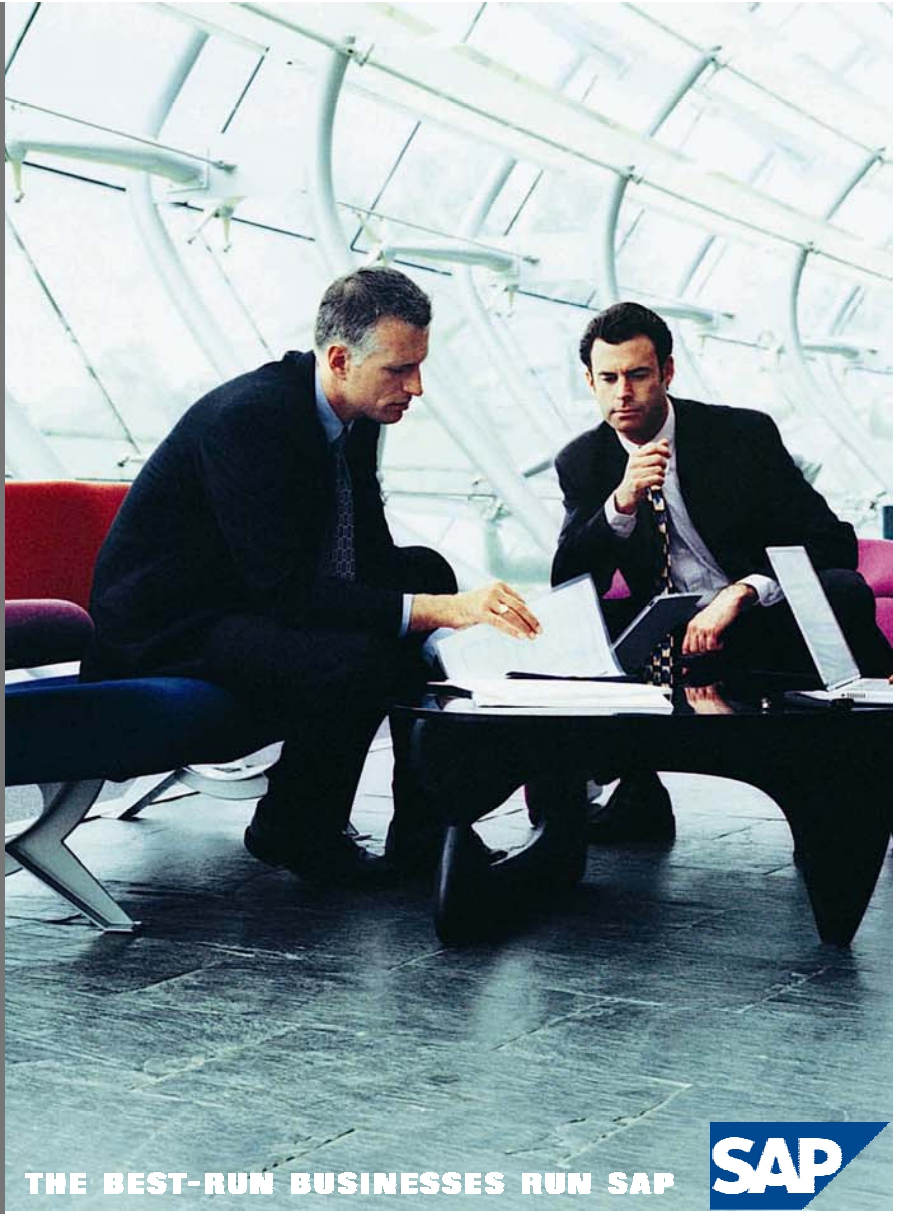
Commerzbank
9th German Technology & Telecoms Conference

Frankfurt, August 25, 2009

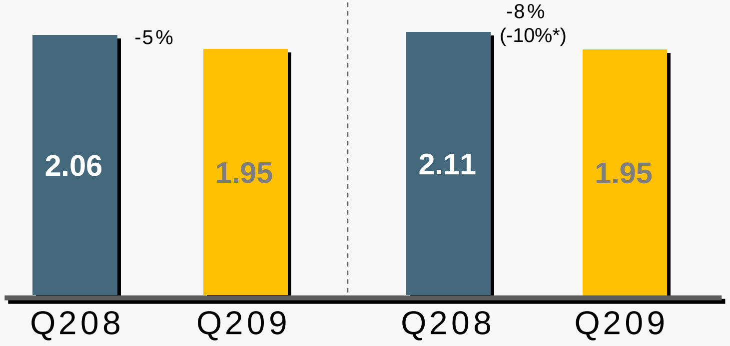


Andreas Naunin
Head of SME, SAP Germany and
Member of the Management Board, SAP Germany

