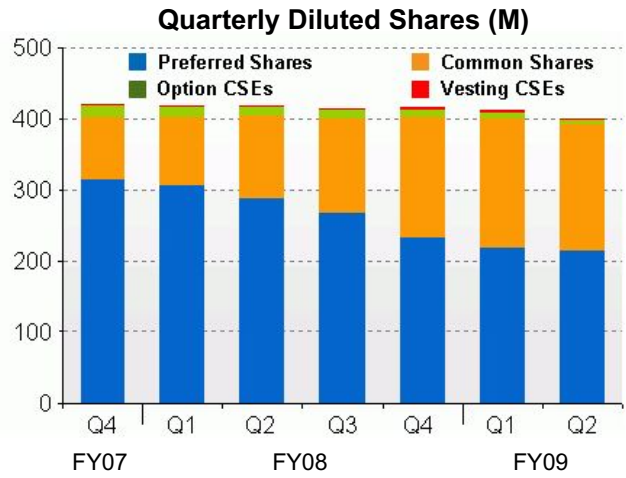
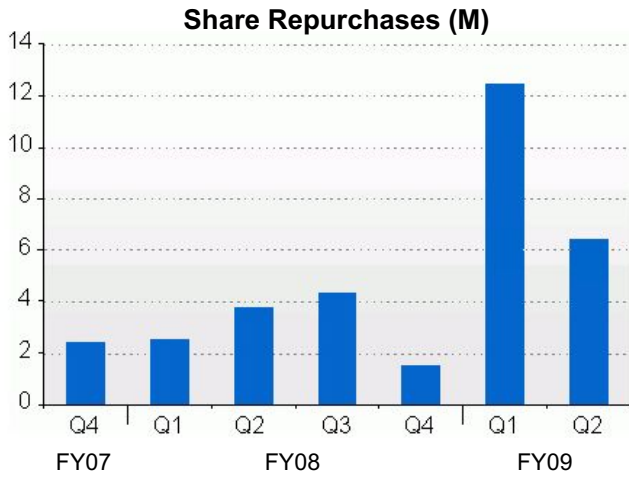


- Significantly reduced equity compensation programs after the IPO
 - Replaced ~\$75M of equity compensation with cash (~3.5M shares)
 - Reduced ESPP discount rate from 15% to 5% and used savings to offset medical plan increases
 - Reduced option grant rate; converted ~50% of grant value to recoverable vesting stock

Equity Programs

Diluted Shares Outstanding & Repurchases

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- Substantial cash deployment towards repurchases since IPO; > than share creep
- Pace of preferred to common conversions continues
 - Common float increasing
 - Added to the S&P MidCap 400 Index

Cash Flow

Forward Cash Flow Model w/o Acquisitions

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Measure	FY08 (A)	FY09	FY10
Income from Continuing Operations	386	Increase at long-term growth rate without acquisitions of 9% to 14%	Increase at long-term growth rate without acquisitions of from 9% to 14%
Depreciation	52	Increase at long-term internal revenue growth rate of 6% to 9%	Increase at long-term internal revenue growth rate of 6% to 9%
Amortization	28	Based on current intangible run-off schedule on 10Q	Based on current intangible run-off schedule on 10Q
Non-Cash Employee Stock Transactions	93	Consistent with FY08; increase in vesting stock amortization is offset by the elimination of the non-cash ESPP expense	Increase faster than internal revenue growth (as increased vesting stock is amortized)
Working Capital	(214)	~5% of internal revenue growth plus special items: -\$125M for extra payroll and +75M for 3-day DSO reduction	~5% of internal revenue growth
Operating Cash Flow	345		
Capital Expenditures	(61)	0.75% to 1.0% of revenues	0.75% to 1.0% of revenues
Free Cash Flow	284		

Capital Deployment and Liquidity

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- Business model generates significant operating cash flow
- Deploy capital on a rational, disciplined basis to build long-term value for our stockholders
 - Internal growth initiatives
 - Strategic acquisitions
 - Share repurchases
- Conservative liquidity posture
- Maintain "A-" credit rating in this market

Capital Deployment (\$M)	FY08	FY09 H1
Operating Cash Flow	345	242
Capital Expenditures	(61)	(25)
Acquisitions	(145)	(203)
Public Stock Repurchases	(215)	(368)
Change In Debt	(10)	(110)
Other	71	56
Δ Cash From Continuing Ops	(15)	(408)
Ending Cash Position	1,096	692

Cash Investments

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- Strong governance with investment policy approved by BOD
 - Investment objectives
 - Eligible investment instruments
 - Minimum credit quality (credit ratings)
 - Maximum single issue/issuer concentration and maturity restrictions
- Investment objectives (in order)
 - Preservation of capital
 - Liquidity
 - After-tax total returns
- Current investments
 - Substantially all domestic cash held in “U.S Treasuries” money market funds
 - Diversified among four funds (NTE \$250M each)
 - All rated AAA (S&P) and Aaa (Moody’s)
 - “Net Asset Value” or “Market Value” determined daily per SEC 2a-7 rules
 - ~\$60M in conservative overseas money market funds and bank deposits relating to foreign operations

Financial Summary

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- Sustainable shareholder value creation
- Consistent, demonstrated progress on all financial fronts
- Market strength—robust internal revenue growth
- Expanding operating margins and overall profitability
- Low asset intensity
 - Predictable and growing free cash flow
- Disciplined deployment of capital
- Realistic, achievable path with identified enablers
 - Culture of discipline and collaboration
 - Building pipeline of large opportunities
 - Margin expansion ingrained throughout organization
 - Multiple enablers for greater cost efficiencies

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Defense Solutions Group and C4ISR Campaign

Deb Alderson
Group President

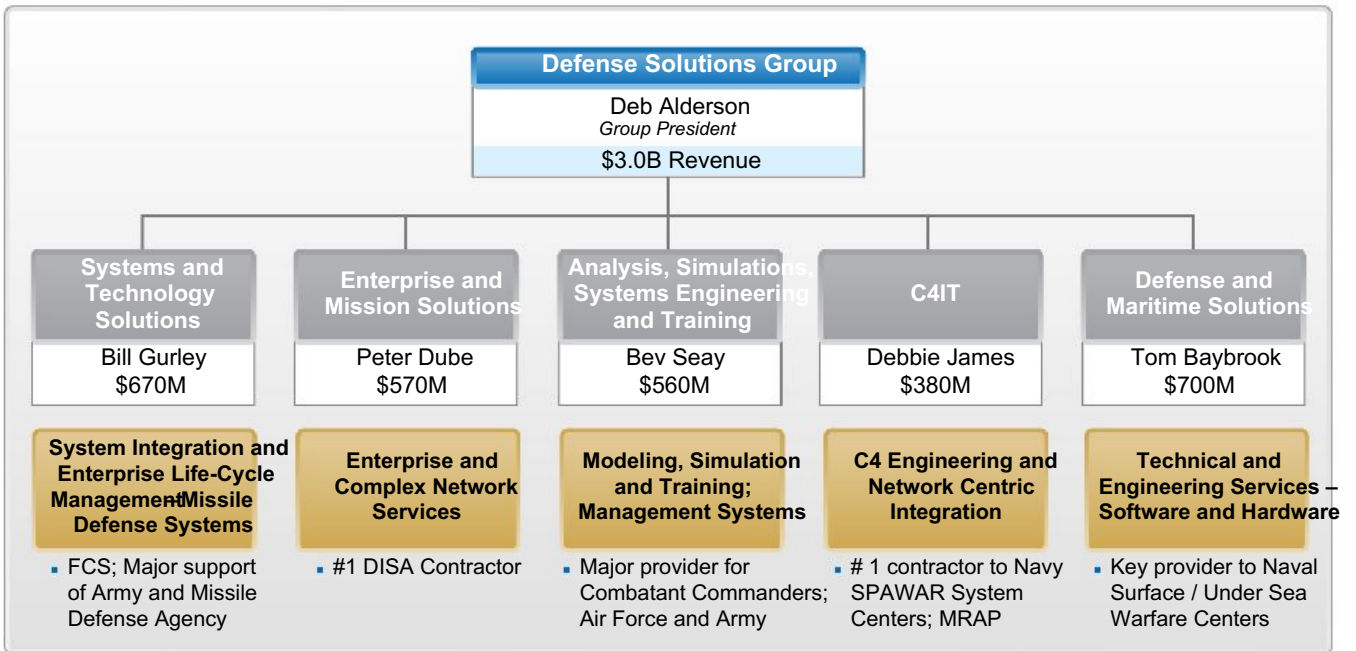


Group Structure and Focus

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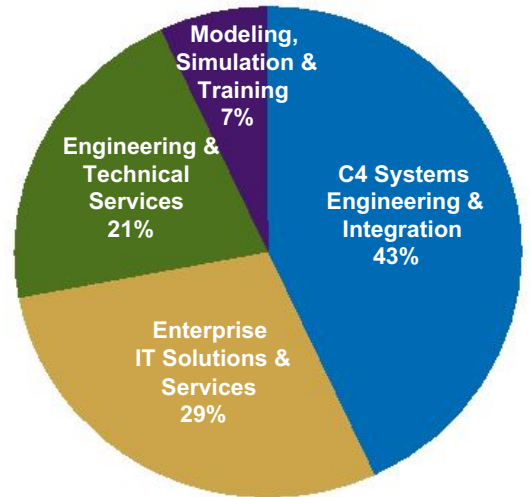
Key Solutions and Customers

