

News Release

SAIC AWARDED U.S. ARMY CONTRACT TO SERVE AS LEAD SYSTEMS INTEGRATOR FOR THE GUARDIAN INSTALLATION PROTECTION PROGRAM

(MCLEAN, VA and HUNTSVILLE, AL) – SAIC announced today it has won a contract from the U.S. Army's Space and Missile Defense Command in Huntsville, Ala., to serve as the Guardian Installation Protection Program Lead Systems Integrator (LSI). The Guardian Installation Protection Program is managed by the Joint Project Manager Guardian (JPMG) for the Joint Program Executive Office for Chemical and Biological Defense (JPEO-CBD). Working under the JPMG, SAIC will provide an integrated chemical, biological, radiological and nuclear protection (CBRN) capability at 200 Department of Defense (DoD) installations and facilities worldwide. This cost-plus-fixed-fee contract will be performed over a base of three years with the potential of earning up to three one-year award terms. The cumulative value of the contract is \$390 million.

The Installation Protection Program is a Family of Systems that supplements other aspects of force protection against potential weapons of mass destruction. The Family of Systems will include capability for CBRN detection, identification, warning, reporting, decision support, individual and collective protection, emergency response, decontamination, medical countermeasures, medical diagnostics, and medical surveillance components and will be tailored to the needs of each installation. As LSI, SAIC will work with JPMG to design, procure, integrate, install and test the Family of Systems. After the system is fully installed, SAIC will facilitate an installation-wide weapons of mass destruction exercise.

"We are very pleased with the outcome of this competition. It clearly demonstrates SAIC's industry leadership in providing solutions to the complex challenges confronting homeland defense and security in the 21st century," said Duane Andrews, president and chief operating officer of SAIC's Federal Business Segment. "This program re-emphasizes the importance of strong systems engineering and integration capabilities to future defense business. The Installation Protection Program is about designing, integrating, installing and sustaining a very diverse Family of Systems that needs to work well on the ground for each installation."

Members of SAIC's Team include Johnson Controls, Inc., of Cape Canaveral, Fla., and Midwest Research Institute (MRI) of Kansas City, Mo. Johnson Controls will support installation, fielding and sustainment of the equipment and MRI will assist in technology evaluation and the laboratory strategy for the program. Also on SAIC's team is Texas Engineering Extension Service (TEEX) located in College Station, Texas, and ARINC Engineering Services, Inc., located in Annapolis, MD. The team also includes 13 small businesses: Arrowhead Contracting; ARRIBA; Government Scientific Source; InfoPro; Innovative Technical Solutions, Incorporated (ITSI); Media Fusion Digital Media; New World Associates; Physitron; Science and Technology Corporation; SEI Group; Tauri Group; Tri-Star Engineering; and the United Negro College Fund Special Programs Corporation.

Additional Information:

Visit SAIC's Homeland Security and Systems Integration & Program Management sections to learn more about our capabilities in these areas.

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.

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