

UniCredit
German Investment Conference
2008



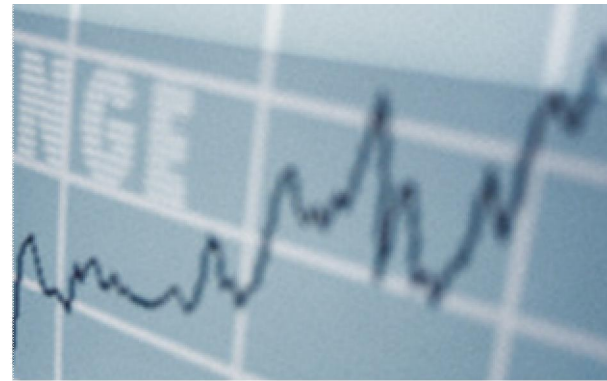
Werner Brandt
CFO, Member of the Executive Board
SAP AG

Munich, September 24, 2008

Safe Harbor Statement

Any statements contained in this document that are not historical facts are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “project,” “predict,” “should” and “will” and similar expressions as they relate to SAP are intended to identify such forward-looking statements. SAP undertakes no obligation to publicly update or revise any forward-looking statements. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect SAP’s future financial results are discussed more fully in SAP’s filings with the U.S. Securities and Exchange Commission (“SEC”), including SAP’s most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates.

Agenda



SAP

- 1. SAP Overview**
2. Q2 and H1 2008 Performance
3. Executing On SAP's Growth Strategy
4. Enterprise Support
5. 2008 – 2010 Midterm Strategy

SAP – The World’s Leading Provider of Business Application Software



The world’s leading provider of business application software

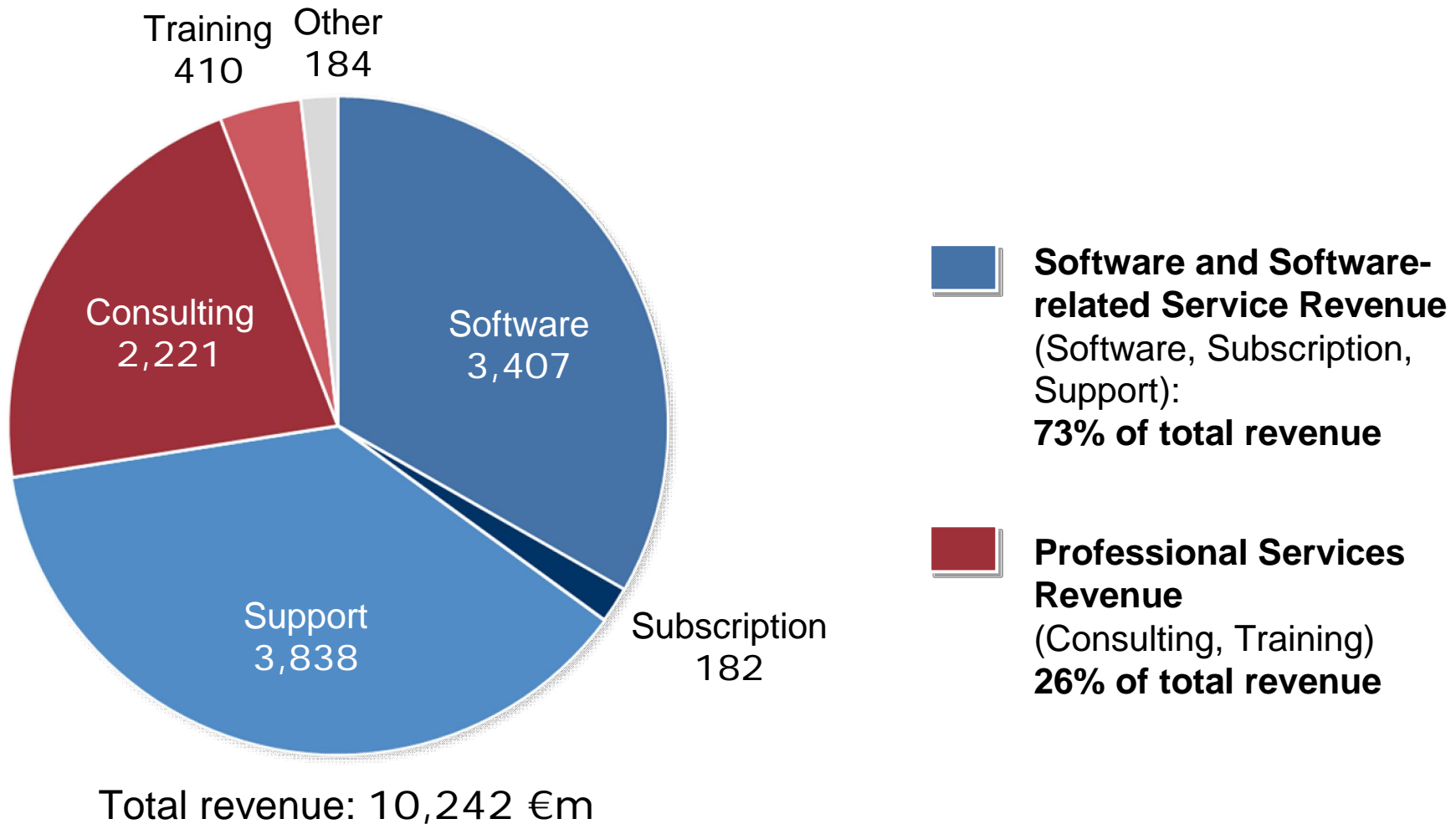
- ~75,000 customers in 120 countries
- Broad global reach provides regional balance and a greater addressable market
- Sustained double digit organic growth along with continued peer group share gains

Robust growth with most diversified product portfolio enabled by a fully integrated technology platform

- Leading product and technology innovation with ~15,000 developers
- First to market with next generation enterprise SOA architecture – multi year lead over peers
- Deepest industry functionality with more than 25 industry solutions

Full-Year 2007 Revenue Breakdown

SAP Has a Strong Recurring Revenue Base



* All figures from continuing operations in € million

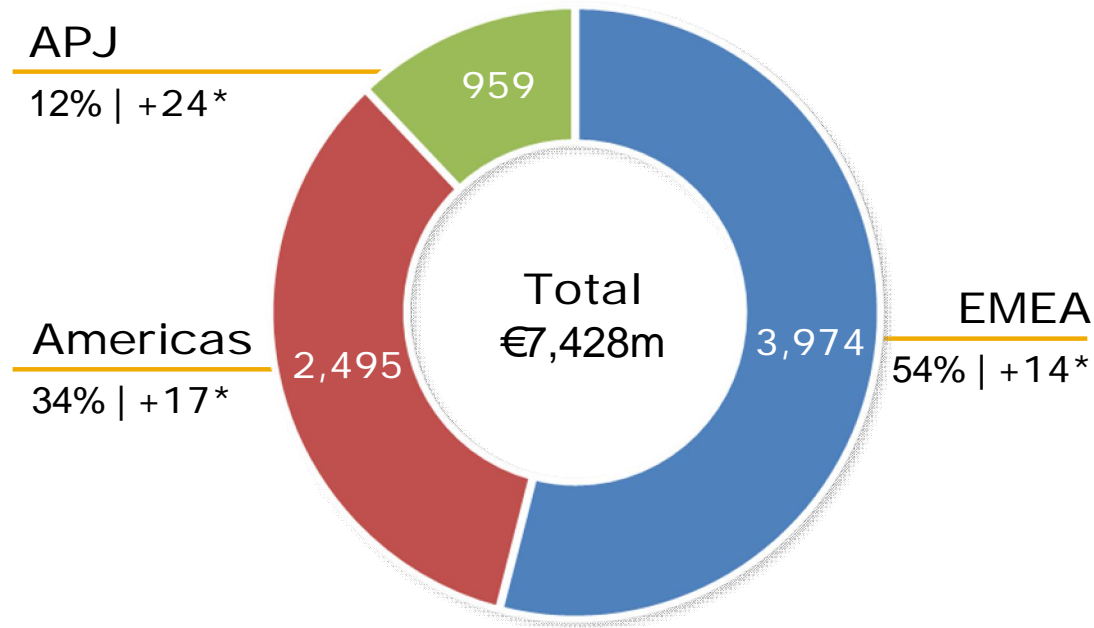
Broad Global Reach Provides Regional Balance



