

SAP – The World's Leading Business Software Company

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Safe Harbor Statement

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Agenda

- Snapshot: Q4 & FY 2011 Preliminary Results
- SAP at a Glance
- Driving Innovation at SAP – Products and Strategy
- SAP's Strategy for Continued Profitable Growth

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Strong Pre-Announcement Best Ever Full-Year and Fourth Quarter

- **Record Software Revenue:** 25% Software Growth to €4 billion
- **Exceeding Revenue Guidance:** 17% SSRS Growth
- **Exceeding Operating Profit Guidance:** €4.78bn
- **Strong Margin Growth:** Expansion of 110 bps. to 33.1%
- **Exceeding Company Expectations** for SAP HANA and Mobile
- **Outstanding Growth** in core applications
- **Strong Momentum** for analytics and mobile applications
- **Double-Digit Growth in All Regions**
- **1,200 Additional FTE's** in Q4, thereof 500 in Sales and Marketing

Growth rates and operating income at constant currencies

Financial Overview – Selected Income Statement Items Q4 & FY 2011 (Preliminary)

Financial Results in Detail

4th Quarter 2011 Performance (all numbers are approximate)



Software revenue (IFRS)	€1.74bn	+16%	+17%*
SSRS revenue (Non-IFRS)	€3.72bn	+12%	+13%*
Total revenue (Non-IFRS)	€4.50bn	+10%	+10%*
Operating profit (Non-IFRS)	€1.78bn	+10%	+10%*
Operating margin (Non-IFRS)	39.6%	flat	10bps

Full Year 2011 Performance (all numbers are approximate)

Software revenue (IFRS)	€3.97bn	+22%	+25%*
SSRS revenue (Non-IFRS)	€11.35bn	+15%	+17%*
Total revenue (Non-IFRS)	€14.26bn	+14%	+15%*
Operating margin (Non-IFRS)	€4.71bn	+18%	+19%*
Operating margin (Non-IFRS)	33.0%	+100bps	+110bps*

* at constant currency

FY 2011 – Performance vs. Guidance

	SAP's Outlook FY 2011	Actual Performance FY 2011
Software and Software-Related Service Revenue (Non-IFRS)	Increase at the high end of the range of 10% – 14% at constant currencies	Increase of ~17% at constant currencies 
Operating Profit (Non-IFRS)	Range of €4.45 – €4.65 billion at constant currencies	~€4.78* at constant currencies 

*Resulting in a **Operating Margin of 33.1%** at constant currencies, an increase of 110bps

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SAP is the World's Leading Business Software Company

SAP is...

- **#1** in enterprise applications
- **#1** in SME applications
- **#1** in business analytics
- **#1** in enterprise mobility

SAP is a truly global company...

- **176,000** customers
- **120** countries
- **55,000+** employees
- **€14.3B** 2011 revenue
- **34** global technology partners
- **2,900+** certified partners