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C4 Systems Engineering and Integration	
Operational Command and Control	AF, Army
Integrated System Design and Implementation	Army, Navy, AF
Joint Mission Planning	AF
Life Cycle Capability Management	Army
Enterprise IT Solutions and Services	
Enterprise Network Design and Solutions	DISA, DoD
Network Operations and Management	DoD, National Guard
Network Security	DoD
Engineering and Technical Services	
Engineering Design	DoD, DHS
Professional Engineering Services	DoD
Test and Evaluation	DoD
Modeling, Simulation, and Training	
Modeling and Simulation	Army, Air Force
Live, Virtual, and Constructive Training	Army
Knowledge Management	DoD
Distance Learning	DoD



Major Growth Drivers

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- Corporate campaigns: Cyber, C4ISR
- Major group focus areas
 - Ground Systems Integration



- Constrained budgets and growing O&M costs
 - Legacy upgrades/reset and new construction
- Network enabled capability...life cycle support
 - MRAP and JLI
- Platform Independent Integration
 - FCS and JLTV
 - CONUS and International

- Training, modeling, and simulation

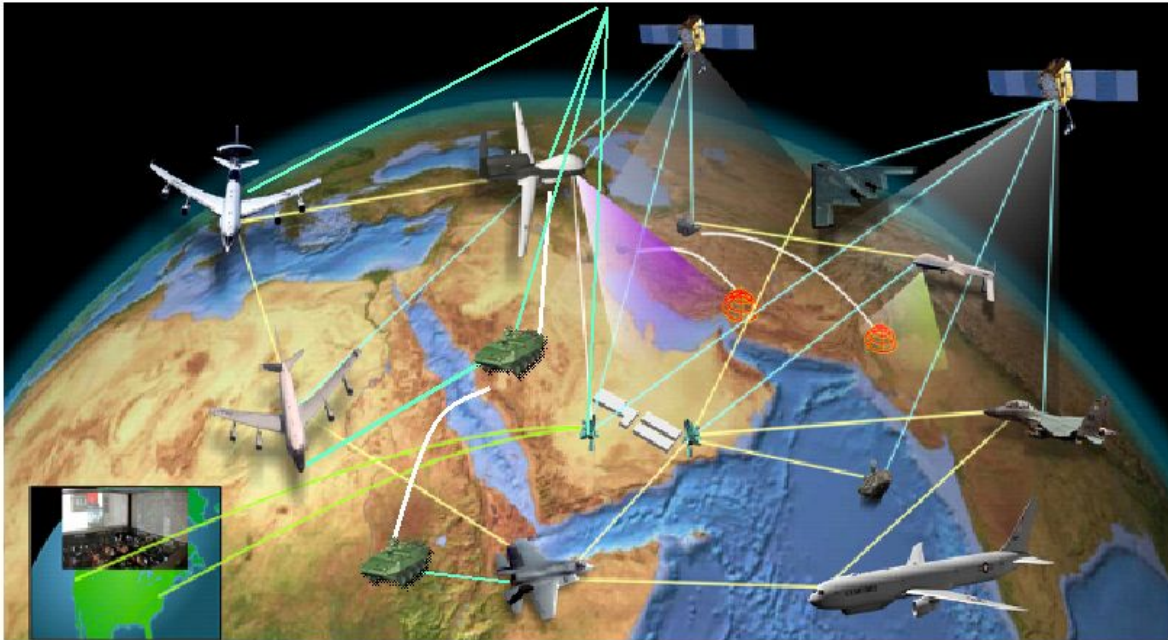


- Technology driving realistic immersive training
- Simulation needed for operational C3
 - Decision support and adaptive planning, integrated training
 - Deep Green DARPA
- Icon Systems—live, virtual, and constructive training
- OneSAF/SE Core and Ground Vehicle Trainers
- Army Aviation and Missile Research Command

C4ISR Campaign

Where DoD is Heading

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C4ISR Campaign

What They Are Buying

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\$17 Billion SAIC Addressable Market

Command and Control

- NATO ALT BMD
- SEIC
- DARPA Deep Green

Netcentric Communications

- DISA DSN
- NCES
- MRAP

Battlespace Awareness

- Predator Ops Center (POC)
- P-ISR (Angel Fire)
- DCGS-A Enterprise

Integrated C4ISR

- FCS
- AOC WSI
- BETSS-C

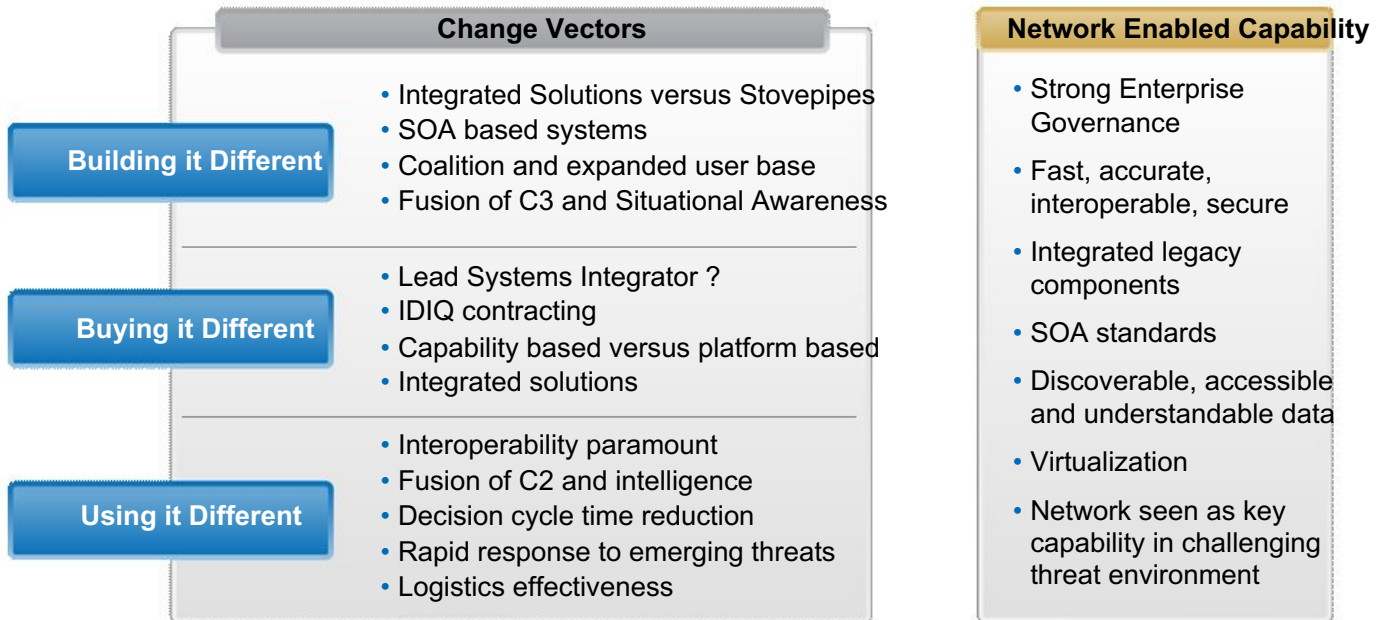
C4ISR Campaign

Evolution to Network Enabled Capability

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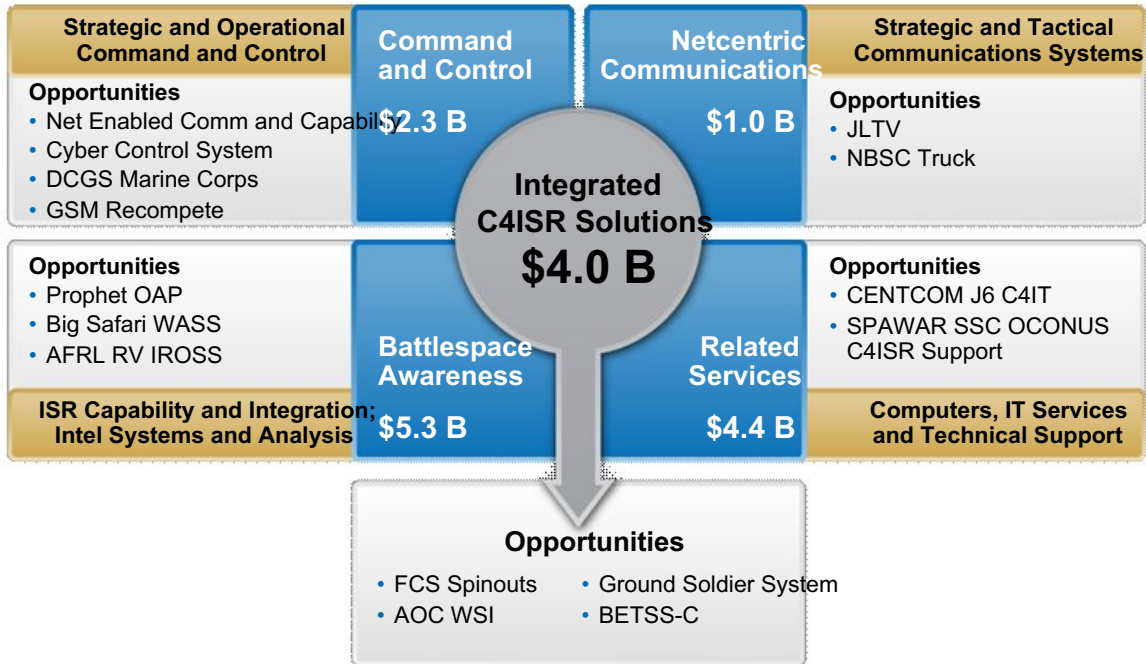
C4ISR Campaign

Addressable Market and Opportunities

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C4ISR Campaign

Near-Term International Opportunities

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Focus on Strategic Partnerships

