

*...From Science ...to Solutions ...to Service*

**SAC**<sup>®</sup>  
An Employee-Owned Company



# *Throughout the World*

**...from Science...to Solutions...to Service**



**SAIC**®

**Science Applications  
International Corporation**  
*An Employee-Owned Company*



## *Ownership Philosophy/Total Quality Management*

*“Those who contribute to the company should own it and that ownership should be proportional to that contribution and performance as much as feasible.”*

- ***Because We Are Employee Owned, TQM Is Our Culture***
- ***The “Right Way to Manage” Is to Have Everyone as an Owner***
- ***The Corporate Objective Is to Maintain an Earned Reputation for Products of the Highest Quality***

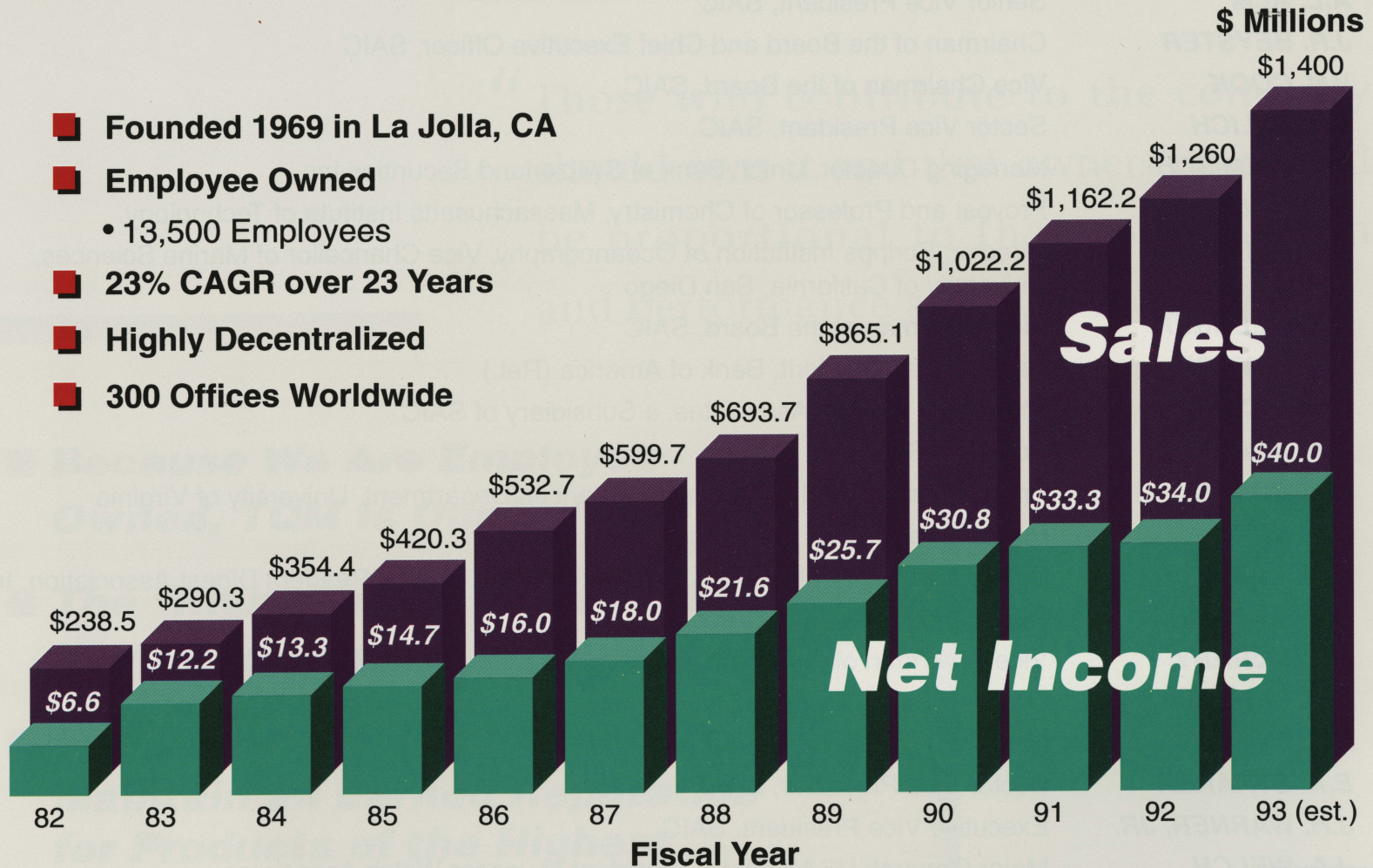


# Board of Directors

<b>A.L. ALM</b>	Senior Vice President, SAIC
<b>J.R. BEYSTER</b>	Chairman of the Board and Chief Executive Officer, SAIC
<b>V.N. COOK</b>	Vice Chairman of the Board, SAIC
<b>S.J. DALICH</b>	Sector Vice President, SAIC
<b>W.H. DEMISCH</b>	Managing Director, Union Bank of Switzerland Securities Inc.
<b>J.M. DEUTCH</b>	Provost and Professor of Chemistry, Massachusetts Institute of Technology
<b>E.A. FRIEMAN</b>	Director, Scripps Institution of Oceanography, Vice Chancellor of Marine Sciences, University of California, San Diego
<b>D.R. HEEBNER</b>	Vice Chairman of the Board, SAIC
<b>F. HERWOOD</b>	Senior Vice President, Bank of America (Ret.)
<b>D.A. HICKS</b>	Chairman, Hicks & Associates, a Subsidiary of SAIC
<b>B.R. INMAN</b>	Admiral USN (Ret.)
<b>A.K. JONES</b>	Professor and Head of Computer Sciences Department, University of Virginia
<b>L.A. KULL</b>	President and Chief Operating Officer, SAIC
