

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer	
1 Issuer's name LEIDOS HOLDINGS, INC. (FKA SAIC, INC.)	2 Issuer's employer identification number (EIN) 20-3562868
3 Name of contact for additional information JOHN P. SWEENEY	4 Telephone No. of contact 571-526-6402
5 Email address of contact IR@LEIDOS.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 11951 FREEDOM DRIVE	
7 City, town, or post office, state, and Zip code of contact RESTON, VA 20190	
8 Date of action 09/27/2013	9 Classification and description COMMON STOCK
10 CUSIP number 525327102	11 Serial number(s)
12 Ticker symbol LDOS	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ON SEPTEMBER 27, 2013, AT 11:59 P.M., EASTERN TIME, LEIDOS HOLDING, INC. (FKA SAIC, INC.) (FEIN 20-3562868), A DELAWARE CORPORATION ("LEIDOS") DISTRIBUTED (THE "DISTRIBUTION") ITS OUTSTANDING SHARES OF COMMON STOCK OF SCIENCE APPLICATIONS INTERNATIONAL CORPORATION (FKA SAIC GEMINI, INC.) (FEIN 46-1932921), A DELAWARE CORPORATION ("NEW SAIC"), TO THE HOLDERS OF RECORD OF SHARES OF LEIDOS COMMON STOCK THAT WERE ISSUED AND OUTSTANDING AS OF 5:00 P.M. EASTERN TIME ON SEPTEMBER 19, 2013 (THE "RECORD DATE"). AS A RESULT OF THE DISTRIBUTION, EACH HOLDER OF RECORD OF SHARES OF LEIDOS COMMON STOCK AS OF THE RECORD DATE WAS ENTITLED TO RECEIVE ONE SHARE OF NEW SAIC COMMON STOCK FOR EVERY SEVEN OUTSTANDING SHARE OF LEIDOS COMMON STOCK HELD BY SUCH SHAREHOLDER AS OF THE RECORD DATE. LEIDOS SHAREHOLDERS RECEIVED OR WILL RECEIVE CASH IN LIEU OF ANY FRACTIONAL SHARE OF NEW SAIC COMMON STOCK RESULTING FROM THE DISTRIBUTION. IMMEDIATELY FOLLOWING THE DISTRIBUTION, LEIDOS EFFECTUATED A ONE-FOR-FOUR REVERSE STOCK SPLIT ("THE REVERSE STOCK SPLIT").

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE STATEMENT 1

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE CALCULATION OF THE CHANGE IN BASIS IS DETERMINED BY USING (I) THE POST-DISTRIBUTION VALUE OF A SHARE OF LEIDOS COMMON STOCK PRIOR TO THE REVERSE STOCK SPLIT, EQUAL TO THE NEW YORK STOCK EXCHANGE CLOSING PRICE OF \$44.15 PER SHARE OF LEIDOS COMMON STOCK ON SEPTEMBER 27, 2013, DIVIDED BY FOUR AND (II) THE POST-DISTRIBUTION VALUE OF THE FRACTIONAL SHARE OF NEW SAIC STOCK DISTRIBUTED WITH RESPECT TO EACH OUTSTANDING SHARE OF LEIDOS STOCK, EQUAL TO THE NYSE CLOSING PRICE OF \$35.25 PER SHARE OF NEW SAIC COMMON STOCK ON SEPTEMBER 27, 2013 DIVIDED BY SEVEN.
BASED ON SUCH AMOUNTS, THE RELATIVE VALUE OF THE SHARES OF LEIDOS AND NEW SAIC COMMON STOCK FOR WHICH A LEIDOS SHAREHOLDER MAY USE TO ALLOCATE HIS OR HER AGGREGATE TAX BASIS IN A SHARE OF LEIDOS COMMON STOCK TO HIS OR HER SHARES OF LEIDOS AND NEW SAIC IS AS FOLLOWS:
LEIDOS: (\$44.15/4)/((44.15/4)+(35.25/7)) = 68.67%.
NEW SAIC: (\$35.25/7)/((44.15/4)+(35.25/7)) = 31.33%.