Energy | Environment | National Security | Health | Critical Infrastructure



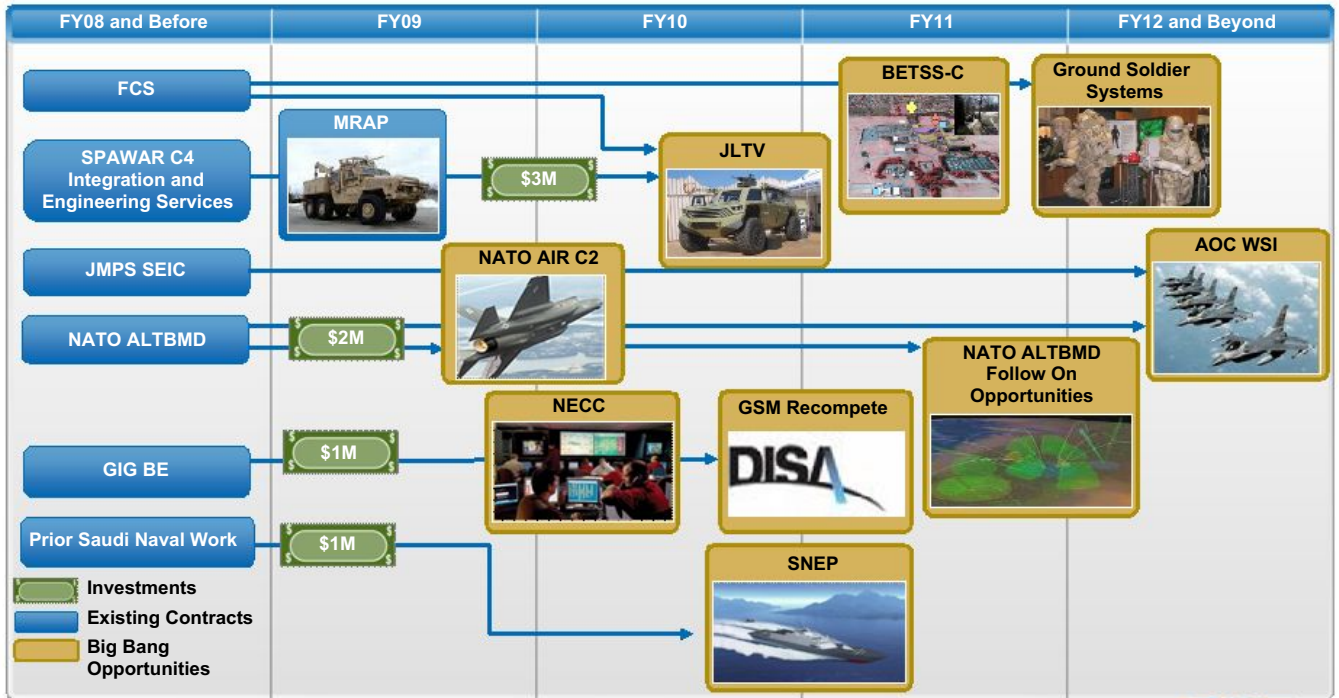
C4ISR Campaign

Path to C4ISR Integrated Solutions

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C4ISR Campaign

Market Approach

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- Follow the Money
 - CONUS
 - OCONUS
- Take SAIC to market... execute C4ISR campaign
 - DSG... C2 and netcentric communications
 - ISTG... Battlespace awareness, ISR
 - Collaborative... Integrated C4ISR solutions
- Leverage discriminators
 - Platform independence
 - Operational expertise
 - Customer knowledge
- Shape the market
 - Execute call plan
 - Target new leadership

Agile, Aggressive, Adaptable

Energy | Environment | National Security | Health | Critical Infrastructure



61

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DSG Vision and Strategic Intent

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“The leader in defense solutions and services, whose people provide thought leadership, customer knowledge, technical skill and flawless execution to deliver outstanding mission performance.”



President's Summary

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- Strong financial performance by all BUs executing on existing contracts
 - MRAP
 - FCS
 - AMCOM Express
 - DGS
 - SeaPort-e
- New wins provide continued growth opportunities
 - Contract Awards:*
 - AITS (\$454M)
 - HRC ITSO (\$410M)
 - COCOM IT (\$226M)
 - NAVSEA ERP (\$120M)
 - IDIQs:*
 - Encore II (\$500M)
 - SPAWAR C5ISR (\$222M)
 - Warfighter Focus (\$200M)
- Pipeline of new opportunities in strategic campaigns
 - C4ISR
 - Ground Systems Integrator
 - Modeling and Simulation

Executing Our Strategy/Delivering on Our Promises

Energy | Environment | National Security | Health | Critical Infrastructure



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Intelligence, Security and Technology Group and Space Superiority Campaign

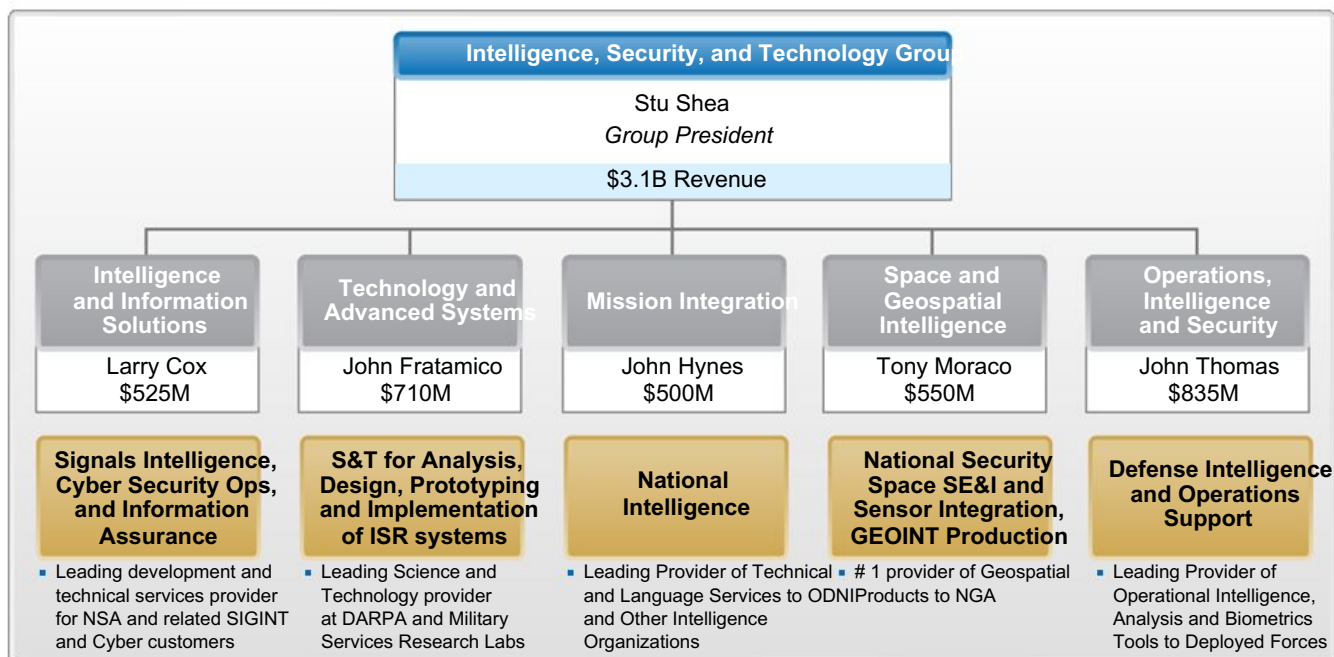
Stu Shea
President



Group Structure and Focus



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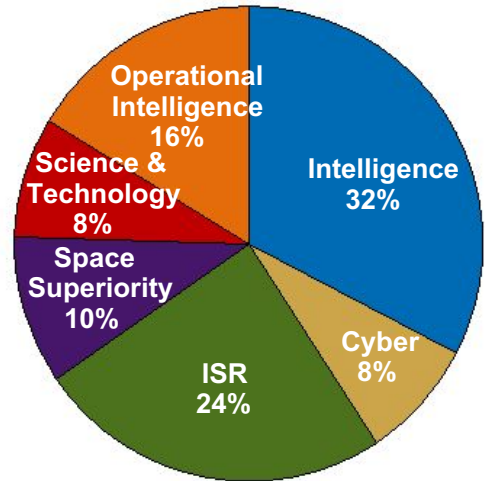
Key Solutions and Customers

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09-1844-ID-16

Intelligence	
Counter-Terrorism Analysis	CTC, NCTC
Technical Collection Architecture	NSA, NRO, NGA
Translation Services	ODNI
Geospatial Production	NGA
Signal and S&T Analysis	NRO
Cyber	
Computer Network Attack, Defense, Exploitation	IC, DoD
Managed Security Services	Commercial
Information Assurance, Penetration Testing	Federal & Commercial
Intelligence, Surveillance and Reconnaissance	
ISR Systems Integration	NGA, USAF, DARPA
Surveillance & Reconnaissance Payloads	NRO, DARPA, USAF
Ground Control & Operations Centers	USAF, NSA
Ground Based Collection Systems	USA
Exploitation Tools / Systems	NSA, NGA
Space Superiority	
Specialized Satellite Payloads	NRO, DARPA, USAF
Large-Scale Systems Engineering & Integration	USAF
Science and Technology	
Chemical, Biological, Radiological, Nuclear, Explosive	OSD, DHS, Srvs Labs
Directed Energy & High Energy Lasers	USA, USAF
RF/EO/IR Sensor Technology & Optical Communications	USN, USMC
Operational Intelligence	
Biometrics	USA
Joint Intelligence Operations and Intel Analysis	DARPA, Mil Svcs
Signature Technologies	Mil Svcs, SAR