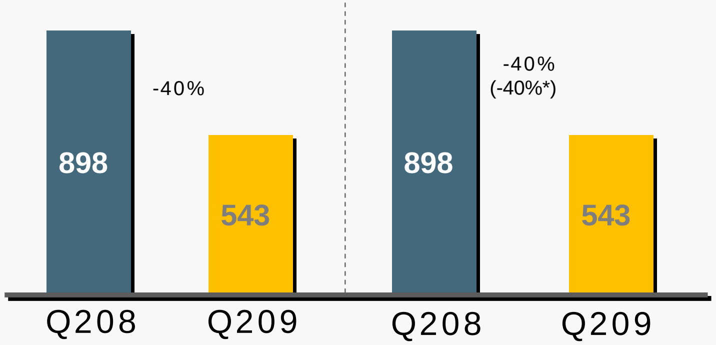
SAP

Key Figures Second Quarter 2009

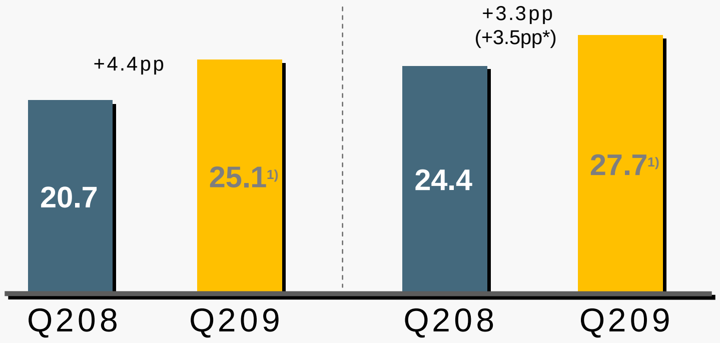
SW & SW-Related Serv. Revenue (€ bn)
U.S. GAAP Non-GAAP



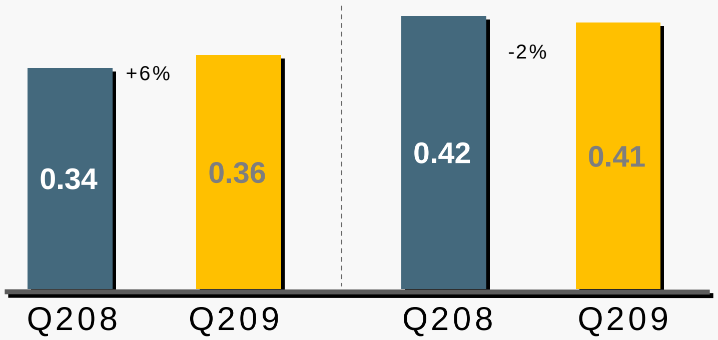
Software Revenue (€ millions)
U.S. GAAP Non-GAAP



Operating Margin (%)
U.S. GAAP Non-GAAP



Basic EPS from Cont. Operations (€)
U.S. GAAP Non-GAAP



* at constant currencies

1) includes negative effect of 0.2pp from Q2 2009 restructuring charges of €5 million

Who is SAP?

SAP
The World's Leading Provider of Business Application Software

The world's leading provider of business application software

- ~89,000 customers in 120 countries
- Broad global reach provides regional balance and a greater addressable market
- Undisputed market leader
- Recognized global brand (31st most valuable brand on a global basis)

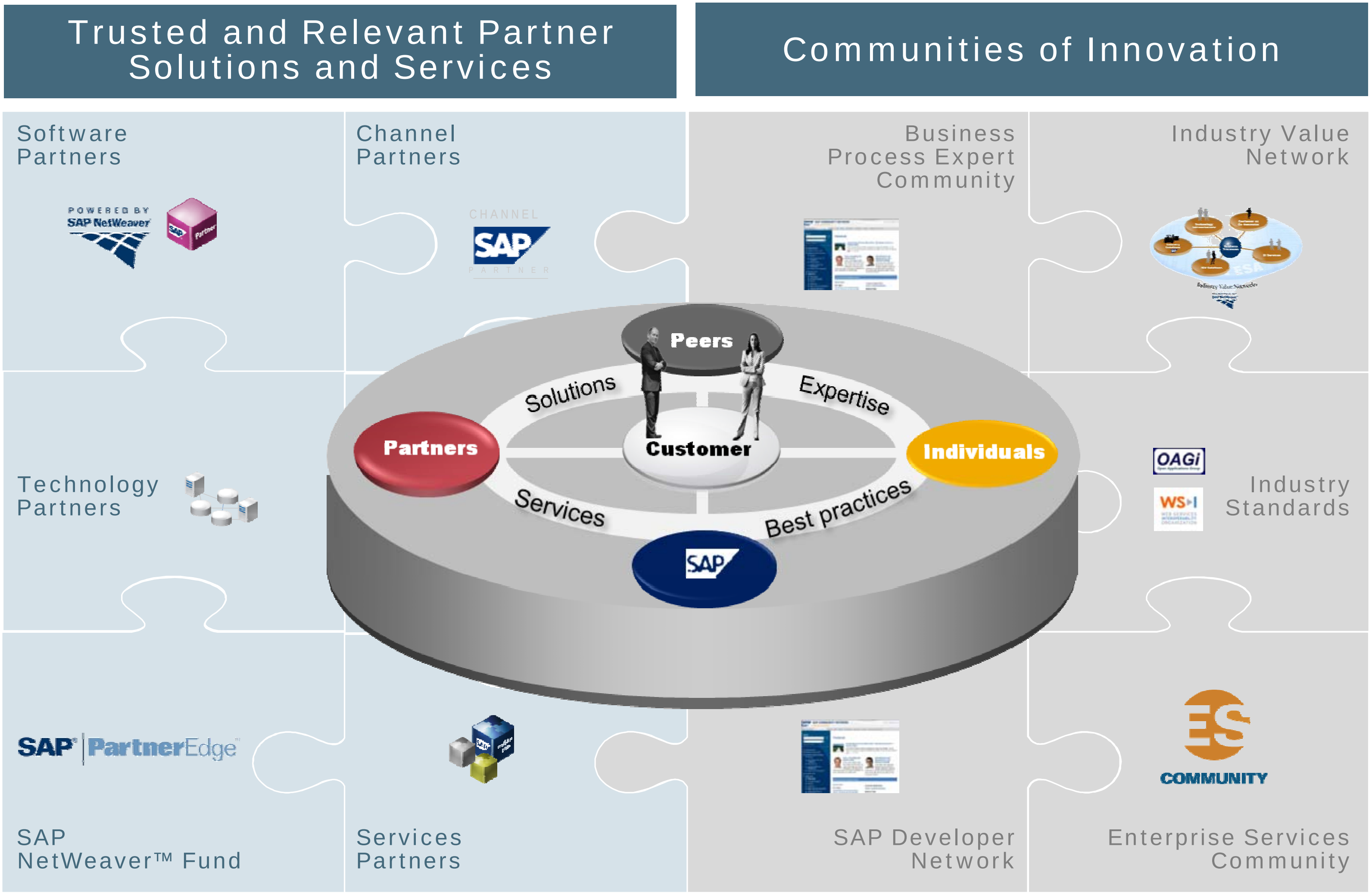
Strongest product portfolio based on an open technology platform