<b>M.R. LAIRD</b>	Senior Counselor, National & International Affairs, The Readers Digest Association, Inc.
<b>W.M. LAYSON</b>	Senior Vice President, SAIC
<b>J.W. McRARY</b>	Vice Chairman of the Board and Executive Vice President, SAIC
<b>W.J. PERRY</b>	Chairman and Chief Executive Officer, Technology Strategies & Alliances
<b>B.J. SHILLITO</b>	Chairman, Teledyne International (Ret.)
<b>E.A. STRAKER</b>	Sector Vice President, SAIC
<b>J.H. WARNER, JR.</b>	Executive Vice President, SAIC
<b>J.A. WELCH</b>	Major General, USAF (Ret.); President of Jasper Welch Associates
<b>J.B. WIESLER</b>	Vice Chairman, Bank of America (Ret.)
<b>W.E. ZISCH</b>	Vice Chairman of the Board, SAIC

# Financial Performance

- Founded 1969 in La Jolla, CA
- Employee Owned
  - 13,500 Employees
- 23% CAGR over 23 Years
- Highly Decentralized
- 300 Offices Worldwide





# *Estimated Revenue by Business Segment*

**Current Fiscal Year (Feb 92- Jan 93)**

<b>■ Environmental Services</b>	<b>\$ 180M</b>
<b>■ Energy and Utility Services</b>	<b>120M</b>
<b>■ Transportation/Security Systems</b>	<b>100M</b>
<b>■ Health Care Systems and Services</b>	<b>110M</b>
<b>■ Nondestructive Inspection Systems, Custom Instruments, High-Technology Products</b>	<b>140M</b>
<b>■ National Defense and Space Programs</b>	<b>750M</b>
<b>Total</b>	<b>1.4B</b>

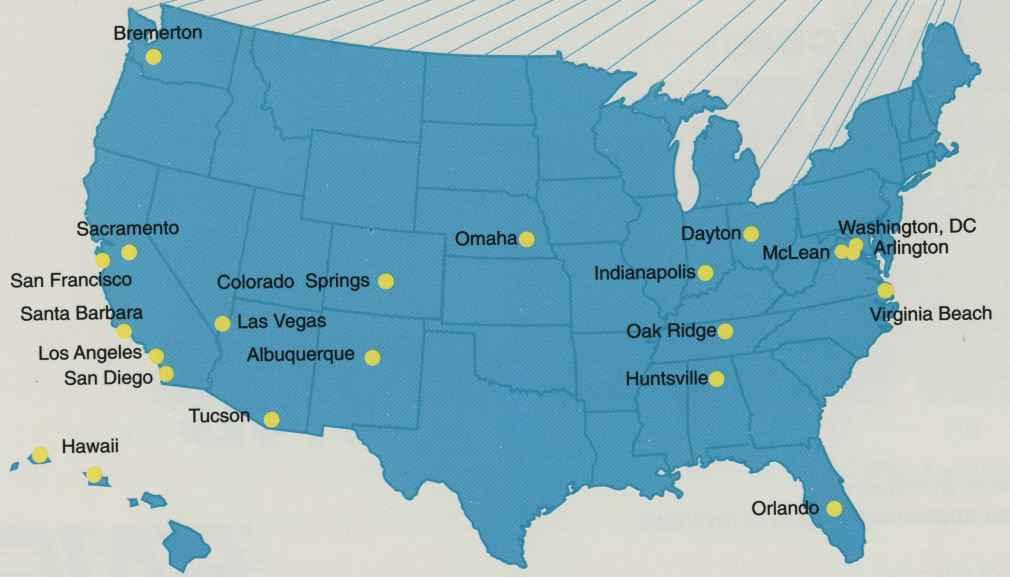
Notes: Research and Study Contracts account for approximately 40% of revenues  
Systems Development and Integration Contracts account for approximately 35% of revenues  
Services account for approximately 10% of revenues  
High-Technology Products account for approximately 15% of revenues