Major Growth Drivers

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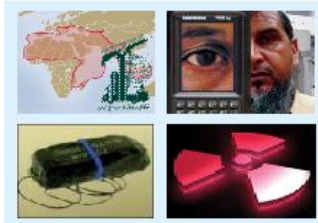


- Corporate campaigns: Cyber, C4ISR, Space Superiority
- Major group focus areas
 - Special Operations Forces



- Political pressure for a reduced military presence overseas
- Emphasis on indirect approach versus conventional forces
- Major requirement is to transform legacy, stove-piped C4ISR systems into flexible, net-centric, open systems
- We offer unmatched domain and technology expertise across space, manned aircraft, unmanned systems, surface ships, submarines, fixed and mobile land systems, and man-portable systems

- Counter-Terrorism



- Al-Qaida remains intent to attack the U.S. homeland again
- The War on Terror will transcend administrations
- We will focus on 5 major areas:
 - Identity management (biometrics, credentialing, immigration enforcement)
 - Information Sharing (networks, systems, and fusion centers),
 - CBRN detection (chemical, biological, radiological, and nuclear detection)
 - Emergency Preparedness (crisis management, warning)
 - IED Defeat (improvised explosive devices)

Cyber Campaign

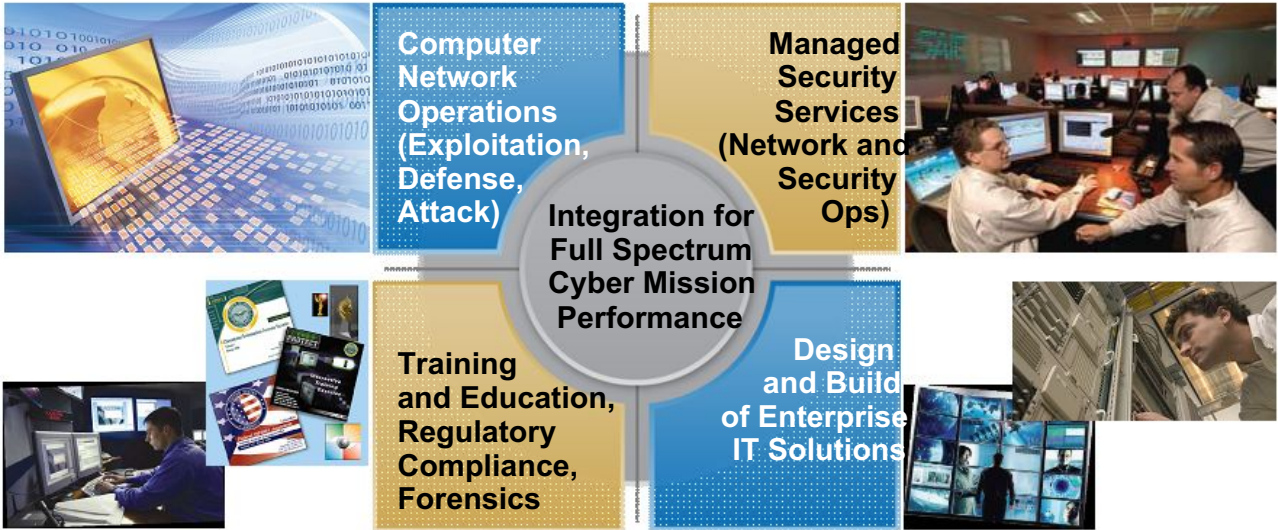
Group Vision and Position

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“A leader in the integration of technology, systems and operational solutions across cyberspace in all its domains...air, land, sea, space... to deliver full spectrum mission performance.”



ISR Campaign

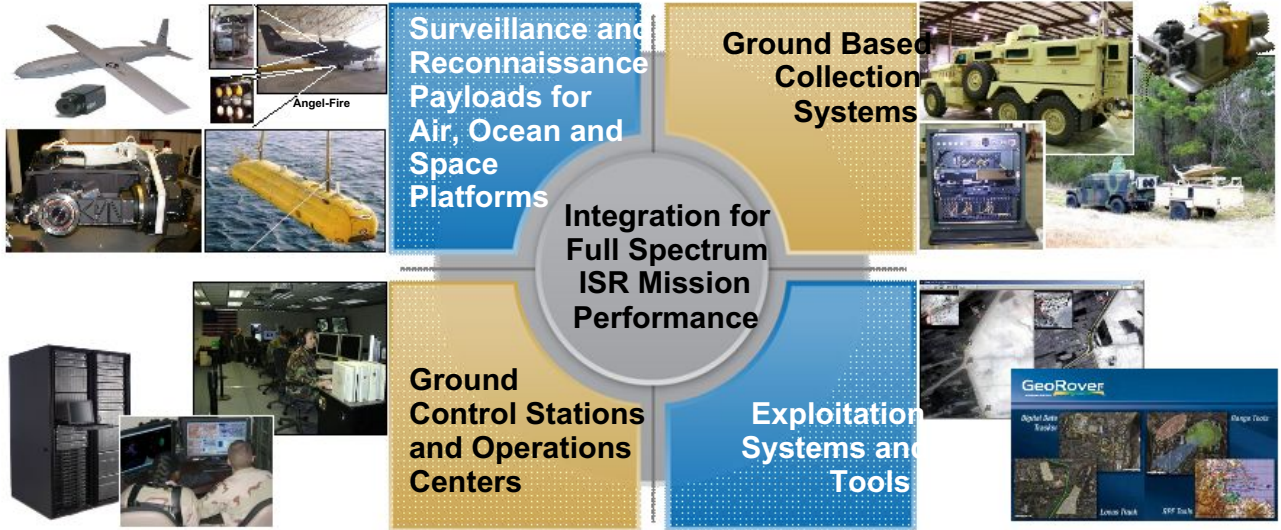
Group Vision and Position

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09-1844-ID-15

“A leader in the integration of technology, systems and operational solutions across air, land, sea, and space to deliver full spectrum ISR mission performance.”



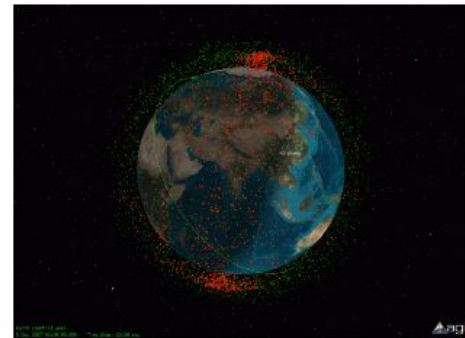
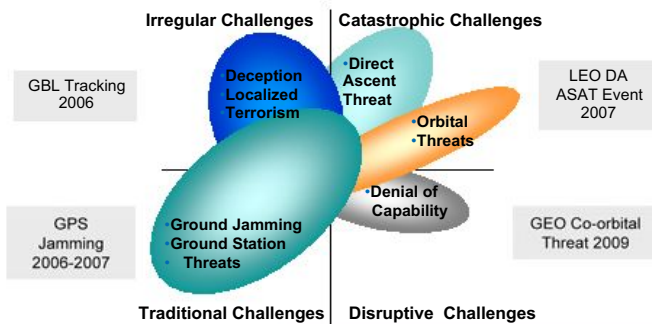
Space Superiority Campaign

The Space Superiority Imperative

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- Our nation depends on satellites for navigation, communications and global trade, which could be broadly damaged by disruptions of space assets
- Space threats range from traditional ground-based jamming to more catastrophic orbital attacks
- Space is a future battleground
 - D/NRO acknowledged Chinese laser tracking of electro-optical, low earth orbit satellite in 2006
 - On 1/11/07, China destroyed a Low Earth Orbit satellite w/ a Direct Ascent Anti-Satellite missile
 - One year later, NORAD had catalogued 2,377 of the 150,000 pieces of debris
 - Intelligence Estimates project Chinese satellite-to-satellite capability in 2009



View of LEO Satellites (green) and Debris Ring (red) from Chinese ASAT Test

Space Superiority is achieved through space situational awareness and defensive and offensive counter-space operations

Energy | Environment | National Security | Health | Critical Infrastructure



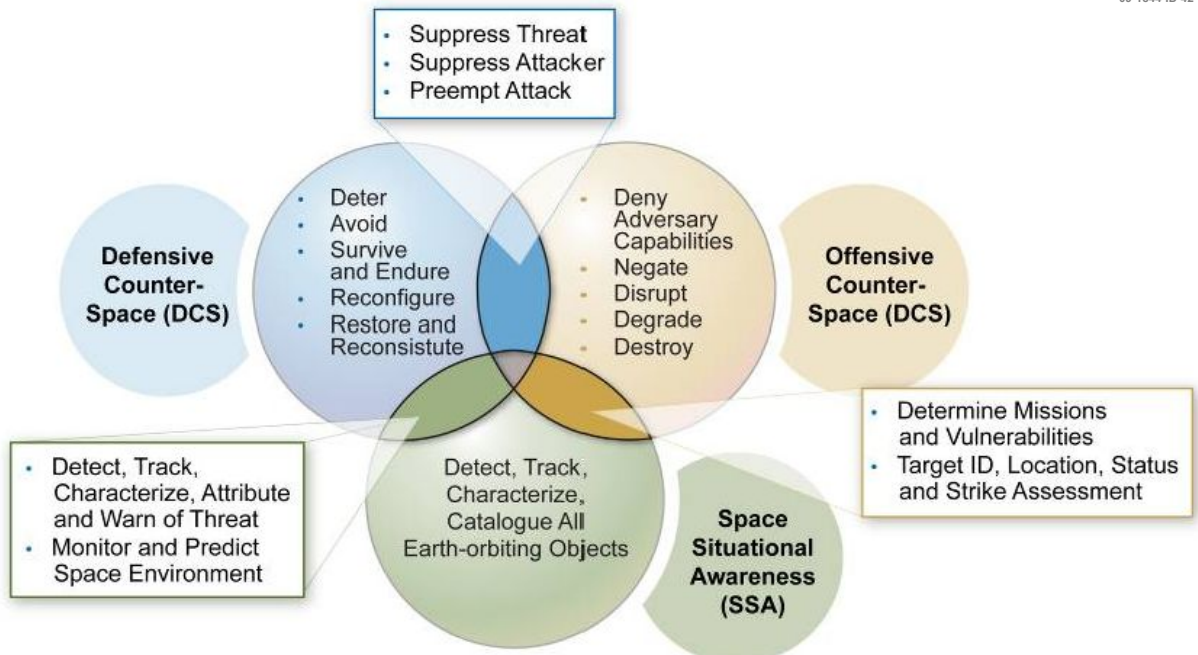
Space Superiority Campaign

What Is Space Superiority?