- Leading product and technology innovation with ~15,000 developers
- First to market with next generation enterprise SOA architecture
- Deepest industry functionality with 24 industry solutions

SAPs Eco System

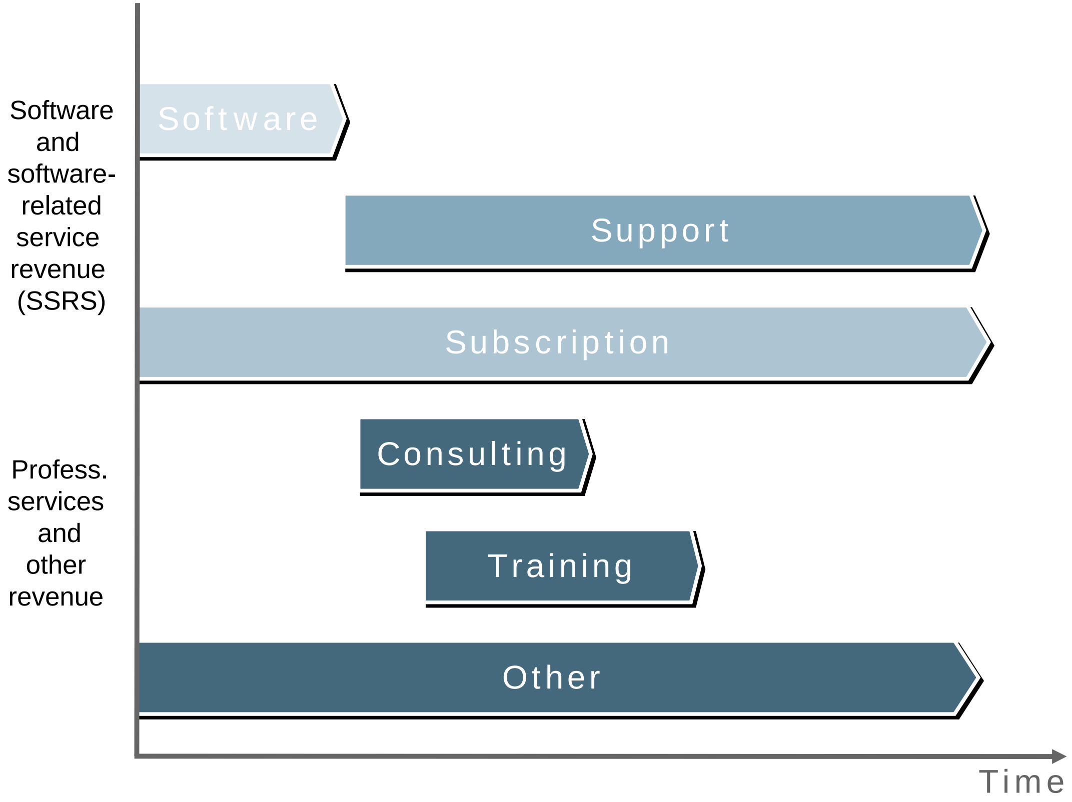
Customer-Focused Eco System

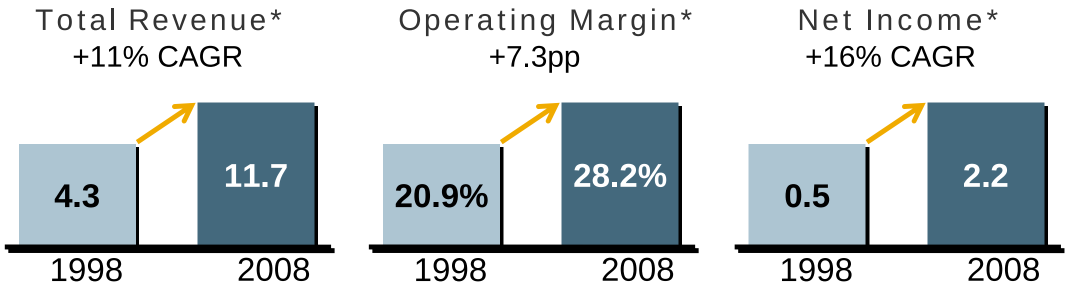
Always Connected, Always On



What are key characteristics of the business model?