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# SAIC Office Locations

## Principal U.S. Offices

- |                        |                      |
|------------------------|----------------------|
| ■ Albuquerque, NM      | ■ Oak Ridge, TN      |
| ■ Arlington, VA        | ■ San Francisco, CA  |
| ■ Bremerton, WA        | ■ Santa Barbara, CA  |
| ■ Colorado Springs, CO | ■ Tucson, AZ         |
| ■ Dayton, OH           | ■ Virginia Beach, VA |
| ■ Hawaii               | ■ Washington, DC     |
| ■ Huntsville, AL       | ■ Omaha, NE          |
| ■ Indianapolis, IN     | ■ Orlando, FL        |
| ■ Las Vegas, NV        | ■ Sacramento, CA     |
| ■ Los Angeles, CA      | ■ San Diego, CA      |
| ■ McLean, VA           |                      |



## International Locations

- |               |               |
|---------------|---------------|
| ■ Auckland    | ■ Panama      |
| ■ Cambridge   | ■ Paris       |
| ■ Dhahran     | ■ Riyadh      |
| ■ The Hague   | ■ South Korea |
| ■ Heidelberg  | ■ Sydney      |
| ■ Kuwait City | ■ Taipei      |
| ■ Nuremberg   | ■ Tokyo       |
| ■ Ottawa      | ■ Vancouver   |



# ...Science ...Solutions ...Services

## **Core Technologies**

Information Engineering  
Distributed Data Bases  
Software Reengineering  
Display Electronics  
Parallel Processing  
Signal Analysis  
Image Processing  
Electro-Opticals  
Neutron Activation/Radiation  
Detection  
Probabilistic Risk/Reliability  
Assessment  
Packaging/Ruggedization  
Composite Materials

## **Custom Solution**

C<sup>3</sup>I  
Characterization Modeling  
Medical Information Systems  
Monitoring Controls  
Geographic Information Systems  
Process Control  
Electronic Toll and Traffic Management  
Systems  
Simulation and Training

## **Support Services**

Consulting  
Telecommunications and Networks  
System Engineering  
Installation, Maintenance and Operations  
Waste Management  
Environmental Impact  
Training  
Logistics  
Outsourcing

## **Industry Expertise**

Energy  
Environment  
Health  
Utilities  
Transportation  
National Security



# SAIC: Systems Integration/Software Development Industry Rankings

**SAIC Ranked #3 by Systems Integration (Aug. 1991)**

## Top 10 Federal Systems Integrators

Preliminary Estimates  
(1990 \$ Millions)

1.	IBM Corp.	800
2.	Electronic Data Systems	430
<b>3.</b>	<b>SAIC</b>	<b>400</b>
4.	Martin Marietta Info. Systems	376
5.	Computer Sciences Corp.	350
6.	Unisys Defense Systems	343
7.	Grumman Data Systems	210
8.	Boeing Computer Services Co.	180
9.	PRC Inc.	170
10.	Control Data Corp.	90

Source: INPUT

## Software Development

(\$ Millions)

<b>1.</b>	<b>SAIC</b>	<b>814</b>
2.	EDS	733
3.	Andersen	549
4.	CSC	438
5.	Ernst & Young	363
6.	Contel	245
7.	Booz Allen	220
8.	AMS	202
9.	CTG	183
10.	CDC	182

**SAIC Ranked #1 and #6 by CSN Top 50 Systems Integrators (June 30, 1991)**

## Systems Integration

SI Revenue  
(\$ Millions)

1.	IBM Corp.	1,800
2.	Electronic Data Systems	887
3.	Andersen Consulting	670
4.	Computer Sciences	600
5.	Digital Equipment	575
<b>6.</b>	<b>SAIC</b>	<b>400</b>
7.	Hughes Aircraft	390
8.	TRW	350
9.	Boeing Computer	320
10.	Contel Federal Systems	305