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Space Superiority is that ability to conduct space operations at a given time and place without prohibitive interference by opposing forces

Energy | Environment | National Security | Health | Critical Infrastructure



Space Superiority Campaign

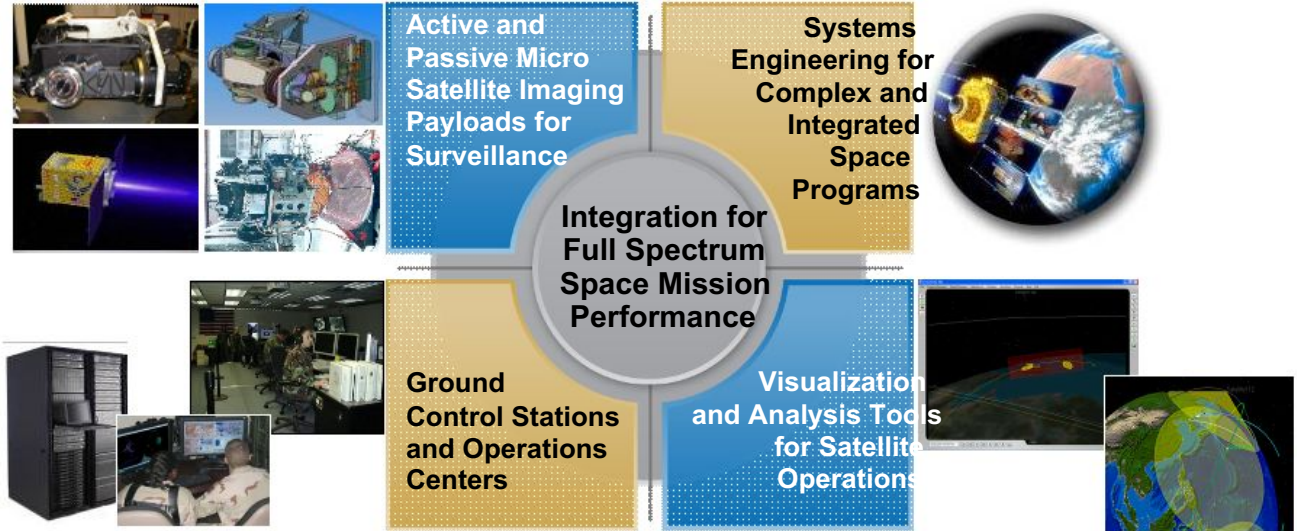
Group Vision and Position

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“A leader in the integration of technology, systems and operational solutions across space to deliver full spectrum Space mission performance.”



Space Superiority Campaign

The Market and Bridging the Gap

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The Space Superiority Landscape

Customers

- National Reconnaissance Office (NRO)
- Defense Advanced Research Projects Agency (DARPA)
- US Air Force (USAF)
- Boeing, Lockheed, Northrop Grumman, Orbital, Raytheon

Trends and Drivers

- Evolving Threat
- Cost Overruns
- Space Protection Program
- Alternative Acquisition Models
- Community Assessments

SAIC Strengths

- IR and multispectral payloads
- Special comms hardware
- M&S capabilities
- Real-time software
- Mission analysis
- SE&I

Programs

- GPS SE&I
- P-417
- P-805
- RR-AIRSS
- CHIRP
- Other SETA and Logistics work

Space Superiority Campaign

Future Positioning

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- Transition from primarily SETA services to a full compliment of SE&I
- Expand role in design, development and limited rate production
 - More responsive than the large aerospace primes
- Develop technologies to tie existing capabilities together and address larger markets:
 - Hardware in the loop modeling and simulation, data processing algorithms, special purpose communications and processing hardware, multi-spectral sensors
- Become an integrated payload developer providing capable people, unique science, reliable systems, and affordable space and ground hardware to enable or enhance space operations

President's Summary

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- Execute our campaigns

Corporate:

- Cyber
- Space Superiority
- C4ISR

Group:

- Intelligence, Surveillance, Reconnaissance (ISR)
- Special Operations Forces
- Counter-Terrorism

- Execute group imperatives

- People first!
- Thought leadership
- Mission focus
- Technology-leveraged
- Science-enabled
- Execution excellence
- Value creation

- Maintain business development momentum

- Won 93% of all re-competes and 72% of all new programs
- Non-IDIQ Awards of \$2.2B
- Q2 backlog of \$5.1B (22.5% YoY Growth)

Executing Our Strategy/Delivering on Our Promises

Energy | Environment | National Security | Health | Critical Infrastructure



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Cyber Campaign

Larry Cox
Business Unit General Manager



The Cyber Imperative

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- Recent events highlight the urgency of cyber threats
 - Massive penetration of federal agencies and defense contractors resulting in theft of terabytes of data by China and other nation states
 - Potent viruses distributed by electronic picture frames, USB thumb drives, and GPS systems being manufactured overseas
 - Denial of service attacks in Estonia and Georgia shut down essential operations for days at a time
- The nation is vulnerable to disruptive attacks on our vital cyber assets
 - U.S. and global trade and financial systems
 - Critical infrastructure
 - Industrial base
 - Government operations
- Pervasive computing and increasing connectivity lowers the barriers for terrorists and hostile nation states

Market Overview

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- Cyber market is driven by three major factors:
 - NSPD 54/HSPD 23 Comprehensive National Cybersecurity Initiative
 - Creation of new organizations and new authorities
 - Massive shifts in funding
 - GFY08 reprogramming of \$200M in Intelligence Community (IC)
 - FYDP increases of \$20B across entire Federal government
- Cyber market has four primary customer sets:
 - U.S. Military Services
 - Funded through existing military service budgets
 - Budgeted at \$20B+ per year (GFY08-GFY13)
 - Department of Defense
 - Funded mostly through existing budgets plus some new
 - Estimated at \$20B+ over the next five years
 - Federal Agencies
 - Funded primarily through new national cyber initiative
 - Estimated at \$20B+ over the next five years
 - Private Sector Corporations
 - Internally funded by individual corporations driven by Federal requirements
 - Independent research estimates \$20B+ per year (CY08-CY13)

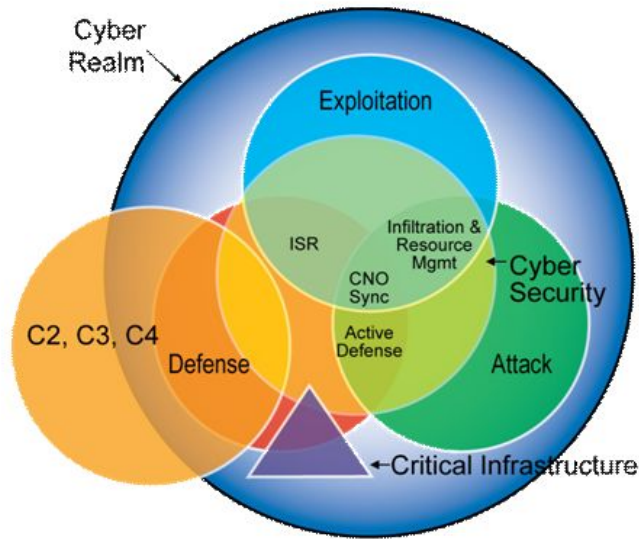
Competitive Landscape

- Large systems firms with end-to-end capability
 - CSC
 - Northrop Grumman
 - Lockheed Martin
 - Booz Allen Hamilton
 - Boeing
 - General Dynamics
- Niche providers of point solutions
 - Hardware components
 - Software tools
 - Specialized expertise

Cyber Realm



09-1844-ID-17



The Cyber business environment exists across air, and, sea and space domains, from unclassified to highly compartmented programs

Cyber Market Segments

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- Cyber touches every feature of modern communications

Information Security	Intrusion Detection	Certification and Accreditation	Network Monitoring
Log Analysis	VPN	Vulnerability Assessments	Incident Response
Information Assurance	Information Warfare	Spam Filtering	Surf Control
Data Protection	Worms	Enterprise Architecture	FISMA
Information Sharing	Viruses	HIPPA	Netcentric Operations
Communications Security	Firewalls	Cybersecurity	Passwords
Forensics	Phishing	Insider Threat	Infrastructure Protection
COOP	Network Security	PKI	Web Blocking

- Solutions require use of a wide variety of capabilities
 - High-performance computing
 - Information Storage
 - Network Optimization
 - Virtualization
 - Data Life Cycle Management