SAP's business model – steadily increasing streams of recurring, stable and profitable revenue





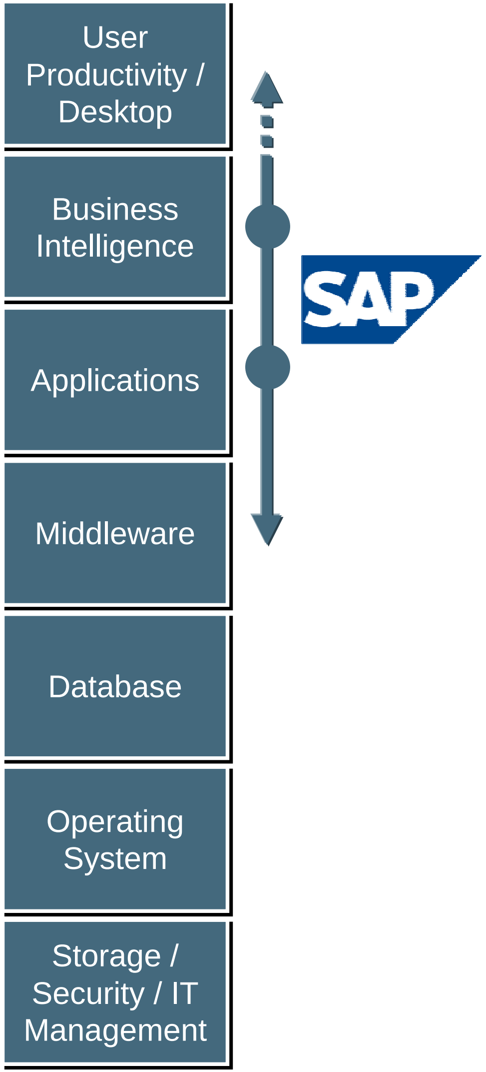
Total Revenue Breakdown (in%)

	1998	2008
Software	44%	31%
Support	19%	41%
Subscription	-	2%
Services & other	37%	26%
	4,3*	11,7*

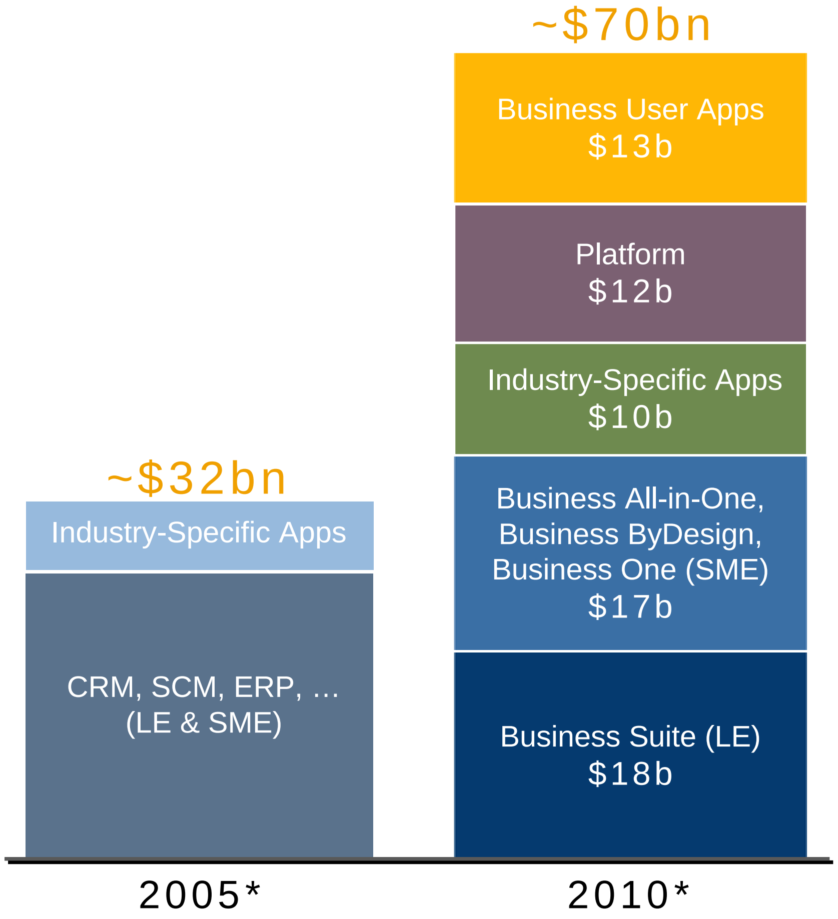
* Non-GAAP, in € billion, unless stated otherwise

Which market does SAP operate in and how will it grow?