Part II Organizational Action (continued)

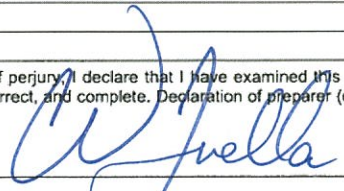

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

APPLICABLE LAW:

- I.R.C. SECTION 355(a)(1)
- I.R.C. SECTION 358(a), (b), and (c).
- I.R.C. SECTION 368(a)(1)(E)
- I.R.C. SECTION 356
- I.R.C. SECTION 302

18 Can any resulting loss be recognized? ▶ IN THE DISTRIBUTION, THE RECEIPT BY A LEIDOS SHAREHOLDER OF CASH IN LIEU OF FRACTIONAL SHARES OF NEW SAIC STOCK WILL BE TREATED FOR U.S. FEDERAL INCOME TAX PURPOSES AS IF THE FRACTIONAL SHARES HAD BEEN DISTRIBUTED TO A LEIDOS SHAREHOLDER AS PART OF THE DISTRIBUTION AND THEN DISPOSED OF BY SUCH SHAREHOLDER FOR THE AMOUNT OF SUCH CASH RECEIVED IN A SALE OR EXCHANGE FOR WHICH A LOSS MAY BE RECOGNIZED. IN THE REVERSE STOCK SPLIT, THE RECEIPT BY A LEIDOS SHAREHOLDER OF CASH IN LIEU OF FRACTIONAL SHARES OF LEIDOS COMMON STOCK WILL BE TREATED FOR US FEDERAL INCOME TAX PURPOSES AS IF THE FRACTIONAL SHARES HAD BEEN DISTRIBUTED TO A LEIDOS SHAREHOLDER AS PART OF THE REVERSE STOCK SPLIT AND THEN DISPOSED OF BY SUCH SHAREHOLDER FOR THE AMOUNT OF SUCH CASH RECEIVED IN A SALE OR EXCHANGE FOR WHICH A LOSS MAY BE RECOGNIZED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ FOR SHAREHOLDERS WHO REPORT TAXABLE INCOME BASED ON A CALENDAR YEAR END, THE REPORTABLE TAX YEAR IS 2013.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ▶ 	Date ▶	October 17, 2013	
	Print your name ▶ C. Vincent Quella		Title ▶ VP, Corp. Tax Director	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	JUSTIN FINEBERG		10/15/2013	PTIN P01509622
	Firm's name ▶ DELOITTE TAX LLP	Firm's EIN ▶ 86-1065772		Phone no. 703-251-1000
	Firm's address ▶ 1750 TYSONS BLVD MCLEAN, VA 22102-4219			

Statement 1

Attachment to Form 8937 *Reporting of Organizational Actions Affecting Basis of Securities*

Leidos Holdings, Inc. (f/k/a SAIC, Inc.)
EIN: 20-3562868

Part II - Line 15

As a result of the Distribution, Leidos shareholders are required to allocate the aggregate tax basis in their shares of Leidos common stock held immediately before the Distribution among the shares of New SAIC common stock received in the Distribution and their shares of Leidos common stock. In general, a shareholder's aggregate tax basis in his or her shares of Leidos common stock held immediately prior to the Distribution should be allocated in proportion to the relative fair market value of the New SAIC common stock and the Leidos common stock held after the Distribution under Internal Revenue Code section 358. Shareholders that acquired Leidos common stock at different times or different prices will need to calculate their tax basis in each block of Leidos common stock and then allocate the basis in separate blocks of Leidos stock to separate blocks of New SAIC common stock.

As a result of the Reverse Stock Split, a Leidos shareholder's tax basis in a share of Leidos common stock will generally equal four times the amount of tax basis in a share of Leidos common stock held immediately after the Distribution but prior to the Reverse Stock Split. Shareholders that acquired Leidos common stock at different times or different prices must calculate their tax basis in each block of Leidos common stock and then allocate the basis in separate blocks of Leidos common stock held immediately after the Distribution to separate blocks of Leidos common stock held immediately after the Reverse Stock Split.