**SAIC Ranked #7 by Government Executive Top 200 Federal Contracts (August 1991)**

## Computer Services and Software

Rank	Parent Company	Group/Subsidiary/Division Receiving Most Contract Dollars	Parent Location	Fiscal 1990 Awards (\$000s)	Market Share
1.	Unisys	Computer Systems	Blue Bell, PA	\$371,045	5.8%
2.	Computer Sciences Corp.	Government Systems	El Segundo, CA	368,261	5.7
3.	General Motors	Electronic Data Systems	Detroit, MI	328,918	5.1
4.	IBM	Systems Integration Division	Amonk, NY	293,374	4.6
5.	Grumman	Grumman Data Systems	Bethpage, NY	169,432	2.6
6.	Allied-Signal	Bendix Field Engineering	Morristown, NJ	166,079	2.6
<b>7.</b>	<b>SAIC</b>	—	<b>La Jolla, CA</b>	<b>151,831</b>	<b>2.4</b>
8.	Boeing	—	Seattle, WA	144,739	2.2
9.	Digital Equipment Corp.	—	Maynard, MA	130,388	2.0
10.	Ford Motor Co.	Ford Aerospace	Dearborn, MI	124,612	1.9

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## Representative SAIC Command, Control, & Communications (C<sup>3</sup>) Experience

Land Forces	Joint/National	Naval Forces	Air Forces
<ul style="list-style-type: none"> <li>■ IV&amp;V: Maneuver Control System</li> <li>■ Support: Advanced Field Artillery Tactical Data System</li> <li>■ Canadian Tactical C<sup>3</sup> System</li> <li>■ National Training Center</li> <li>■ Patriot Tactical Operations Simulation/Trainer</li> <li>■ Combined Arms Tactical Training Simulation</li> <li>■ Army/Marine Corps Lightweight Computer Unit</li> <li>■ Rugged Sparc Portable Workstation</li> <li>■ GRIDSE-T Militarized Portable Computer</li> <li>■ Army Alternative C<sup>3</sup> Support Center</li> </ul>	<ul style="list-style-type: none"> <li>■ JCS Study: Command and Control Functional Analysis and Consolidated Review Panel</li> <li>■ Command Centers               <ul style="list-style-type: none"> <li>- National Military</li> <li>- Central Command</li> <li>- Pacific Command</li> <li>- Atlantic Command</li> <li>- Southern Command</li> <li>- European Command</li> </ul> </li> <li>■ DARPA Simulation Net</li> <li>■ Joint Tactical Information Distribution System</li> <li>■ Theater Nuclear Forces C<sup>3</sup> System</li> <li>■ Strategic Defense Initiative</li> <li>■ Worldwide Military Command and Control System</li> <li>■ JINTACCS Automated Message Handler</li> <li>■ Joint Forward Area Air Defense System</li> <li>■ Joint Staff Contingency Analysis System</li> </ul>	<ul style="list-style-type: none"> <li>■ Navy Tactical Command System (Afloat)</li> <li>■ Navy Command and Control System (Ashore)</li> <li>■ Navy Antisubmarine Warfare Command and Control System</li> <li>■ Naval War College Wargaming Center</li> <li>■ Navy Strategic Communications Network Analysis</li> <li>■ Royal Saudi Naval Forces C<sup>3</sup> System</li> <li>■ Tactical Air Mission Planning System</li> <li>■ Link II Display System</li> </ul>	<ul style="list-style-type: none"> <li>■ Strategic Air Command War Planning Test Bed</li> <li>■ Air Force C<sup>2</sup> Systems:               <ul style="list-style-type: none"> <li>- Contingency Tactical Air Control System Automated Planning System</li> <li>- Wing Command and Control System</li> </ul> </li> <li>■ Space Defense C<sup>2</sup> System</li> <li>■ Pacific Air Force Command Center</li> </ul>

# Representative Health Care Projects

<i>Project</i>	<i>Customer</i>	<i>Value</i>	<i>Design and Development</i>	<i>Support</i>	<i>Operations</i>
Composite Health Care System	DOD	1.1B	✓	✓	✓
Coordinated Care	DOD	1.5M	✓	✓	
VA Integrated Health Care System	VA	53M	✓	✓	✓
Canadian Hospital Information System	Various	1.3M	✓	✓	
RENLSar Dialysis System (annually)	Various	1.5M	✓	✓	✓