New products drive the expansion of SAP's addressable market



The enterprise software stack

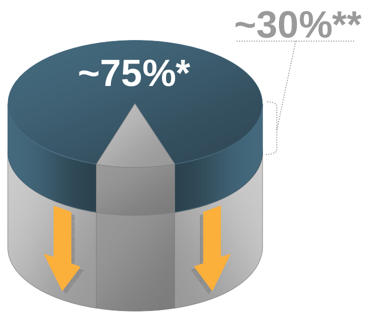


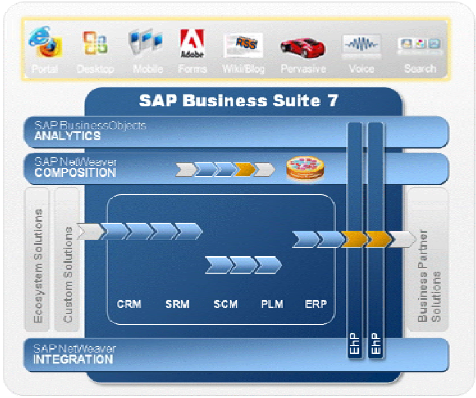
* Addressable market, based on software and software-related service revenue. Source: SAP, IDC

Product portfolio

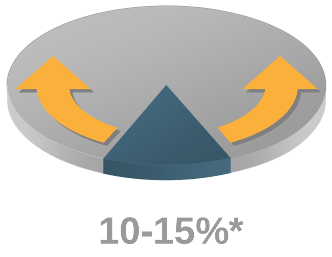
SAP's Solutions Offerings
By Customer Segment