Our Purpose

VISION

MAKE THE WORLD RUN BETTER

MISSION

MAKE EVERY CUSTOMER A
BEST-RUN BUSINESS

BY MID OF THE DECADE

€20bn

35% MARGIN

1 BILLION PEOPLE

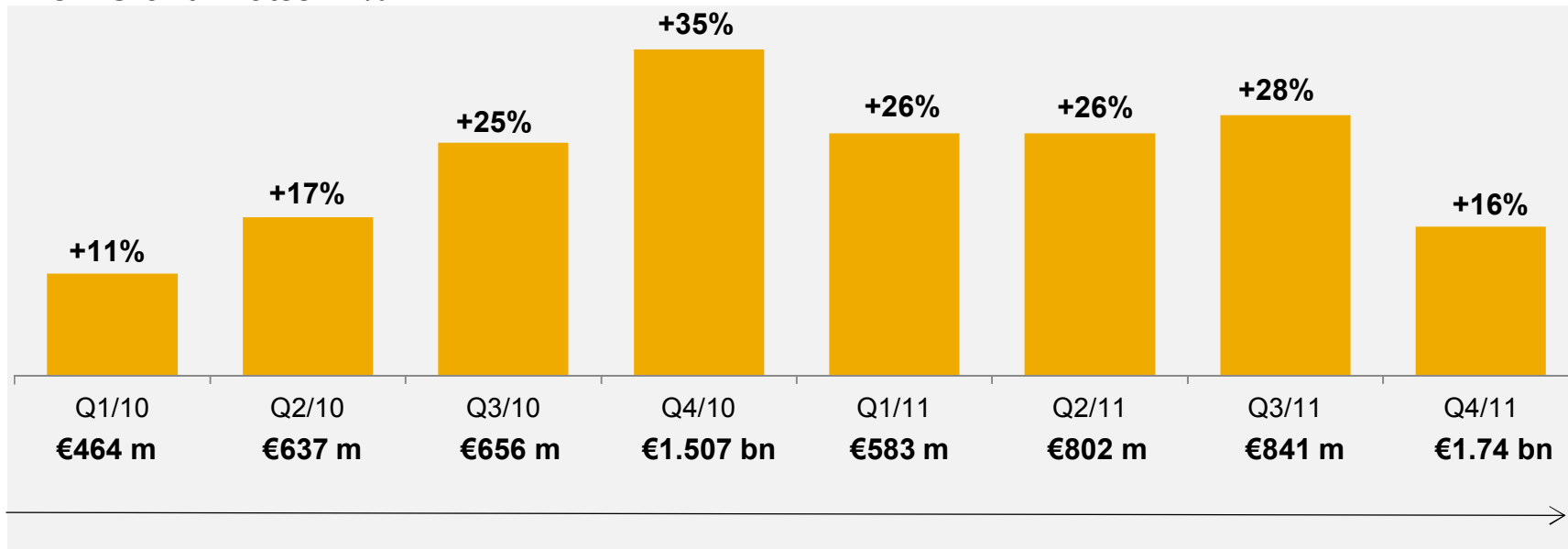


Strong Financial Growth

Eight Consecutive Quarters of Double Digit Growth

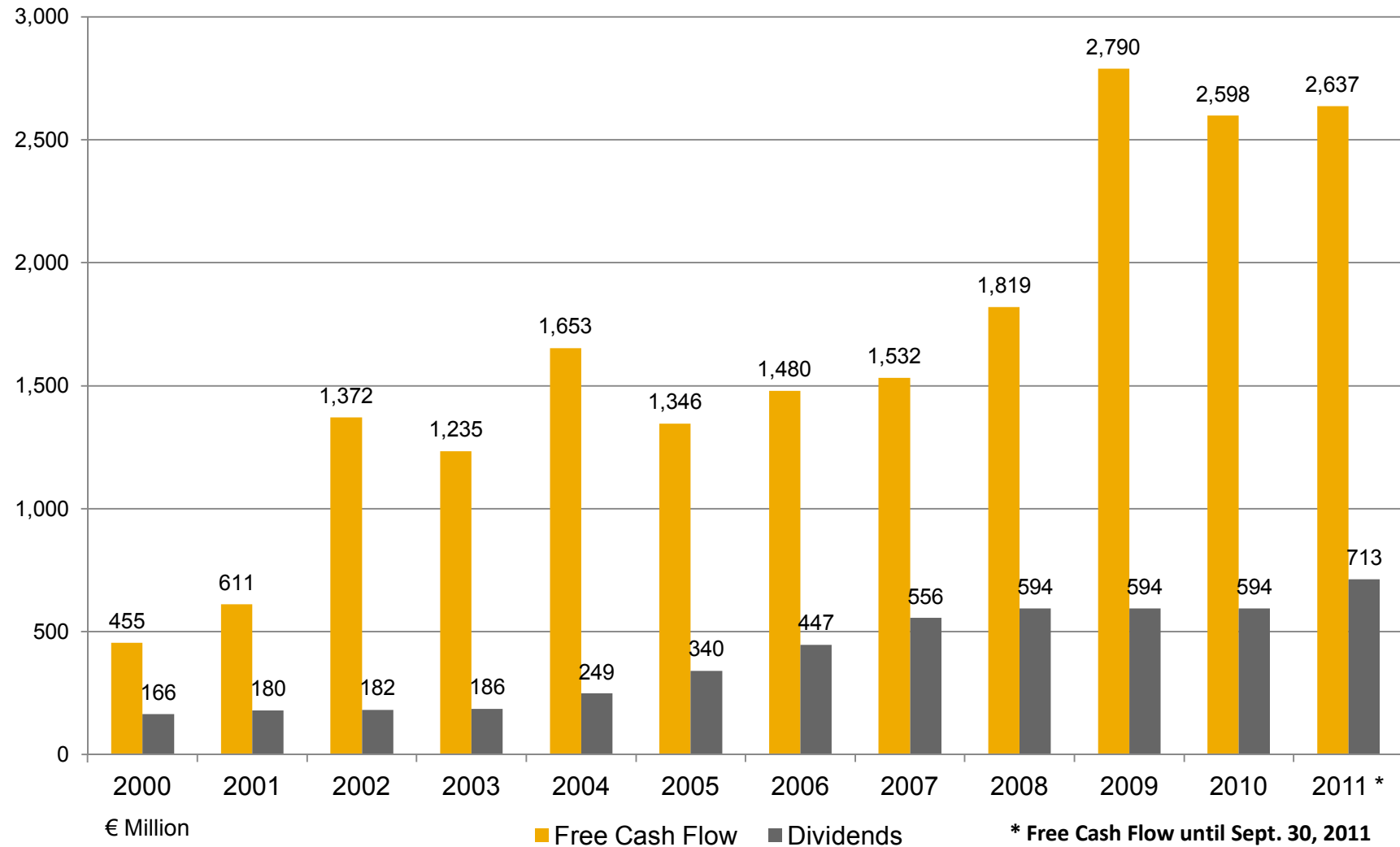
Software Revenue

YOY Growth Rates in %

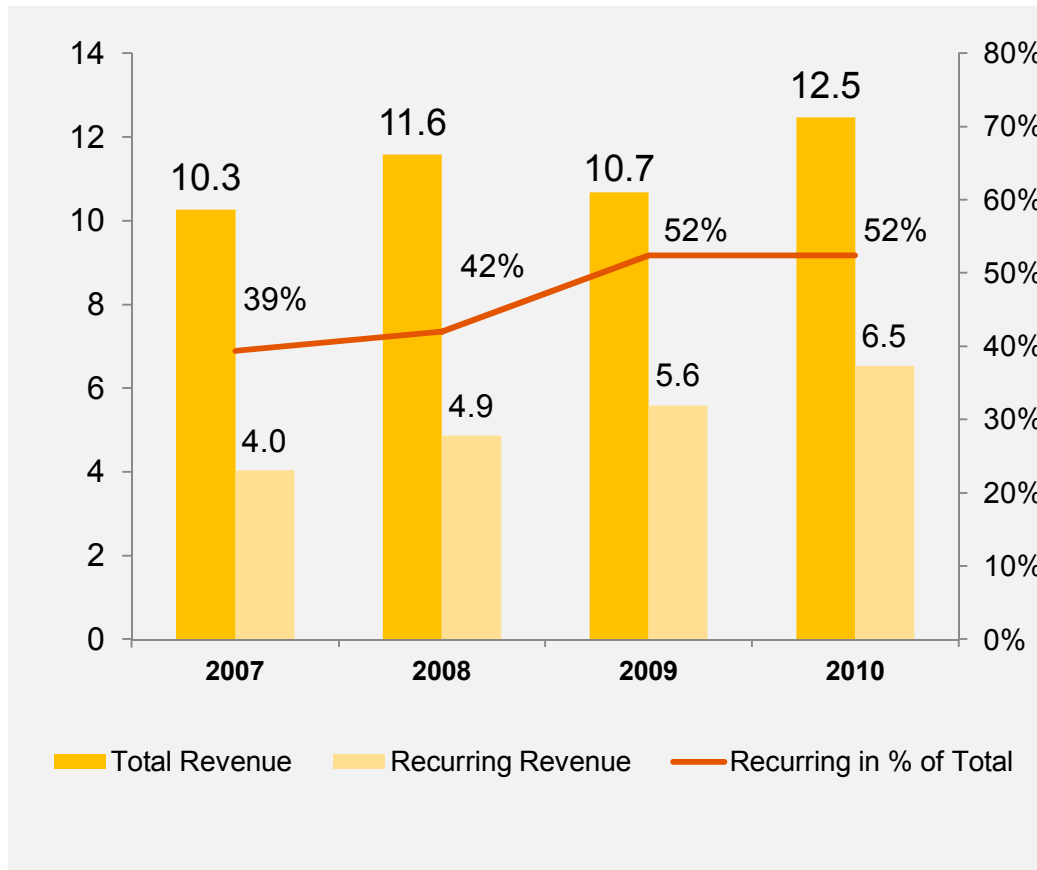


- Average order entry at +80% from existing customers
- ~30% order entry from SME
- Diversified revenue stream by region and industry
- Continued margin progression - year-over-year operating margin +100 bps
- Strong operating cash flow – €2.7 billion on average between 2008 and 2010
- Continued dividend payments

Strong Free Cash Flow and Continued Dividend Payments



Increasing Recurring Revenue Streams – Basis for Sustainable and Stable Cash Flows