FY 2007:

Double-digit growth in all regions

- **EMEA:** Outstanding performances in Russia, France, Germany and the Nordics
- **Americas:** Brazil and Mexico were drivers – high double-digit growth*
- **APJ:** Remains a growth engine for SAP, including robust Japan



in €million | in percent of Software and software related service revenue | change compared to FY2006

SAP Offers the Deepest Industry Functionality



Balanced growth across established and focus Industries

- Oil & Gas, Consumer Products, Utilities, Banking and Retail top performers

Banking

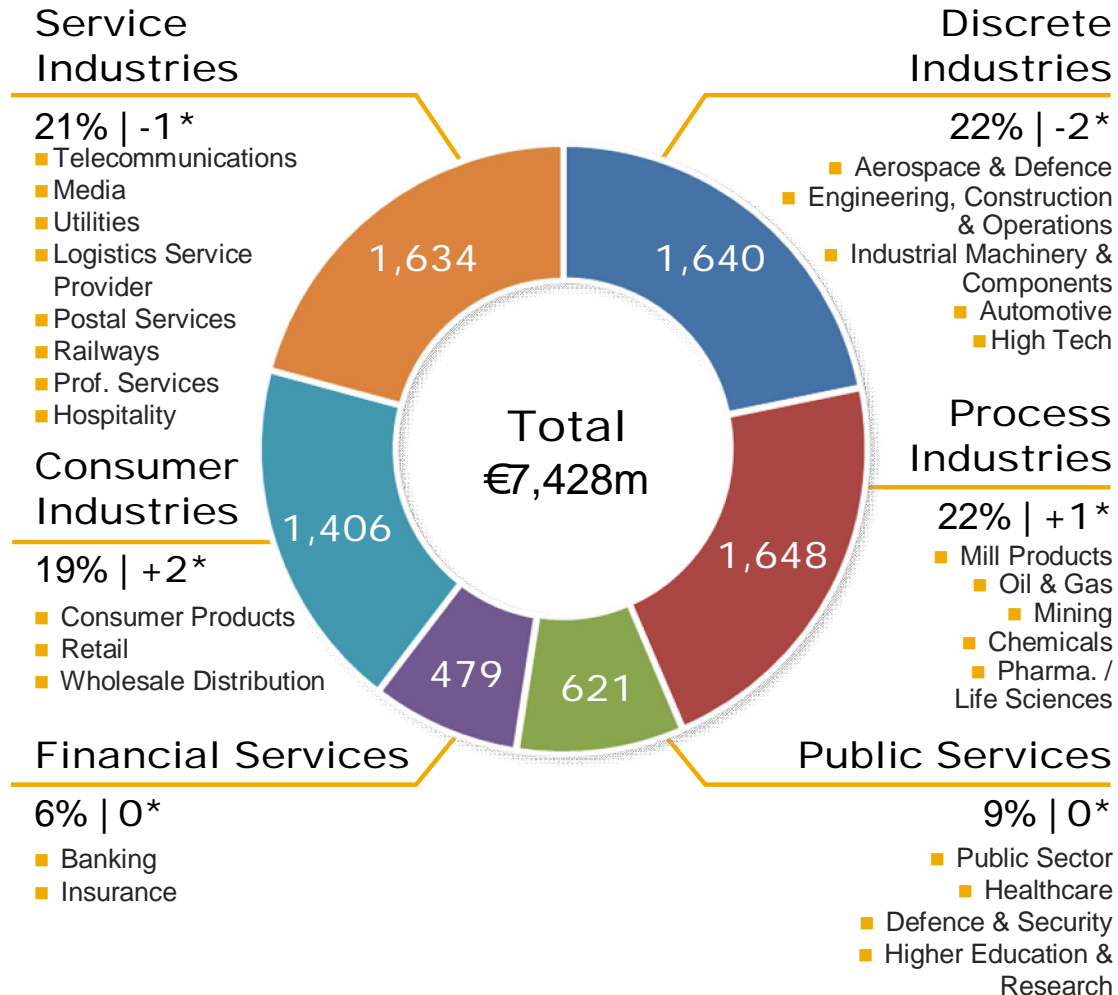
- Selected customer wins: Bank of America, Nationwide, Lloyds TSB, ATB Financial

Public Services

- U.S. Postal goes live with landmark HR system - provides HR services to nearly 700,000 employees. Other customers include State of Hessen, City of Paris, MIT, NASA.

Retail

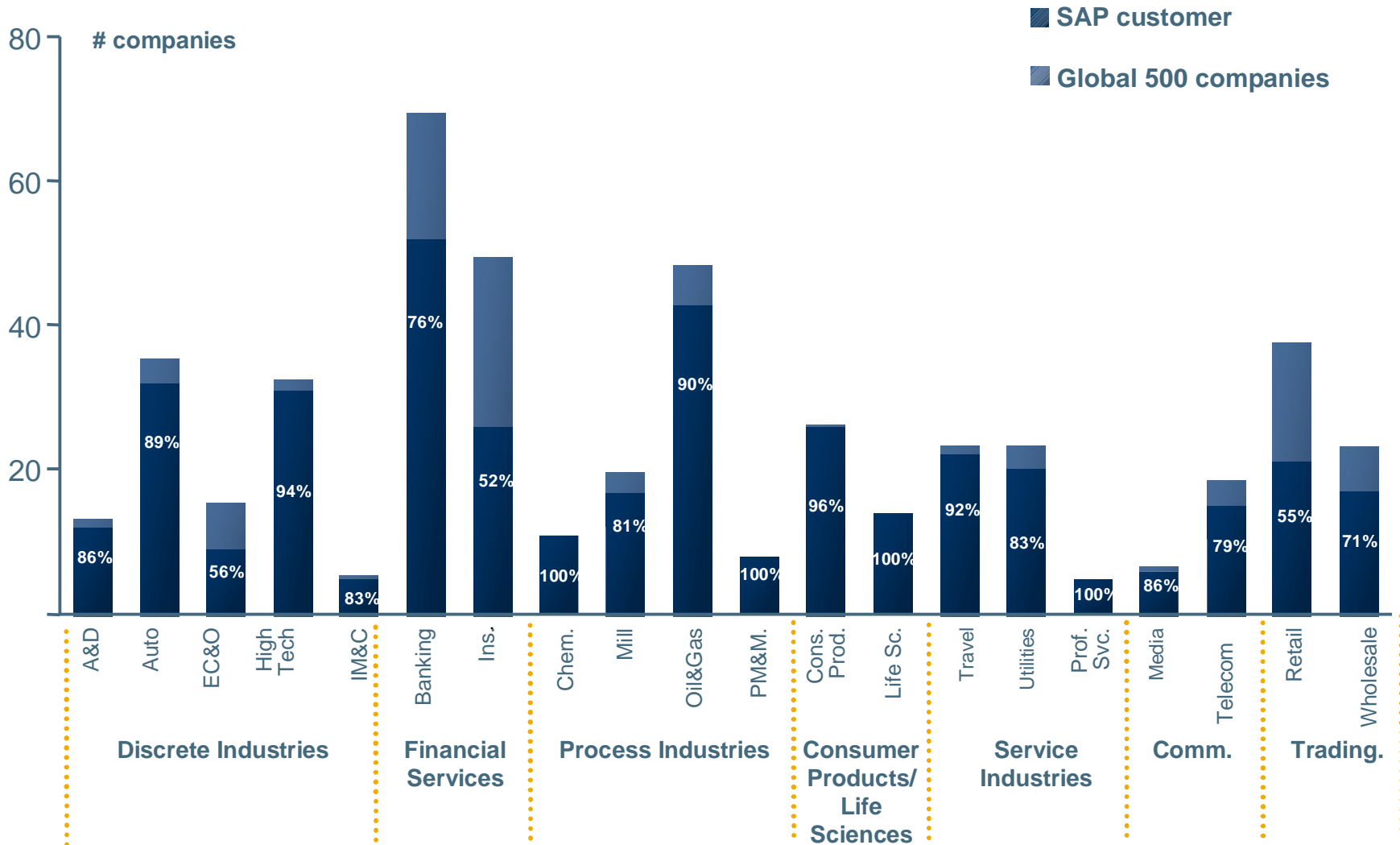
- Strong double-digit growth in 2007, license revenues more than doubled in last three years



in €million | in percent of SSRS revenue | change compared to FY2006

* at constant currency

SAP Constantly Increased The Number of Accounts Within the Fortune 500 Companies



Note: Public Services accounts are not considered in the Global 500 analysis, Source: *Fortune Magazine*, Global 500 2007; SAP internal analysis