SAIC Positioning and Capabilities

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- Broad technical expertise engineering solutions across all cyber disciplines
- Long history of Informance Assurance, Network, and IT business with all major cyber customers
 - Prime positions on core programs
- Deep expertise in Managed Security Services, security awareness and training, penetration testing, certification and accreditation, and compliance
- Considerable work force already operating in multi-discipline programs requiring engineering, computer science, analysis and operations skills
- Proven ability in software and hardware development, delivery, and operations
 - Long history of successful technical services support
- Platform and vendor agnostic integrator of the best solutions for customers
- Patenting and licensing of key technologies and solutions

Thrusts and Pursuits

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- We are aggressively developing cyber solutions
 - Modern architecture solutions for DHS and IC
 - Tool/services suite for Defense Industrial Base to comply with future DFAR mandates on data protection
 - Supply chain assurance solutions
- We are pursuing numerous cyber opportunities
 - DHS National Cybersecurity and Protection Program (~\$5B)
 - DHS/DoD Supply Chain assurance (~\$200M)
 - Defense Industrial Base Initiative (~\$300M)
 - Numerous Intelligence Community opportunities (~\$1B)

Foundation For Success

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- **Structure**
 - Full support from Corporate and Groups
 - Cyber Program Management Office
 - Program and customer engagement by Business Units
- **People**
 - Recruiting and training the cyber workforce from inside and outside
 - Training and competency certifications
 - Thought leaders and mentors
 - Developing and training the Gen X/Y workforce
- **Technology**
 - Competency and Research & Development across all areas of cyber
 - Partnerships with academia
- **Facilities**
 - Excellent working conditions with tools, systems and communications
 - Connectivity among SAIC and customers

Campaign Summary

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- Cyber market is real and immediately addressable
 - Broad bipartisan support with rapidly growing, multi-year funding streams
- Firms must have a solid cyber base to succeed
 - Existing vehicles and relationships to capture new cyber funds
 - New important beachhead contracts are being bid now
- End-to-end solutions are required
 - Cyber problems cannot be solved with just niche solutions
- Solutions will be eternally dynamic
 - Substance is a barrier to entry
 - Escalating performance is the price to retain customer trust
- Qualified people are a limiting factor in this growing market
 - National challenges are required to attract this high-intellect worker
 - Freedom to create innovative solutions is required to retain this worker

SAIC has the people, capabilities, and approach to succeed

Energy | Environment | National Security | Health | Critical Infrastructure



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Infrastructure, Logistics and Product Solutions Group

Joe Craver
President

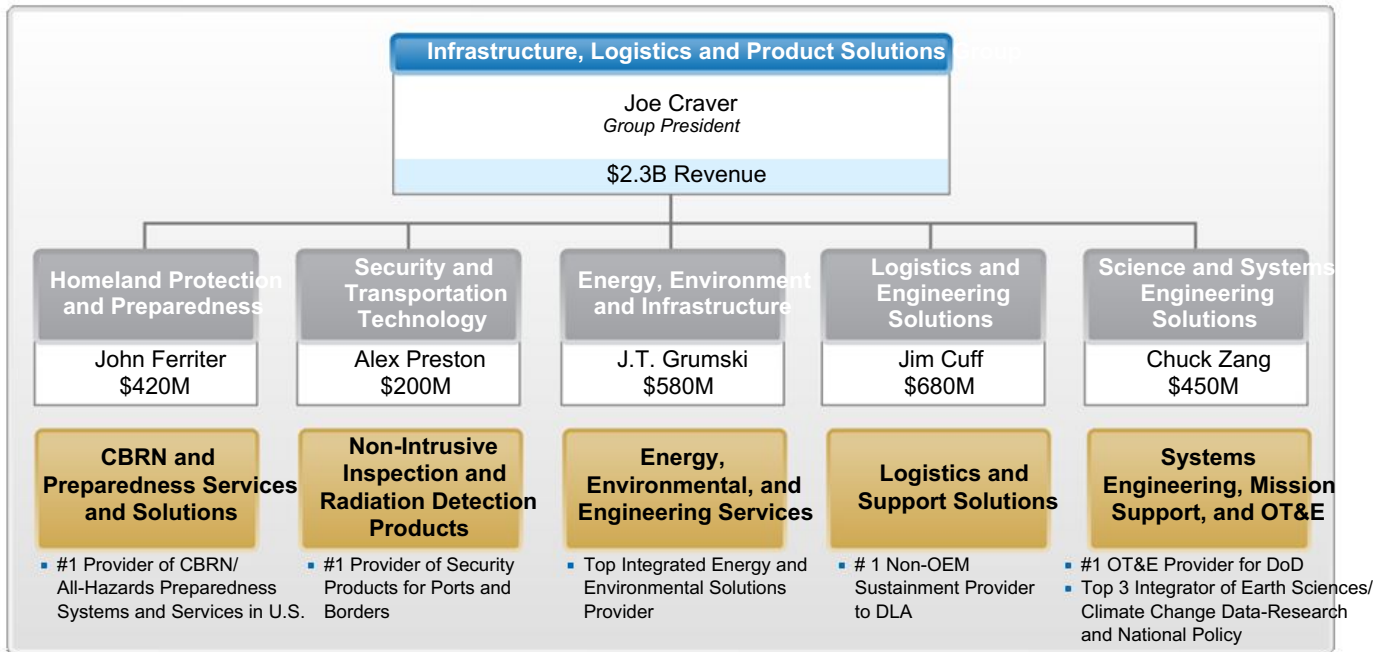


Group Structure and Focus

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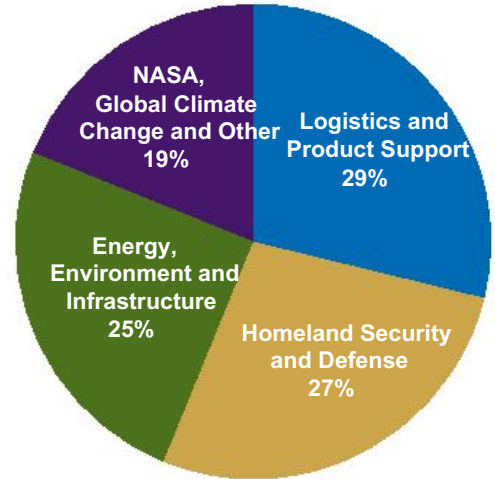
Key Solutions and Customers

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Logistics and Product Support	
Supply Chain Management	DLA
Asset Visibility	DoD
Logistics Systems	
Product Support Integration	
Homeland Security and Defense	
Non-Intrusive Imaging Systems	DHS
Integrated Container Inspection	DoD
Radiation Detection	International
CBRN and Preparedness Services and Systems	Ports
Transportation Automation	
Energy, Environment and Infrastructure	
Energy Management	Commercial
Environmental Services	DoD
Design/Build of Tech-Intensive Infrastructure	DOE
NASA, Global Climate Change and Other	
Safety and Mission Assurance	NASA
Earth Sciences Data Integration	NOAA
Operational Test and Evaluation	USGS
	FAA



Solving Problems of Vital Importance

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- Save lives by deploying and supporting MRAPs in Iraq and Afghanistan
- Detecting car bombs and weapons with VACIS in Iraq and Afghanistan
- Capturing illegal drugs
 - Including some of the largest cocaine seizures ever
- Address challenges to the planet by
 - Helping companies and the government save energy and money
 - Assessing and predicting the impact of climate change policy
 - Managing huge amounts of critical scientific data on the state of our planet
- Training and equipping our nations' First Responders
 - Over 400,000 trained to date
- Helping to keep Space Shuttle flight operations safe

Major Growth Drivers

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- Corporate Campaigns: Energy
- Major Group Focus Areas
 - Homeland Security Products



- Growth market aspects
 - On-going global war on terrorism
 - Legislative mandates continue to drive needs (i.e., Secure Freight Initiative)
 - Potential for CBRNE type events; DoD Force Protection
- SAIC Offerings:
 - Non-Intrusion Detection Products
 - CBRNE Solution Integration and Preparedness Training

- Logistics and Sustainment



- Growth market aspects
 - Reset
 - Proliferation of “non programs of record” fielded systems
 - Defense budget funding constraints for new program starts
- SAIC Offerings:
 - Performance and Capabilities Based Logistics Solutions and Services
 - Supply Chain Integration

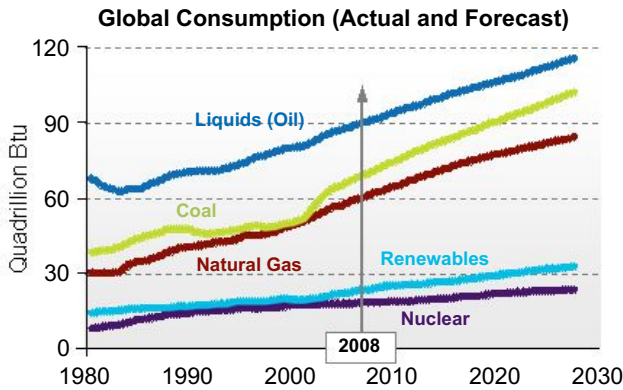
Energy Campaign

The Global Energy Challenge

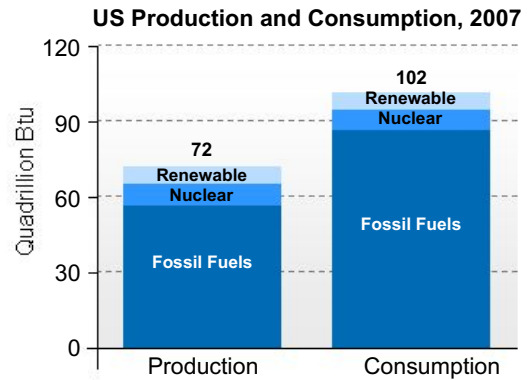
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EIA - International Energy Outlook 2008 - Highlights Section
<http://www.eia.doe.gov/oiaf/ieo/highlights.html>