# Representative National Defense Programs

<i>Project</i>	<i>Customer</i>	<i>Value \$M</i>	<i>Design &amp; Development</i>	<i>SETA</i>	<i>Support</i>
Design Engineering Program	USAF	200	✓		✓
B-1B Technical Support Center	USAF	10		✓	✓
Advanced Logistics Decision Support	USAF	18	✓		✓
SAC	USAF	15	✓	✓	
Joint Maritime Information Element	USN	9	✓		✓
Mobile Sea Range	USN	25	✓		✓
Lightweight Computer Unit	USA	500	✓		✓
ASW Environmental Acoustic	USN	125	✓		✓
Wing Command and Control System	USAF	100	✓		

# Representative Simulation Programs

<i>Project</i>	<i>Customer</i>	<i>Value \$M</i>	<i>Military Training</i>	<i>Military R&amp;D</i>	<i>Commercial</i>
Strategic Avionics Crewstation	USAF	48		✓	
Air Defense Analytical Reconfigurable	USAF	26	✓		
On-Board Electronic Warfare	USAF	4	✓		
CSSTSS	USA	22	✓		
F4J	USN	2	✓	✓	
Nuclear Power Plant	TVA	5			✓
National Training Center	USA	50	✓		
B-2 Cockpit Evaluation Simulator	USAF	2.5		✓	
B-1B Postload Systems Trainer	USAF	1	✓		
B-1B Engineering Research Simulator	USAF	8.5	✓	✓	

# Representative Telecommunications Experience

<i>Project</i>	<i>Customer</i>	<i>Network Value \$M</i>	<i>Design and Integration</i>	<i>Development</i>	<i>Multimedia</i>
Integrated Data Communications Utility	Veterans Administration	150	✓	✓	
Regional Office Gateways	Veterans Administration	10	✓		
AMEX TSC	American Express	5		✓	✓
Olympics Information Center	Xerox	5	✓	✓	✓
Naval War College	USN	5	✓	✓	✓
Information Mission Area (IMA) Support	US Army	150	✓	✓	✓

# Representative SAIC Transportation Business

<i>Project</i>	<i>Customer</i>	<i>Value</i>	<i>IVHS &amp; ETTM</i>	<i>Information Systems</i>	<i>NDE &amp; Security Systems</i>	<i>Consulting Services and SETA</i>
Support for Development of National Transportation Policy	Department of Transportation	350.0K				✓
DOT Internal Assessment	Department of Transportation	644.0K				✓
NAS Human Resource Transition Support	Federal Aviation Administration	1.2M		✓		✓
Strategic Information Planning for Aviation Safety Analysis System (ASAS)	Federal Aviation Administration	3.0M		✓		✓
TravTek Evaluation	Federal Highway Administration	1.9M	✓			
Human Factors Support	Federal Highway Administration	1.0M	✓			✓
Shipment and Mobility Accountability Collection System	Department of Energy	2.1M		✓		
TNA Explosive Detection Systems	Federal Aviation Administration	21.0M			✓	
PFNA Cargo Inspection Systems	Department of Defense	2.3M			✓	
Euroscan Detection for Explosives in Trucks	Eurotunnel	13.5M			✓	
Advanced Automation System Software	Federal Aviation Administration	2.8M		✓		✓
Tobin Memorial Bridge Toll Collection System	Massachusetts Port Authority	2.7M	✓			
Computerized Toll Collection and Traffic Management	Orlando-Orange County Expressway Authority	15.0M	✓			

**LEGEND** NDE = Non-Destructive Evaluation  
 IVHS = Intelligent Vehicle Highway Systems  
 ETTM = Electronic Toll and Traffic Management  
 SETA = Systems Engineering and Technical Assistance

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# Representative Utilities/Energy/Environmental Systems

<i>Project</i>	<i>Customer</i>	<i>Value \$M</i>	<i>Energy</i>	<i>Regulatory</i>	<i>Environmental</i>
Safety Parameter Display System	Utilities	15	✓	✓	✓
Plant Process Computer Replacement	Utilities	60	✓		
Probabilistic Risk Assessments	Utilities	17	✓	✓	
Yucca Mountain Support	DOE	510	✓	✓	✓
Nuclear Energy Facility Licensing	NRC	60	✓	✓	
Survey Design and Analysis	DOE/EIA	23	✓	✓	✓
Office of Scientific and Technical Information	DOE	25	✓		✓
Water Enforcement	EPA	125	✓		
Radiation Monitoring Systems	Utilities	25	✓		
Licensing Support	Utilities	10		✓	✓
Coal Analyzers	Utilities/Mines	3	✓	✓	✓
Closed Loop Power Plant Controls	Utilities	12	✓	✓	
Mission-Oriented Systems Engineering Services (MOSES)-Systems Development Center	EPA	100		✓	✓
Pittsburgh Energy Technology Center	DOE	20	✓		✓