Growth Opportunities – Large Enterprise and SME



Go-to-market		Customer segment	
Large Accounts	Direct	Large Enterprises (> 2,500 employees) ~\$30 billion market	Established Business
	Hybrid	Upper Midsize (500 - 2,500 employees) ~\$15 billion market	
SME	TCE	Lower Midsize (100 - 500 employees) ~\$15 billion market	New Business
	Solely indirect	Small Businesses (5 - 100 employees) ~\$15 billion market	Established Business



SAP Business Suite
SAP ERP 6.0



SAP ERP 6.0
SAP Business All-in-One

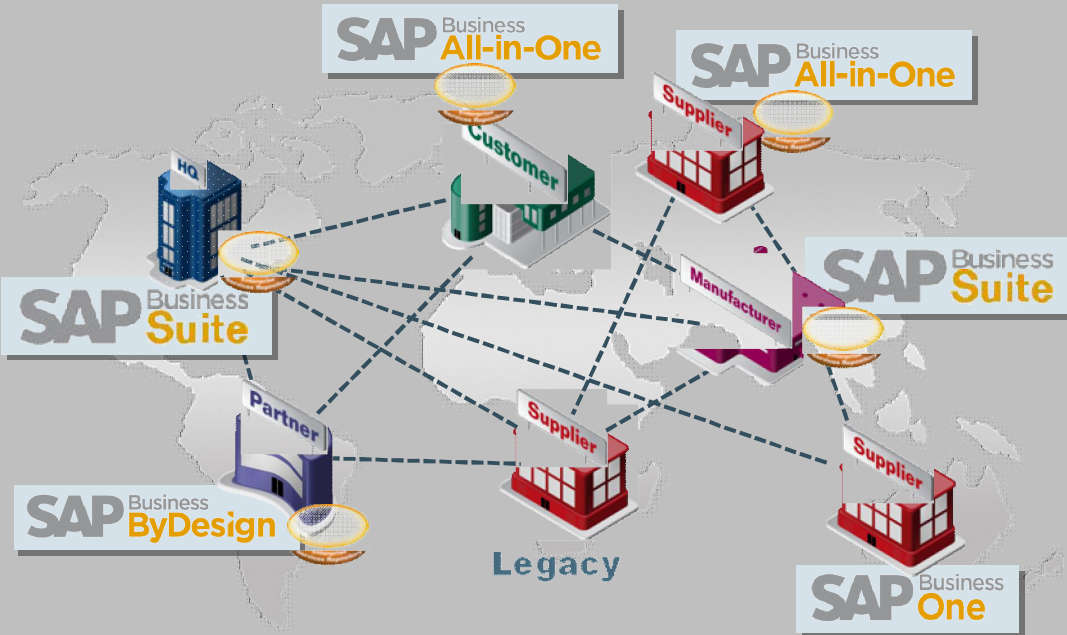


SAP Business ByDesign



SAP Business One

SAP Helps Companies of all Sizes to Run their Business Networks



LARGE

SAP Business Suite

MIDSIZE

SAP Business All-in-One

SAP Business ByDesign

SMALL

SAP Business One

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18th Consecutive Quarter of Double-Digit Growth

- +32%* Non-GAAP software and software related service revenues growth
- +34%* Non-GAAP software revenues growth
- +16%* SAP stand-alone Non-GAAP software and software related service revenues growth
 - Solid execution in almost all areas of the business
 - Established business continued to show strength
 - Volume business in the midmarket continued to grow
- Business Objects was a key contributor to the overall growth for the quarter
- Non-GAAP operating margin increased 50bp* (+120bp* excluding one-time effects)
- Another quarter of strong share gains against competitors
- Company refined guidance to reach upper end of range

Maintained competitive strength in all geographies and market environments

- 80%+ win rate against next largest competitor

Core industries continued to perform well

- Discrete +32% | Process +31% | Service +32%

*at constant currency

Financial Highlights

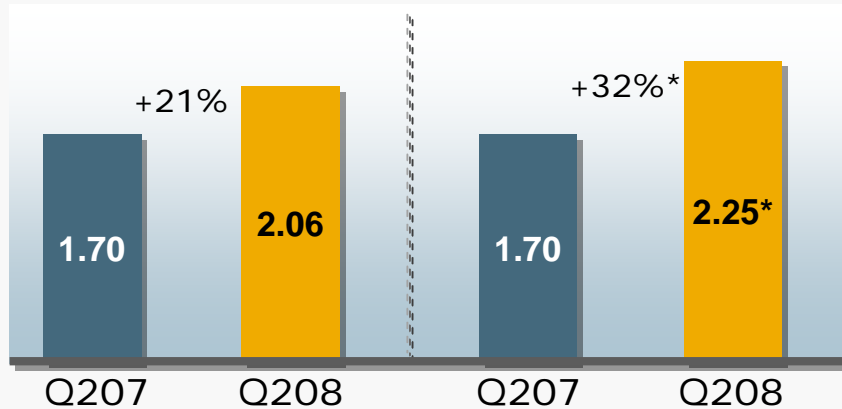
Second Quarter 2008



SW & SW-Related Serv. Revenue (€bn)

U.S. GAAP

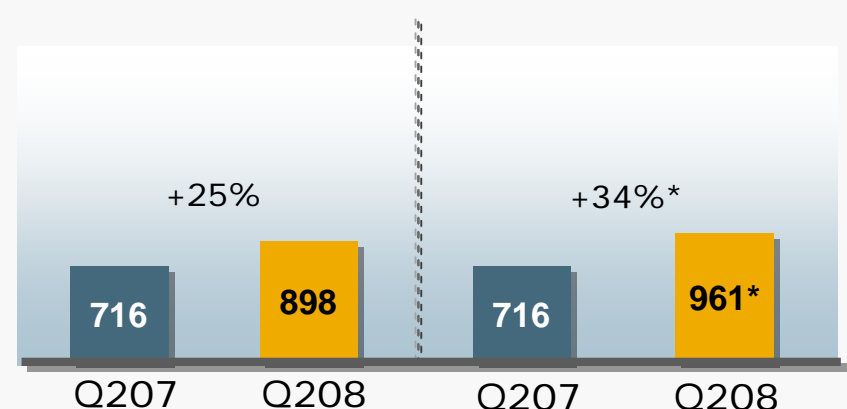
Non-GAAP



Software Revenue (€millions)

U.S. GAAP

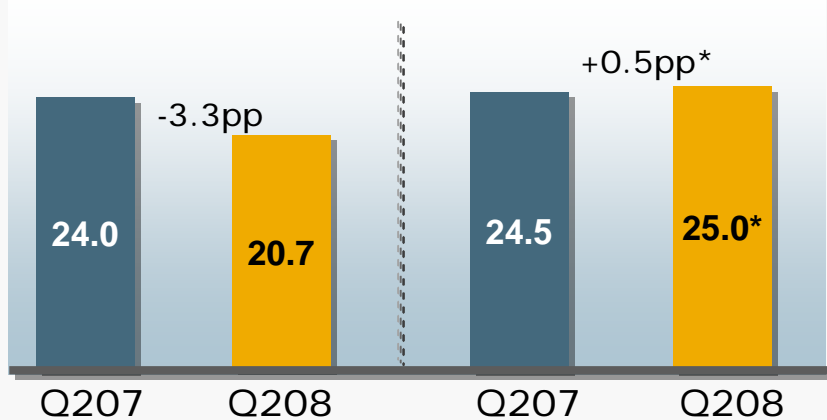
Non-GAAP



Operating Margin (in %)