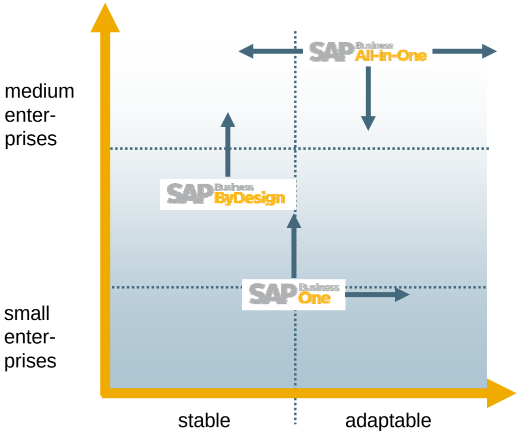
LARGE ENTERPRISES





SMALL AND MEDIUM ENTERPRISES

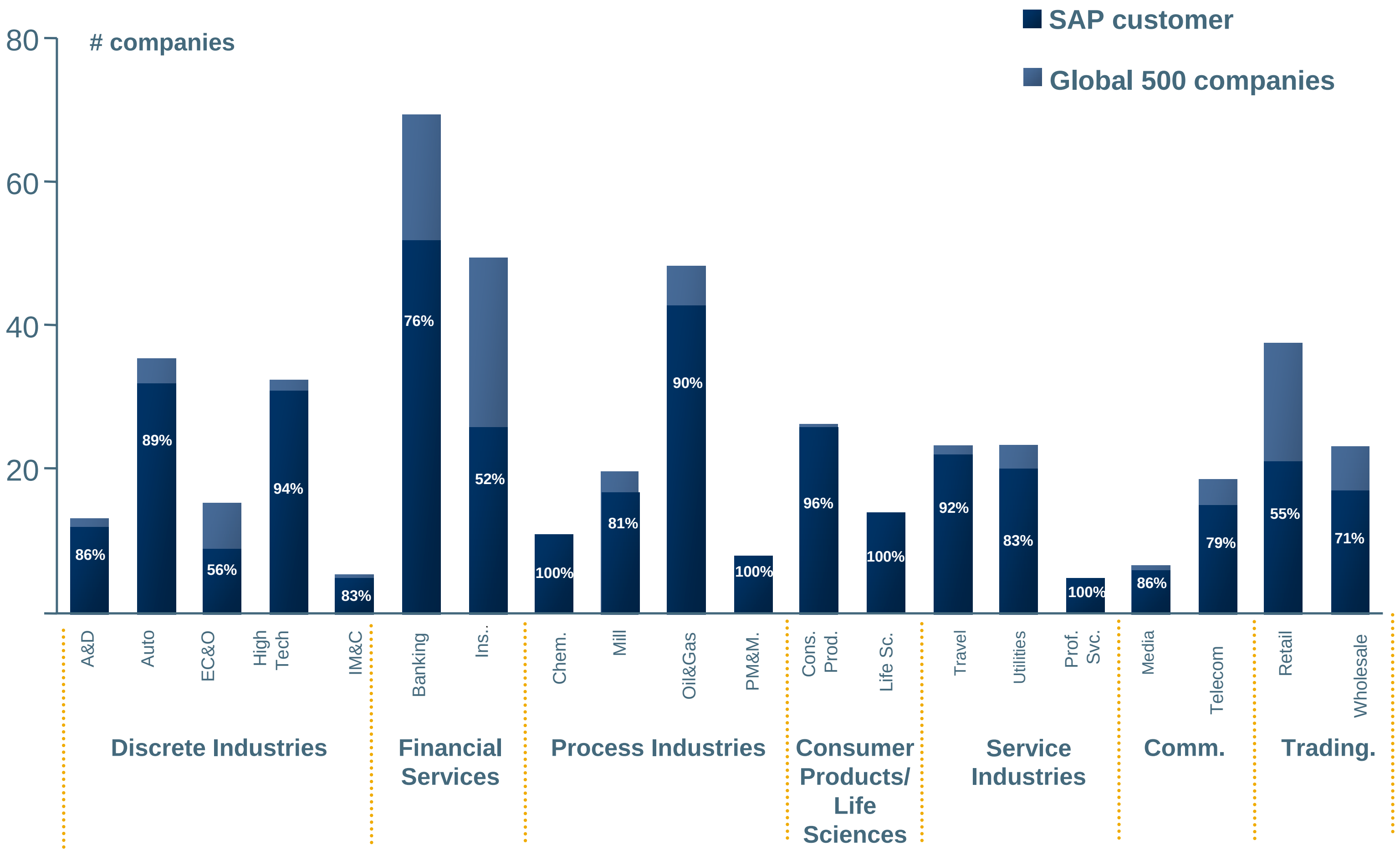




* Market penetration in Germany
** Average share of wallet per customer in Germany
Source: Based on IDC's Mega model, SAP Germany

Market share

Constantly Increased The Number of Accounts Within the Fortune 500 Companies

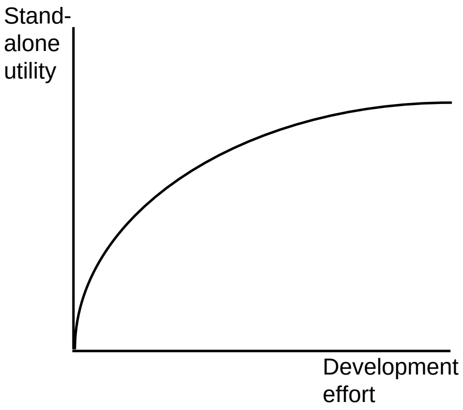


Note: Public Services accounts are not considered in the Global 500 analysis, Source: *Fortune* Magazine, Global 500 2007; SAP internal analysis

Whom does SAP compete against? How?

SAP has competitive advantages versus every category of competitors

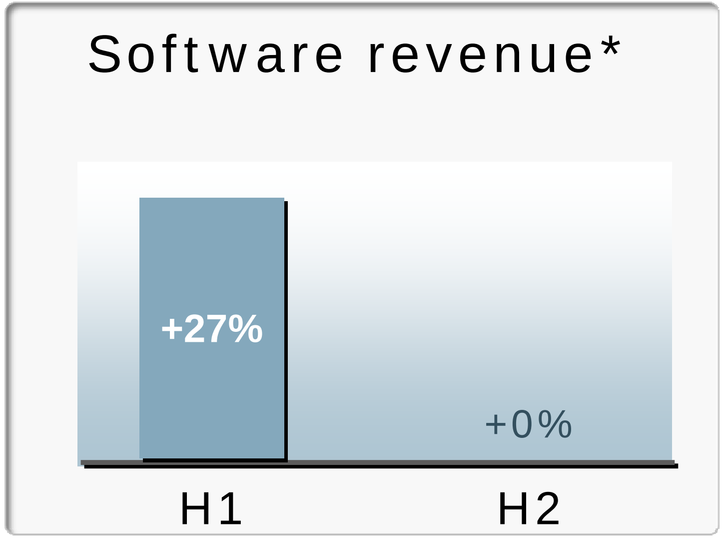
In-house development & custom development	'Best of breed' vendors	Other 'suite' vendors
▪ Cost ▪ Long-term support and continuous improvement ▪ Best practices	▪ Integration ▪ 'One throat to choke' ▪ Stability and reliability of vendor ▪ Customer access ▪ Global standards	▪ Consistent technology and semantics ▪ Non-overlapping solution portfolio ▪ Investment protection ▪ Reputation ▪ Largest customer base ▪ Unmatched industry expertise ▪ Strongest 'ecosystem' of partners

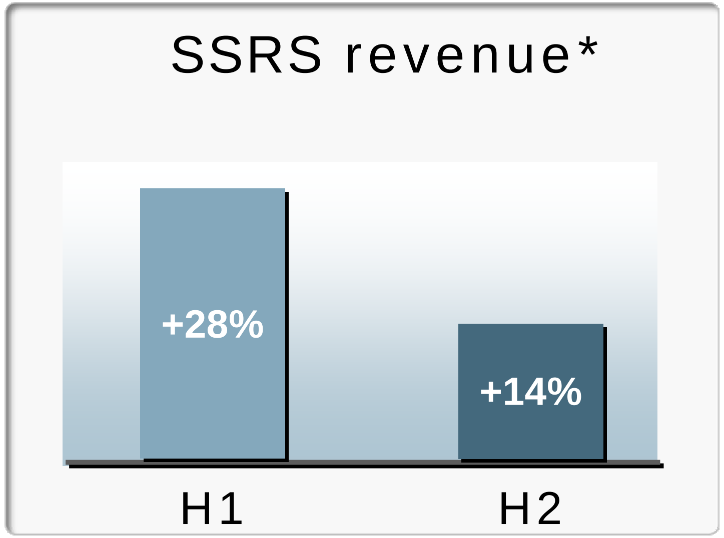


The current situation

How has the economic environment impacted SAP?