Source: Energy Information Administration / Annual Energy Review 2007

- Rising energy consumption and cost
 - Driven by developing countries, consumption will increase by 50% by 2030
 - Traditional reserves (Oil/Gas) are shrinking
 - Renewable/Alternative energy production will NOT impact supply in near-term
 - Looming security and environmental issues due to production deficit, distribution constraints, and Climate Change concerns

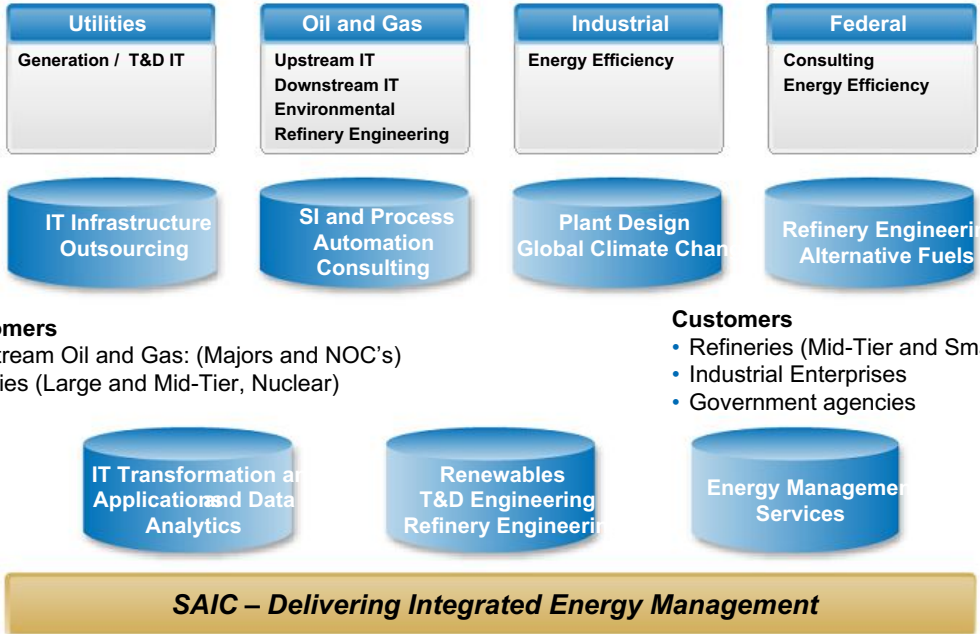
Energy Campaign

SAIC Energy Portfolio

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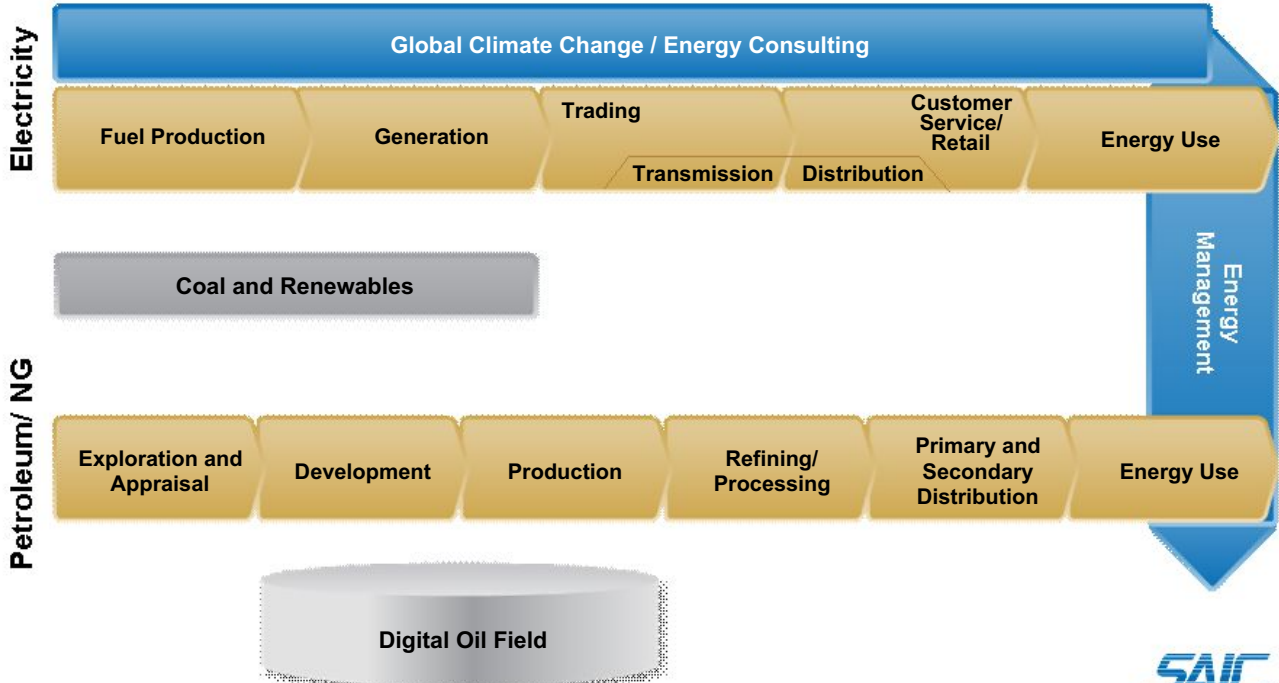
Energy Campaign

SAIC Focus Areas

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Energy | Environment | National Security | Health | Critical Infrastructure

Energy Campaign

Energy Management Services Defined

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Facility Assessments

Facility Modeling

Education and Training



Project Management

Quality Assurance

Metering and Verification



Systems Integration

Demand Response

AMI and Smart Grid



Efficient Operations



Sustainability

Climate Change

Green IT

Clean Technologies

LEED® Certification

DesignBuildsm

Performance Contracting



Risk Management

Energy Procurement

Modeling and Forecasting



* DesignBuild is a registered service mark of the Benham Companies, LLC, an SAIC company, in the United States and other countries.
 * LEED(R) is a registered trademark of the U.S. Green Building Council (USGBC) in the United States and other countries.

Energy | Environment | National Security | Health | Critical Infrastructure



President's Summary

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- Group provides products, services, and solutions across entire customer set
- To succeed, we have invested to build a strong foundation
 - Developing the next generation leaders
 - Through the Group's SAIL leadership development program, we have built a large, cohesive, and capable talent pool that is driving our growth today
 - Implementing new business models
 - Integrating game-changing acquisitions
 - Standing integration team managed at Group level
 - Successfully integrated 3 \$200M+ companies over the last four years
- Well-positioned to deliver growth and profitability by providing distinctive capabilities and solutions to our customers
 - Energy Management Services and engineering capabilities
 - Homeland protection through CBRN, Preparedness, and Trade Security solutions
 - Logistics and product sustainment solutions
 - Climate Change research and policy program
 - Supporting NASA in its human spaceflight and exploration missions



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Information Technology and Network Solutions Group and Health Campaign

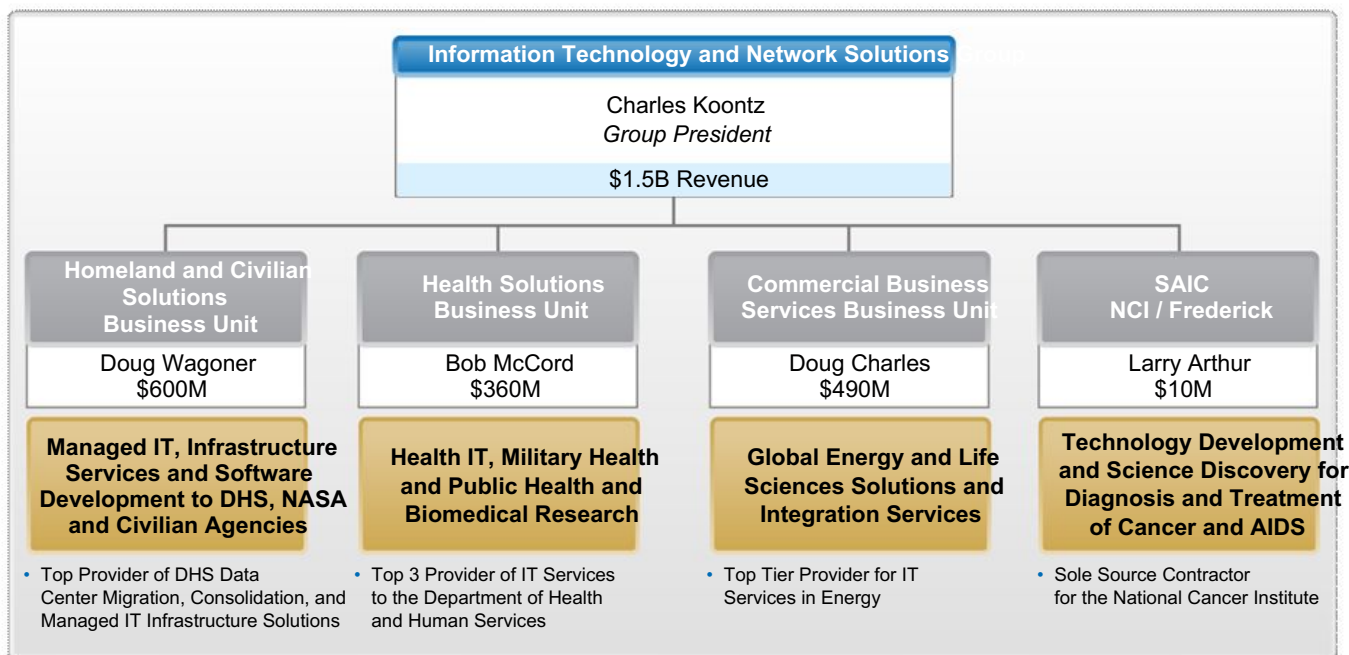
Charles Koontz
Group President



IT&NS Structure and Focus



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Key Customers and Capabilities