U.S. GAAP

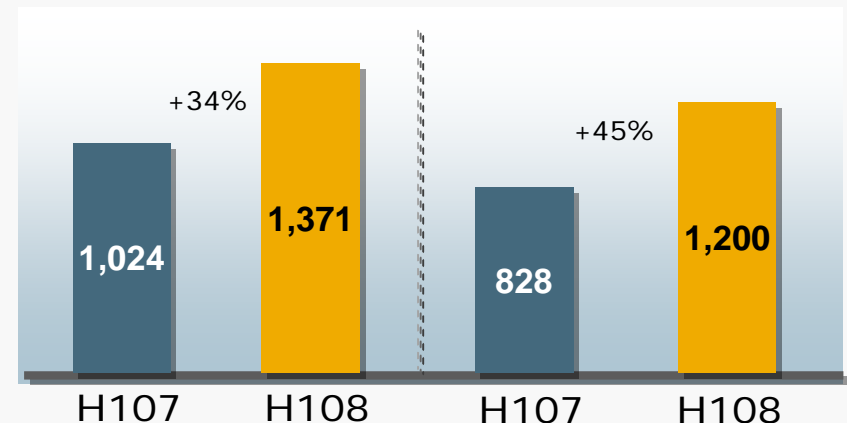
Non-GAAP



Cash Flow (€millions)

Operating Cash Flow

Free Cash Flow






*at constant currencies (according to guidance format)



Revenue synergies: Cross-selling is working as expected

- Strong Business Objects performance across geographies and customer segments
 - Business Objects contributed half of SAP's 32%* SSRS revenue growth
- Detailed product roadmap provides investment protection for customers
- First SAP customers have started to standardize their BI solution landscapes on Business Objects
- SAP to leverage Business Objects' strong presence in battleground industries and its midmarket sales channel

Cost Synergies: Organizational integration on track

- Alignment of go-to-market model 
- Alignment of infrastructure 
- Full alignment and integration of product portfolios started 

