Increasing investigations and reputational risks

Decreasing discretionary budget and runaway deficit

Intensifying political stalemate

Growing compliance requirements and restrictions

Changing government relationship with contractors

SAIC Addressable Market & Growth Strategies
Government Fiscal Environment

% of GDP

- National Defense
- Nondefense
- Mandatory and Net Interest

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M&A activity will continue, but no repeat of mid-90s consolidation

A&D Primes

IT / Services

Multi-Technology Mission Capability Integrators

Multi-Industry Players

System / Subsystem Providers

Potential fragmentation and realignment driven by OCI, search for growth

Commercial technology a bigger source of innovation

Commercial Tech Providers

Many players may aspire to the Mission Capability Integrator role
Lord Admiral Sir Jackie Fisher

“Gentlemen it appears that the money has run out… we now shall have to think!”.