2008
A year with two faces





- SAP started with a very strong H1 2008, with strong organic growth and excellent contribution from SAP Business Objects
- Following the acceleration of the financial crisis in mid-September the economic environment deteriorated significantly
- SAP's H2 2008 was severely impacted with an H2 SSRS growth rate 50% below the H1 level
- Customer buying patterns changed
  - High share of order entry from existing customers in H2
  - Reduced average transaction volumes

* year-on-year, Non-GAAP, constant currency; SSRS = Software- and software-related service

How does SAP react to this environment? What are the expectations?

The economic downturn shows the strength of SAP's Business Model – Again

Growing stream of stable, recurring revenues in H1 2009

- Support revenue increased 20% yoy
- Subscription revenue increased 20% yoy

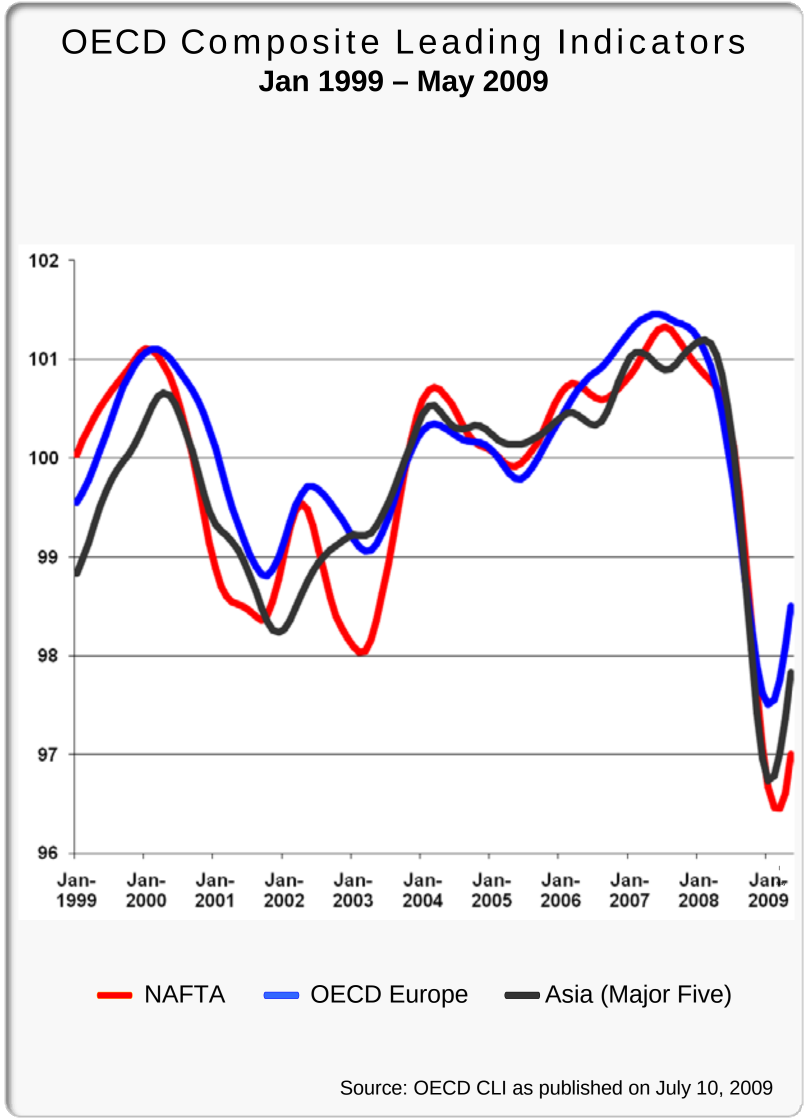
+ Flexible cost base

- Cost containment measures in place
- Workforce reduction well on track

= Earnings protection

But:

- Operating environment will remain difficult, but SAP is beginning to have better visibility into H2 2009
- Closure rates still hard to predict
- SAP will continue to very carefully manage its cost base
- Customers consider upgrades stronger
- Smaller projects with concrete ROI are preferred



Outlook

What are the top three trends in the industry?

SAP is a driver of industry trends

CONSOLIDATION

- SAP has been the most active consolidator – in an organic fashion
- M&A activity has increased in recent years and can be expected to continue

SERVICE-ORIENTED ARCHITECTURES

- Breaking down ‘monolithic’ code into smaller, standardized, re-usable building blocks – Enterprise Services
- Over the last years, SAP has transformed its solution portfolio to service-oriented architecture
- SAP Business Suite already contains more than 2,200 Enterprise Services

SOFTWARE ON-DEMAND / SOFTWARE AS A SERVICE (SAAS)

- Solution delivery: Companies do not run the application on premise but access a hosted application remotely, sharing elements of the stack with other customers
- Licensing: Customers ‘rent’ the software license rather than buying perpetual licenses
- SAP expects a co-existence of both models and is in a unique position to support hybrid yet integrated landscapes going forward