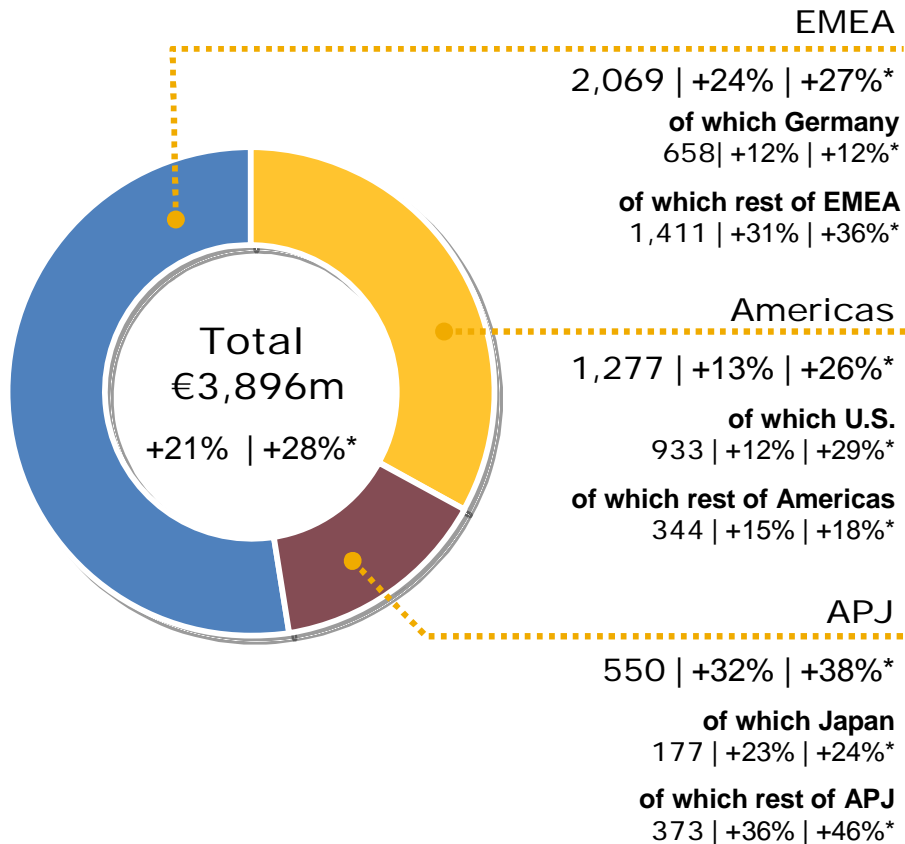
Non-GAAP Revenue Breakdown by Region**

First Half Year 2008

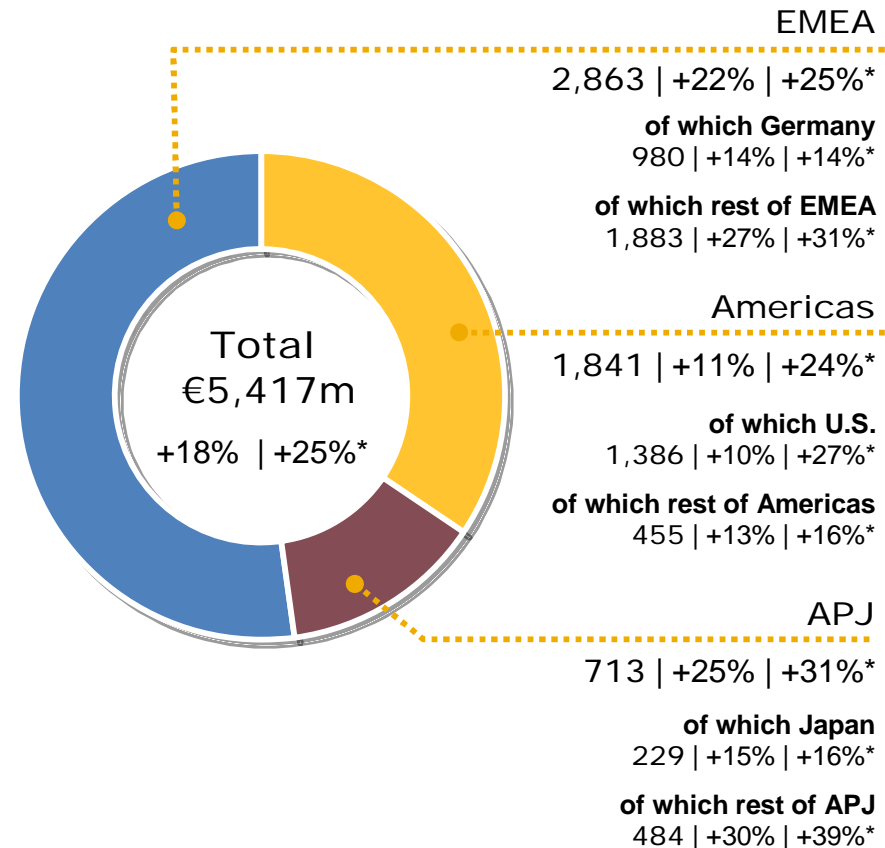


€millions | yoy percent change | yoy percent constant currency change

Software and software-related service revenue by region**



Total revenue by region**

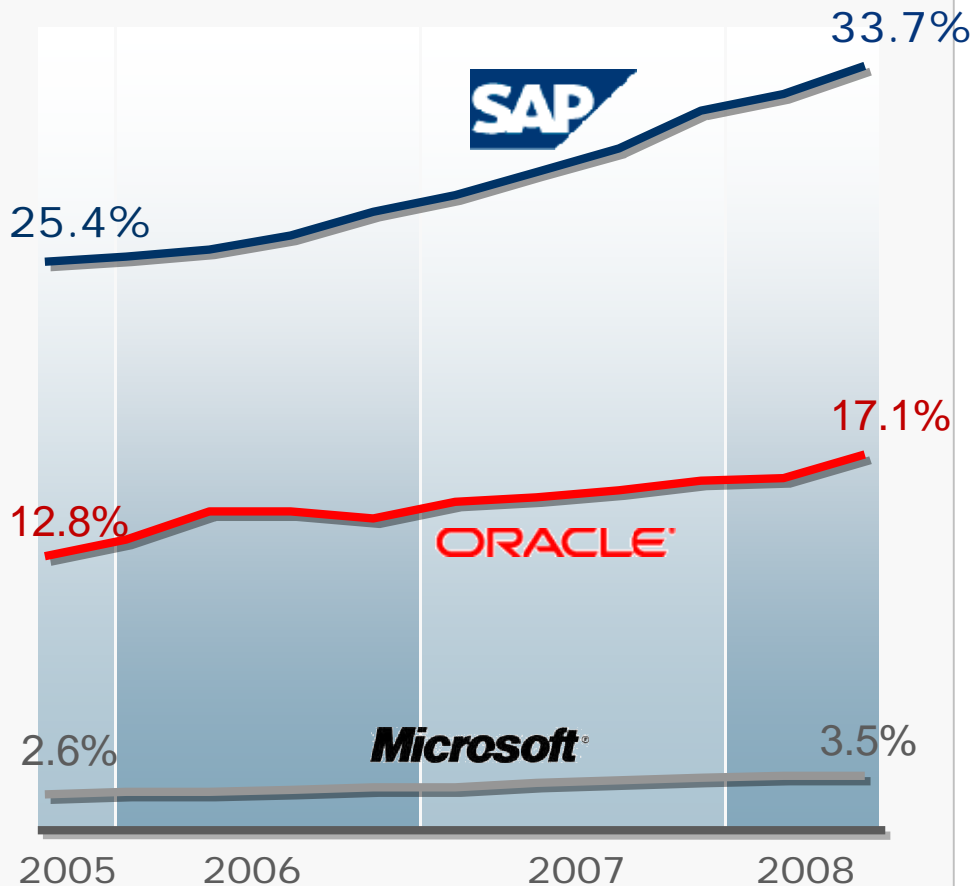


* % currency adjusted – actuals 2008 converted with the exchange rates of 2007 / ** location of customers

Continued Strong Share Gains Through Acquisition and Organically



SAP Global Share - \$38.1bn Market*



SAP gained share for the 10th Consecutive Quarter Globally

■ **+1.1 PP (sequentially in Q2 2008)**

Year on year 7.7 PP

■ **+4.5 PP (organically)**

■ **+3.2 PP (acquisition)**

* Relevant Enterprise Application Software & Software Related Services Market

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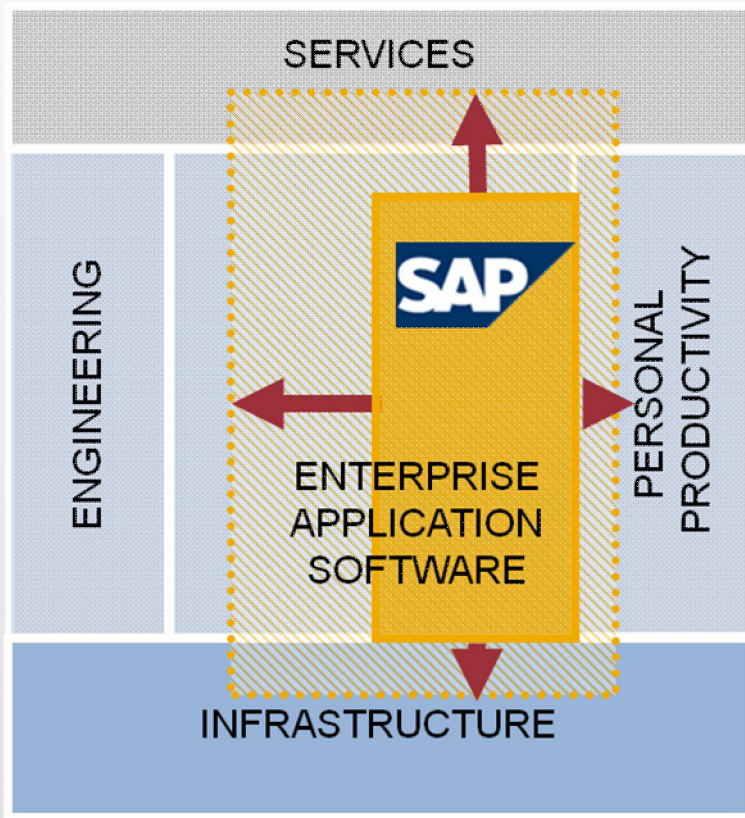
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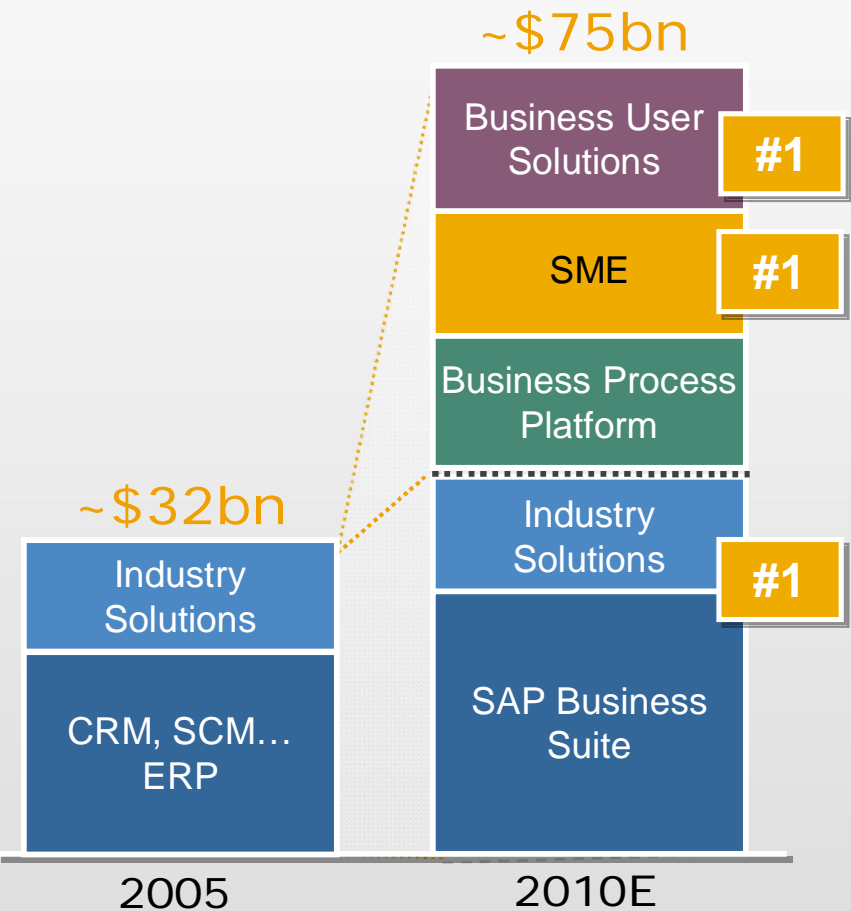
Executing on SAP's Growth Strategy



Double SAP's Addressable Market



~50% of SAP's Order Entry from New Products in 2010



Product Offering for Large Customers Expanded



Business User Solutions

✓ 11,500+ ERP6.0 customers, thereof ~7,200 productive (+500 p.m.)

SME

✓ Three successfully shipped enhancement packages (EhP) prove SAP's unique technology of non-disruptive software delivery

Business Process Platform

✓ Rapid growth in focus industries

✓ SAP CRM 2007 successfully shipped

Industry Solutions

SAP Business Suite



Any SAP customers intending to implement or upgrade any time in the next 12 to 18 months should look no further than [SAP] CRM 2007."