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Federal Civil

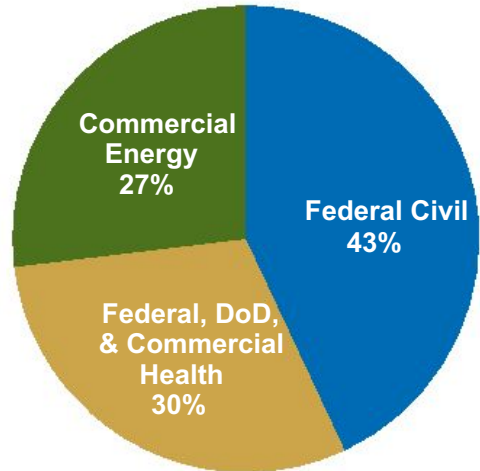
Full-Service IT Provider	DHS
Enterprise and Business Strategy Solutions	NASA
Infrastructure and Applications	Treasury, IRS
Infrastructure Services Management	Dept of Energy
Information Content and Data Mgmt Solutions	
Mission-specific application and system support	

Federal, DoD, and Commercial Health

World-wide deployment and support of IT Health Solutions	Department of Veterans Affairs
VA/DoD Sharing	CDC
Disease Surveillance and Bioterrorism	FDA
Public Health Emergency Preparedness	NCI-Frederick
Online Access to Health Information	TRICARE

Commercial Energy

Digital Oil Field Solutions	BP
Refinery of the Future Solutions	Shell
Advanced Metering Infrastructure	Chevron
Application Development & Maintenance	Scottish Power
Enterprise Architecture	Entergy
Global Data Management	Maersk
Managed Network Services	INEOS
Infrastructure Outsourcing	Alyeska

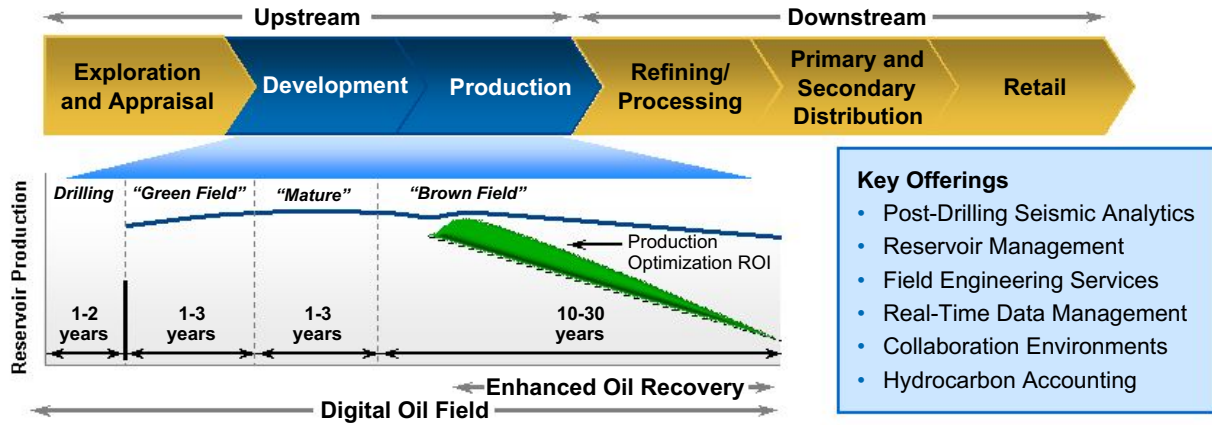


Major Growth Drivers

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- Corporate Campaigns: Health, Energy
- Digital Oil Field

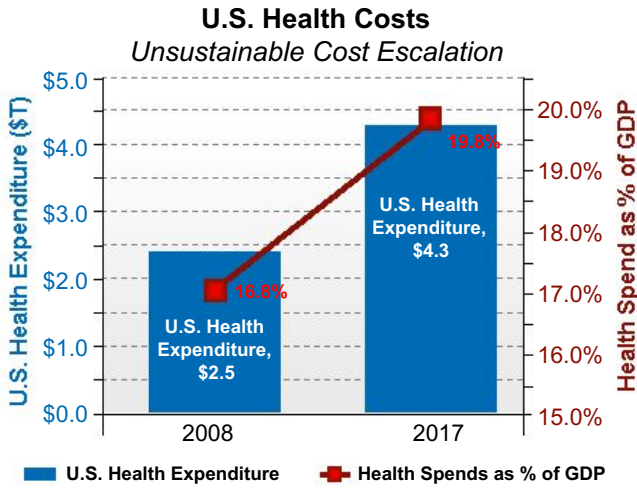


- Major market drivers
 - Increased percentage of production coming from mature oil fields
 - Growth opportunity in reservoir management
 - Major Oil companies outsourcing technology solutions & services
 - New willingness of NOCs to use service companies rather than MOCs

Health Campaign

Health Industry Faces Dramatic Challenges

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Sources: IDC and Insights, preliminary, 2008 and Centers for Medicare and Medicaid Services, National Health Expenditure Survey, 2008

- Cost
 - Health costs growing at 6.1% CAGR vs. 4.4% for GDP
 - 20% health spend as a % of GDP is not sustainable
- Access
 - Increasing access to affordable care will expand Federal budgets in 2009+
- Quality
 - Lack of reporting and transparency
 - IT under spend (<2% of health spend)
- Public Safety
 - Bio-hazard and bio-terror threat mitigation
 - Pandemic mitigation/continuity of operations (Gov & Commercial)

Unsustainable healthcare cost growth will drive change and opportunity



Health Campaign

Health Market Segments / Value Chain

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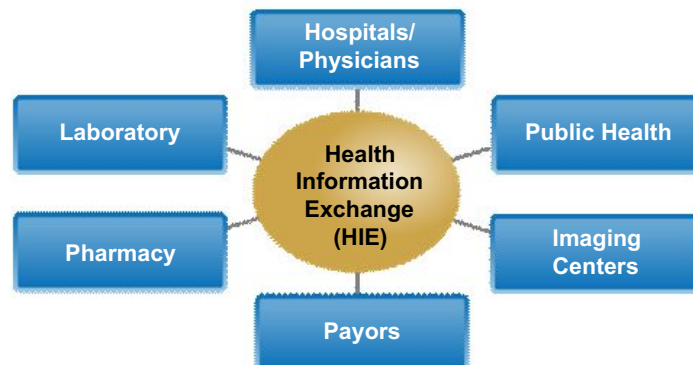


	Patient-Focused Healthcare			Population Health	
	Healthcare Providers	Healthcare Payers	Healthcare Producers	Public Health and Preparedness	Healthcare Policy and Regulation
Commercial Providers	Kaiser Permanente, Hospitals, provider associations, IDNs	Blue Cross/Blue Shield, Wellpoint, United Healthcare, Aetna	Cardinal Health, Pfizer, Quest, Labcorp, GE Medical		
Government Providers	DOD and VA, state agencies	CMS, state Medicaid agencies	NIH, NCI	CDC, FDA, NIH, HRSA, SAMHSA, DOD, DHS, State agencies	CMS, FDA, ONCHIT, AHRQ, CBO
Major Competitors	HP, NOC	HP, LMT	NOC	NOC, LMT, SRA	HP, LMT
Where SAIC Plays today	MHS, VA, SHIN (Canada), IHS	CMS	NIH and Commercial Pharma	NIH, CDC, FDA, HRSA, SAMHSA	No big play to date

Health Campaign

Emerging HIE Market Opportunity

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- Health information exchanges (HIEs)
 - Electronic movement of health-related information among organizations according to nationally-recognized standards
- Challenges for HIE's
 - Standardization of the data
 - Sustainable business model
 - Accessibility of data by the patient
- Fast growing market segment
 - IDC estimates the current market to be ~\$150M, growing to \$500M by 2012 and >\$3B by 2018

Health Campaign

Campaign Summary

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Market Requirements

- Contain healthcare costs
- Meet needs of aging population
- Meet DoD's wartime health needs
- Protect public health from pandemics and bio-terror threats
- Improve patient care quality and reduce care disparities
- Establish health data policy

FY08 – How we responded

- Electronic health record development standards
- Medicare modernization / fraud and abuse detection
- Surveillance/detection; preparedness; pandemic flu planning and support
- Biomedical research; adverse events reporting; disparity tracking

FY09 – Where we are today

- Completed an independent scan of the entire Health sector
- Evaluating our opportunity beyond Government Health
- VA/DoD health information sharing
- Investing in new solutions (health and clinical research information exchanges, medical terminology service, identity management)

President's Summary

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- Position of strength in Public, Civilian, and Military Health
 - MHS—Wounded Warrior
 - CDC—Bio-surveillance
 - VA/DoD—Medical records sharing
 - CMS—Information systems modernization
 - NCI—Valued and differentiated relationship
- Federal Civil market will strengthen with Administration change
 - Protect the homeland—DHS (CBP, FEMA, ICE)
 - Protect our food supply—USDA
 - Protect our environment—EPA
 - Implement tax changes—IRS
- Positive trend with our Commercial Business
 - Double-digit segment operating income run rate
 - Focus on upstream production (Digital Oil Field) producing results
- Key contract awards support our strategic direction
 - NASA UNITEs (\$214M)
 - NCI Support Contract (\$105M)
 - Administrative Office of the Courts (\$90M)
 - VA VistA Repositories (\$56M)