Consolidation

Innovation is a core strength of SAP and SAP will continue to invest

Close integration across ERP, CRM, SCM, SRM, PLM

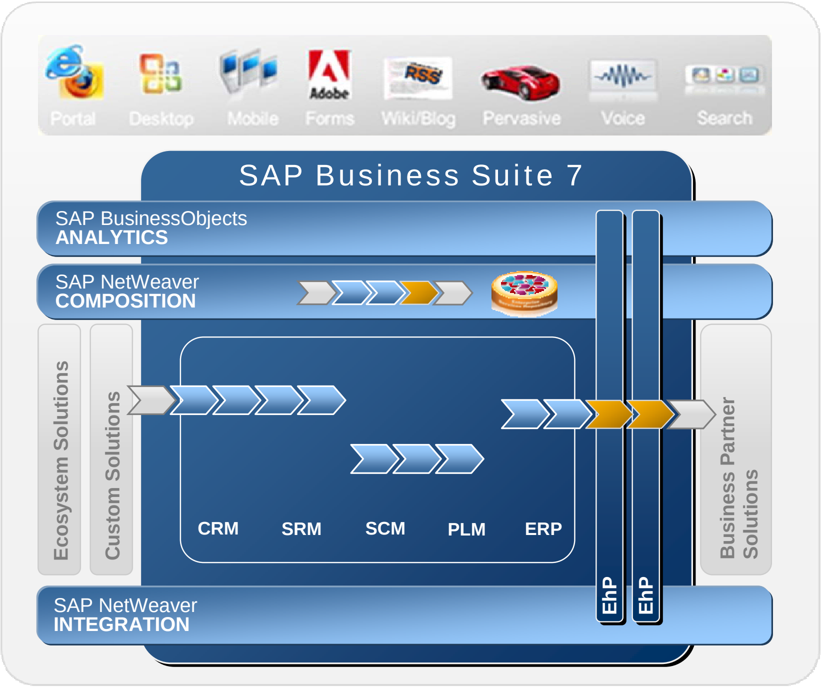
New upgrade concept with enhancement packs

Service-based for cross company processes

Industry add-ons for 24 industries

A common and integrated **analytics platform**

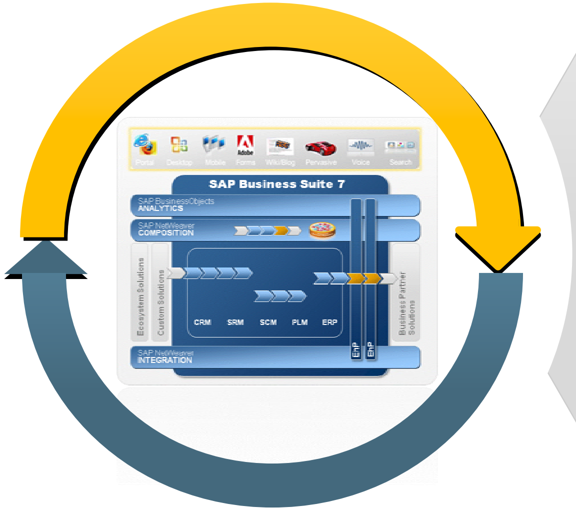
Business Objects Explorer built on In-memory DB



Services

Innovation is a core strength of SAP

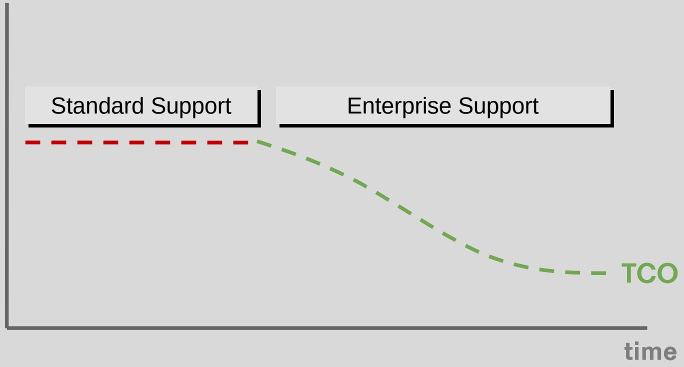
and SAP will continue to invest



SUGEN KPI for SAP Enterprise Support

Four KPI categories have been identified and agreed on:

- Total Cost of Operations
- Business Continuity
- Business Process Improvement
- Protection of Investment



Software
On-Demand

SAP is committed to the on-demand software space

On-Premise	On-Demand
Key characteristics	
■ Perpetual license or subscription	■ Subscription
■ At customer site	■ Hosted by vendor or 3rd party
■ Individual software stack	■ Shared software stack
Key advantages	
■ Flexibility and differentiation	■ Cost of ownership
■ Security	■ Speed of deployment
Service-oriented architecture	

Large Enterprises

- On-premise and on-demand solutions will co-exist in customer environments
- On-demand solutions will be primarily used as integrated extensions of an on-premise core
- SAP has the ability to deliver hybrid, yet integrated solution landscapes as a competitive differentiator
- SAP offers a growing set of on-demand solutions for large enterprises

Small and Midsized Enterprises

- SAP Business ByDesign is SAP's on-demand solution for the midmarket

Clear Enterprise

SAP's "clear enterprise" - more than just a marketing campaign

Clear Enterprise

A best-run business requires to be a “clear enterprise”

Transparent and Accountable

Customer-Centric and Collaborative

Lean and Agile

Efficient Processes

CLEAR ENTERPRISE

BEST-RUN BUSINESSES

SAP
A summary

- **Market leader in the business applications industry**
- **Rare combination of defensive characteristics and significant growth potential**
- **Using product innovation and targeted acquisitions to leverage competitive advantages**
- **Advantages against every category of competitors**
- **Strong focus on earnings protection**
- **SAP continuously invests in innovations**


Q & A
THE BEST-RUN BUSINESSES RUN SAP
SAP