AMR Research

Continuous Innovation

EhP

EhP

EhP

SAP Business Suite

ERP

CRM

PLM

SCM

SRM

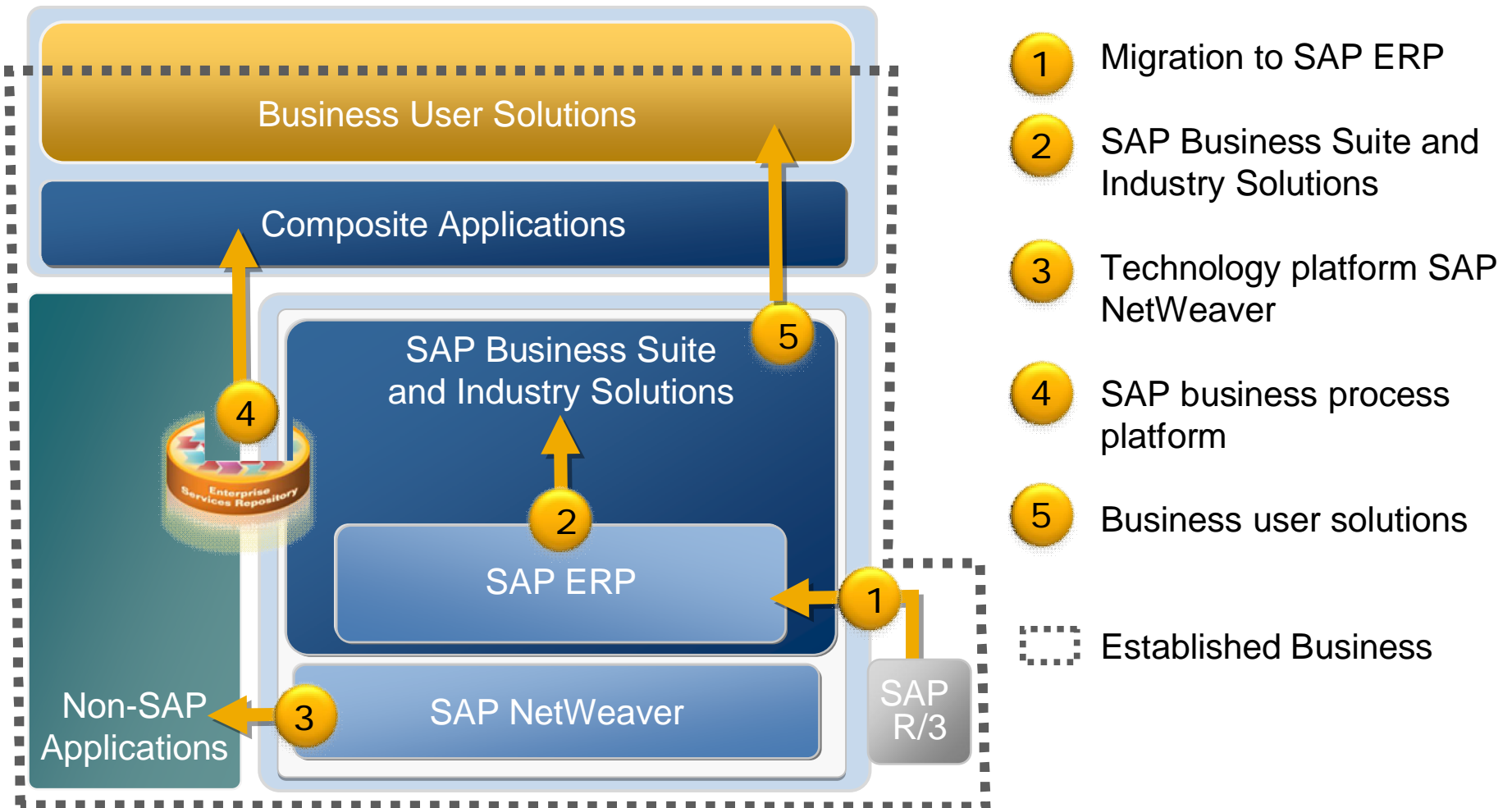
SAP NetWeaver 7.0

Stable Core

Future Growth Opportunities in the Established Business



Platform Adoption Creates Up-Sell Opportunities in SAP's Large Customer Base



Enterprise SOA Delivered, Mass Adoption of Business Process Platform is Under Way



Business User Solutions

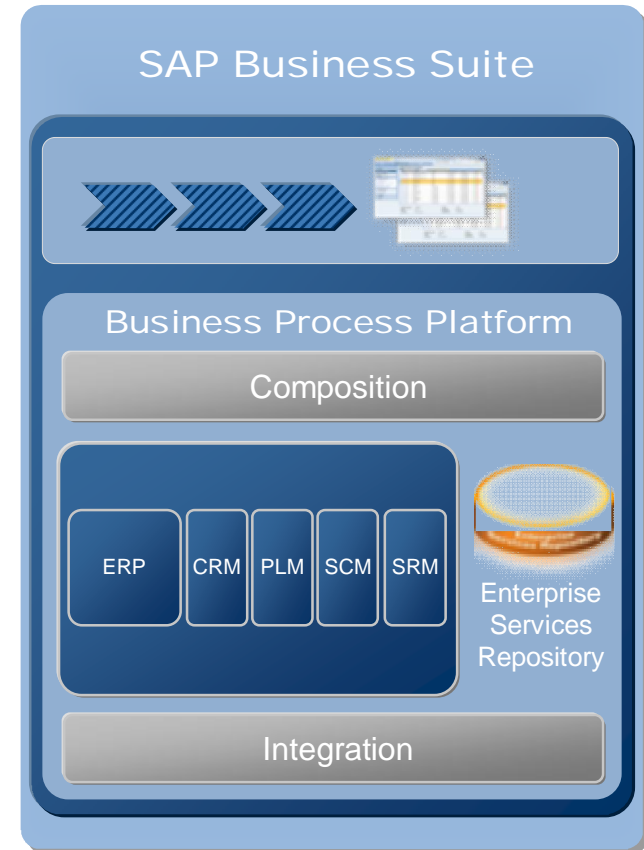
SME

Business Process Platform

Industry Solutions

SAP Business Suite

- ✓ **Product portfolio transformed**
 - SAP Business Suite on business process platform
 - SAP Business All-in-One on business process platform
- ✓ **Composition**
 - SAP NetWeaver Composition Environment available
- ✓ **Enterprise SOA**
 - Road map completed
 - 170+ reference accounts
 - 2,000+ enterprise services available
- ✓ **Momentum in SAP NetWeaver**
 - 42,800+ productive systems (+1,000 p.m.)
 - 20% increase* in total software revenue to **€1.1bn**
 - Standalone software revenue grew* 49% to **€404m**



*rolling four quarter basis year over year

Product Portfolio for Small and Midsize Enterprises Completed



Business User Solutions	SAP Business One	SAP Business ByDesign	SAP Business All-in-One
SME	Single Business Application	Complete, Adaptable	Configurable and Extensible
Business Process Platform	<ul style="list-style-type: none"> ■ 19,850 customers ■ +5,200 customers yoy 	<ul style="list-style-type: none"> ■ 150 customer engagements ■ New business model 	<ul style="list-style-type: none"> ■ 12,200 customers ■ +2,000 customers yoy
Industry Solutions	<ul style="list-style-type: none"> ■ +35% customer growth yoy 	<ul style="list-style-type: none"> ■ Focus on six key markets ■ 5,500 registrations 	<ul style="list-style-type: none"> ■ +20% customer growth yoy
SAP Business Suite	<ul style="list-style-type: none"> ■ +2,110 partners (VAR) 		

SAP is the undisputed market leader in SME with 36% share

Business Objects Strengthens the Entire SAP Product Portfolio



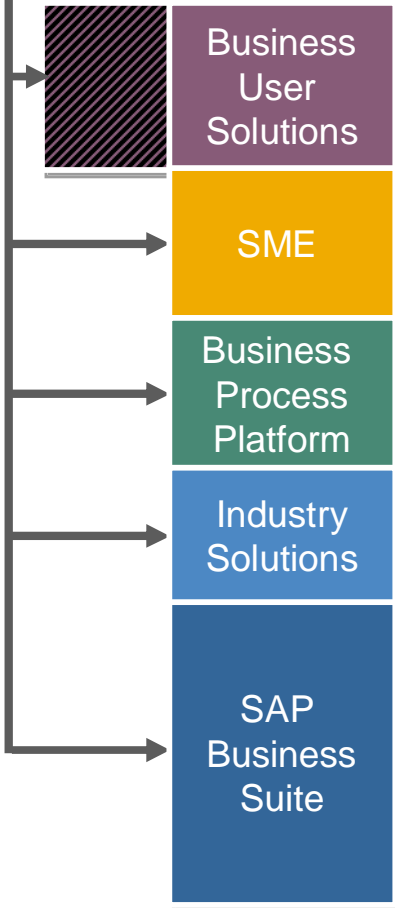
Business User Solutions

SME

Business Process Platform

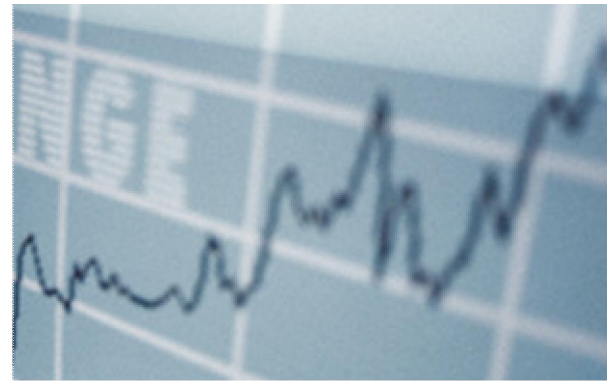
Industry Solutions

SAP Business Suite



- Expand #1 position, continue to sell to non-SAP accounts
- Bring closed-loop business performance optimization to SAP customers
- Embed analytic capabilities in SAP's mid-market product portfolio
- Leverage Business Objects' mid-market channel
- Complement SAP's business process platform with a data source-agnostic business intelligence platform
- Leverage strong Business Objects presence in battleground industries (e.g. financial services, retail)
- Further increase attractiveness of SAP Business Suite with embedded, operational analytics

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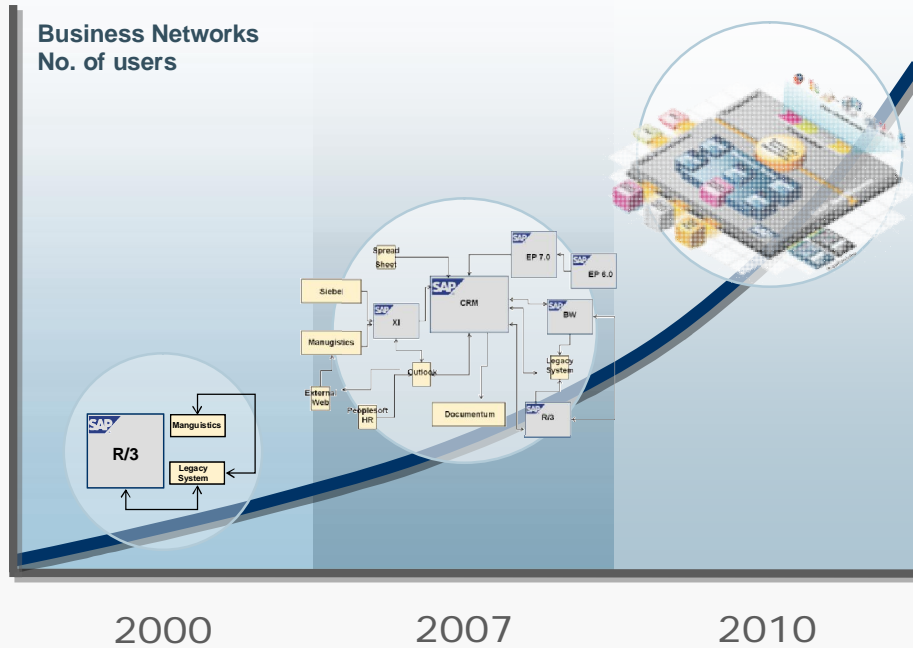


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» INCREASED SAP LANDSCAPE INTEGRATION

Business Networks
No. of users



- Every customer has **mission-critical applications** along with integration needs
- **SAP landscapes** become **more sophisticated** the more comprehensive & integrated they are
- SAP provides **advanced support options** to manage innovation and integration, risk and TCO

Managing high speed of innovation and integration, risk and total cost of operations is at the heart of SAP Enterprise Support

SAP Enterprise Support Services Compared to the Retired SAP Standard Support Option



	SAP Enterprise Support	SAP Standard Support
Extended maintenance for SAP® R/3® 4.6C and SAP R/3 4.7 included, providing additional time to implement end-to-end solution operations	✓	
Continuous quality checks (CQCs) as proactive technical quality assessments during implementation, operation, and upgrades	✓	
Support advisory center (7x24) as a direct communication channel to SAP, handling important inquiries concerning consulting, support, and scheduling CQCs	✓	
Service level agreement covering priority one and two customer messages along with top priority one issues (like a go-live showstopper)	✓	
SAP Solution Manager, enterprise edition, with extended functionality for deployment, operation, and continuous improvement and innovation of SAP solutions	✓	Standard edition
Advanced innovation support for SAP enhancement packages and support packages to activate additional functionality and avoid conflicts with customer-specific code and modifications	✓	
End-to-end quality management standards and support for customer centers of expertise to establish a single source of truth and validate customer developments related to data integrity, performance, and transactional security	✓	
Continuous improvement and innovation like software upgrades, technology updates, legal changes, and access to source code	✓	✓
Problem resolution with global message processing for customer messages of priority one and 24x7 access to the SAP Notes service	✓	✓
Knowledge transfer as part of the community using the SAP Service Marketplace extranet and with specialized offerings for SAP Customer Competence Center locations	✓	✓
Quality management with implementation tools and methodology, the standard edition of the SAP Solution Manager application management solution, and monitoring by the SAP EarlyWatch® Alert service	✓	✓

Bringing SAP Enterprise Support to the Entire Customer Base



Support Service

Approach

New Customers	Enterprise Support	22% mandatory from February 1, 2008
Additional Licenses	Enterprise Support	22% mandatory from July 5, 2008
Migration Contract	Enterprise Support	22% mandatory from July 5, 2008 (for full contract value)
Installed Base	Enterprise Support	Price adjusted by 8% p.a. (or lower contractual commitment) to 22% over time from January 1, 2009
2008 Deals (1st HY, existing customers)	Enterprise Support	Price adjusted by 8% p.a. (or lower contractual commitment) to 22% over time from January 1, 2010
Large Customers	Product Support for Large Enterprises (pricing at 17%)	Applicable for very large customers who typically have MaxAttention contracts (approx. 120 customers worldwide)

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SAP's Growth Strategy

Mid-Term Goals



Established Business

The foundation of SAP's business – highly profitable, organic growth

- Further double-digit software and software related service revenue growth at constant currencies, continuously outperform market
- Further operating margin expansion

SAP Business ByDesign

Organic entry into untapped market, innovative volume business model

- Alternative deployment options
- 2008: ~€100 million accelerated investments
- 2009: No more accelerated investments
- Mid-term revenue potential of ~US\$1bn

Business User Solutions

New business around Business Objects, an SAP company

- 2008: Organizational integration and product road map
- 2008-2010: Grow significantly faster than established business

Leverage new business investments for the established business



Aiming to rapidly move new business operating margins to levels achieved in the established business

SAP Is Well Positioned For Further Profitable Growth



- Established business expected to continue to deliver double-digit growth (software and software related services revenues at constant currencies)
 - Strong customer base migration to SAP ERP 6.0 provides a foundation for further up-selling opportunities
 - Rapid SAP NetWeaver adoption delivers revenues today and provides a base for accelerated ecosystem related revenue contribution in the future
- Additional growth opportunities from new businesses
 - Acquisition of Business Objects expands SAP's product portfolio, creates access to new buying centers and improves competitiveness in battleground industries
- Top-line growth accompanied by expansion of Non-GAAP operating margin
 - Expected Non-GAAP operating margin growth in 2008: 120 – 170 basis points (at constant currencies), target range 28.5% - 29.0%, Company expects to reach the upper end of the range*
 - New maintenance offering “SAP Enterprise Support” to deliver additional, profitable support revenue stream



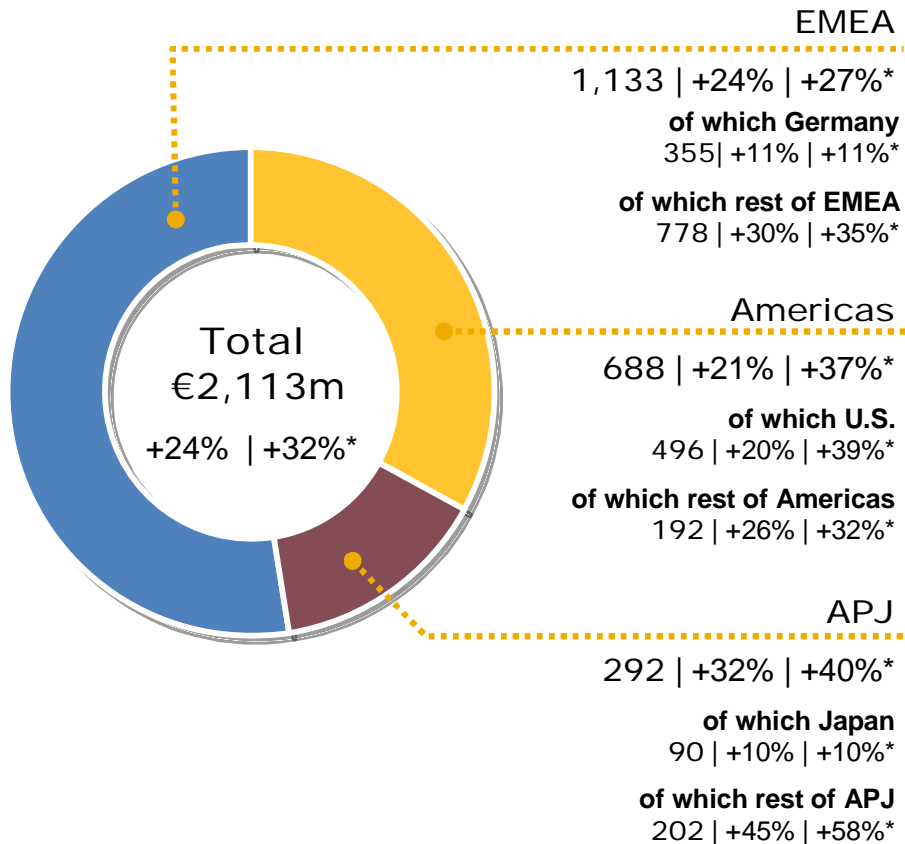
Non-GAAP Revenue Breakdown by Region**

Second Quarter 2008

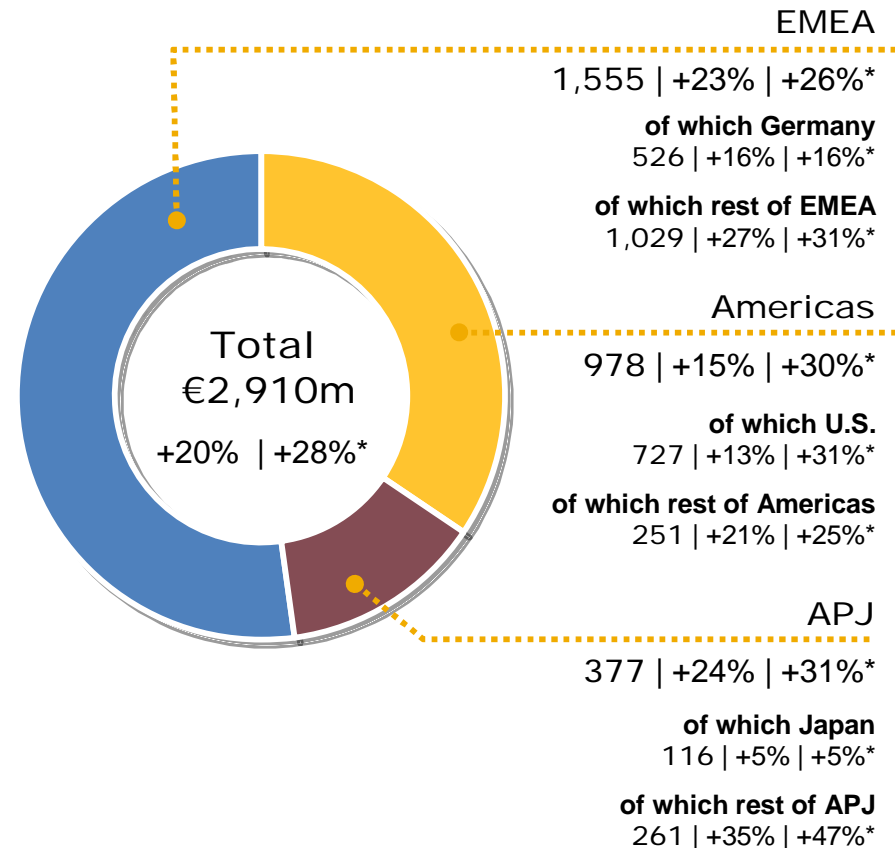


€millions | yoy percent change | yoy percent constant currency change

Software and software-related service revenue by region**



Total revenue by region**

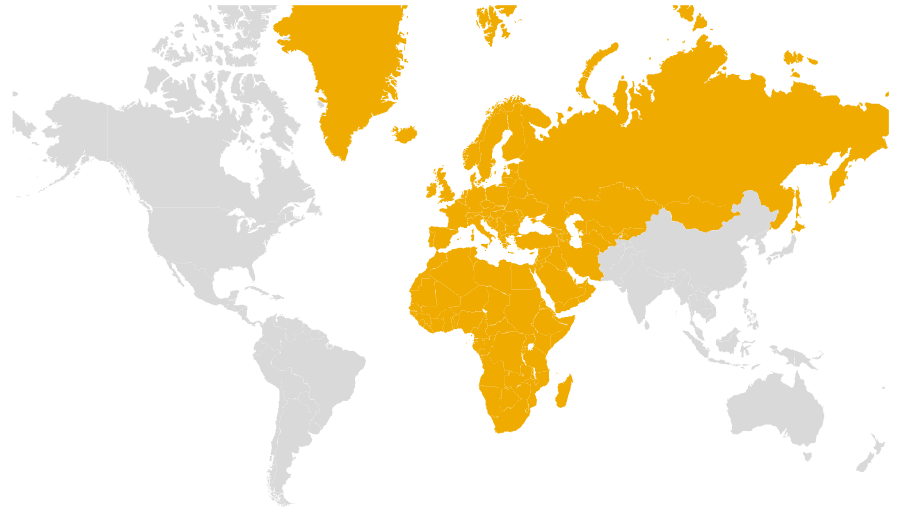


* % currency adjusted – actuals 2008 converted with the exchange rates of 2007 / ** location of customers

EMEA

Non-GAAP software and software related service revenues
Q2 2008: +27%*

- Market environment remained sound
- Solid quarter on top of strong performance one year ago
- Business Objects helping to drive pipeline and deal closings
- Germany: Non-GAAP software and software related service revenues for Q2: +11%
- In non-Germany EMEA: Outstanding performances in U.K., Nordics and Italy



Select Customer Wins

- ➔ Carlsberg Breweries A/S, Comet Group Plc, Fiat Services S.p.A., GDF SUEZ, Saudi Electricity Company (SEC), Brenntag Holding GmbH, Liquigas S.p.A. and Dansk Supermarked A/S

Asia Pacific Japan

Non-GAAP software and software related service revenues
Q2 2008: +40%*

- Another outstanding quarter – APJ remains a growth engine for SAP
- Market environment is strong
- Japan: weaker than expected due to execution issues that are being addressed - Non-GAAP software and software related service revenue +10%*
- China and India high double-digit growth rates
- Non-Japan APJ - Non-GAAP software and software related service revenue +58%*



Select Customer Wins

- China Petroleum & Chemical, Neptune Orient Lines Ltd, India Oil and Natural Gas Corporation, China Central Television, MOCHIDA PHARMACEUTICAL CO., LTD. and Essel Group.

Americas

Non-GAAP software and software related service revenues
Q2 2008: +37%*

- Good demand for SAP solutions
- U.S.: Non-GAAP software and software related service revenues for Q2: +39%*
 - Execution in U.S. was good especially against competitors as customers continue to consolidate on SAP
 - Business Objects had tremendous traction in the market
 - The midmarket remained a solid growth area with good overall transaction volume
- Continued strength in Latin America and Canada; Brazil again a standout in the LA in the second quarter



Select Customer Wins

- ➔ Brown Shoe Company, Freeman, Marisa Lojas Varejistas Ltda, The City of Edmonton, H.J. Heinz Company, Hallmark Cards, Inc. and Smurfit-Stone Container Corporation.

*at constant currency