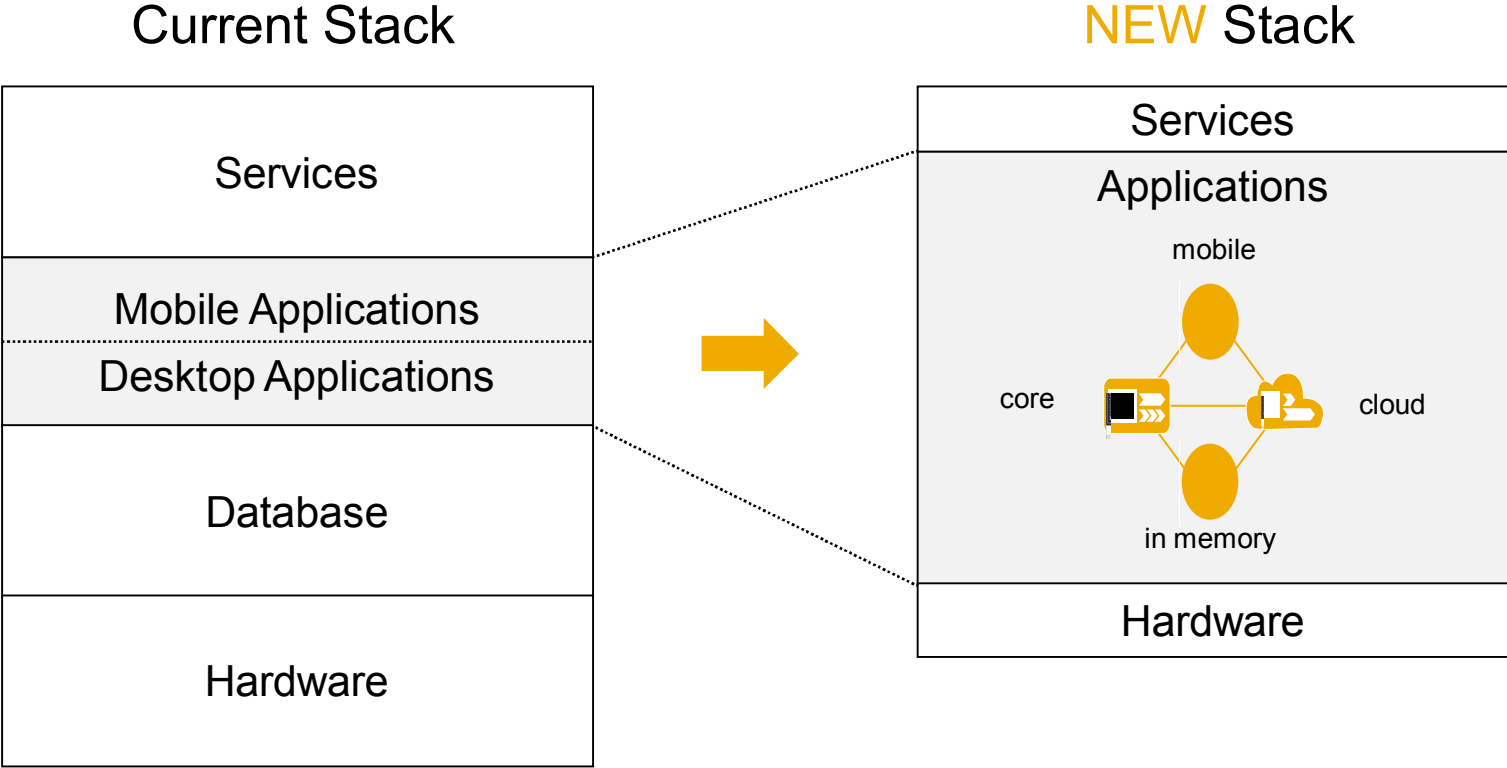
- Share of recurring revenues increased by 13pp between 2007 and 2010 (from 39% to 52%)
- Recurring revenues had a CAGR of +17.9% between 2007 and 2010
- Stability through steadily growing share of recurring revenues

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Overall IT Trends – Structural Shift in IT Spending Towards the Value Drivers in Applications Software

Transformation of the IT stack



Overall IT Trends – Convergence

In Memory Big Data



- Data volume for enterprise applications is doubling every 18 months
- 100x – 1.000x faster in data processing¹

On Mobile IT-Consumerization



- Smartphones outsell PCs
- By 2013, mobile devices will be the primary method of internet access worldwide

In the Cloud Increased availability



- Any access, any workload anywhere
- ~80% of new software in 2011 was available as cloud services
- Hybrid cloud solutions drive TCO and integration



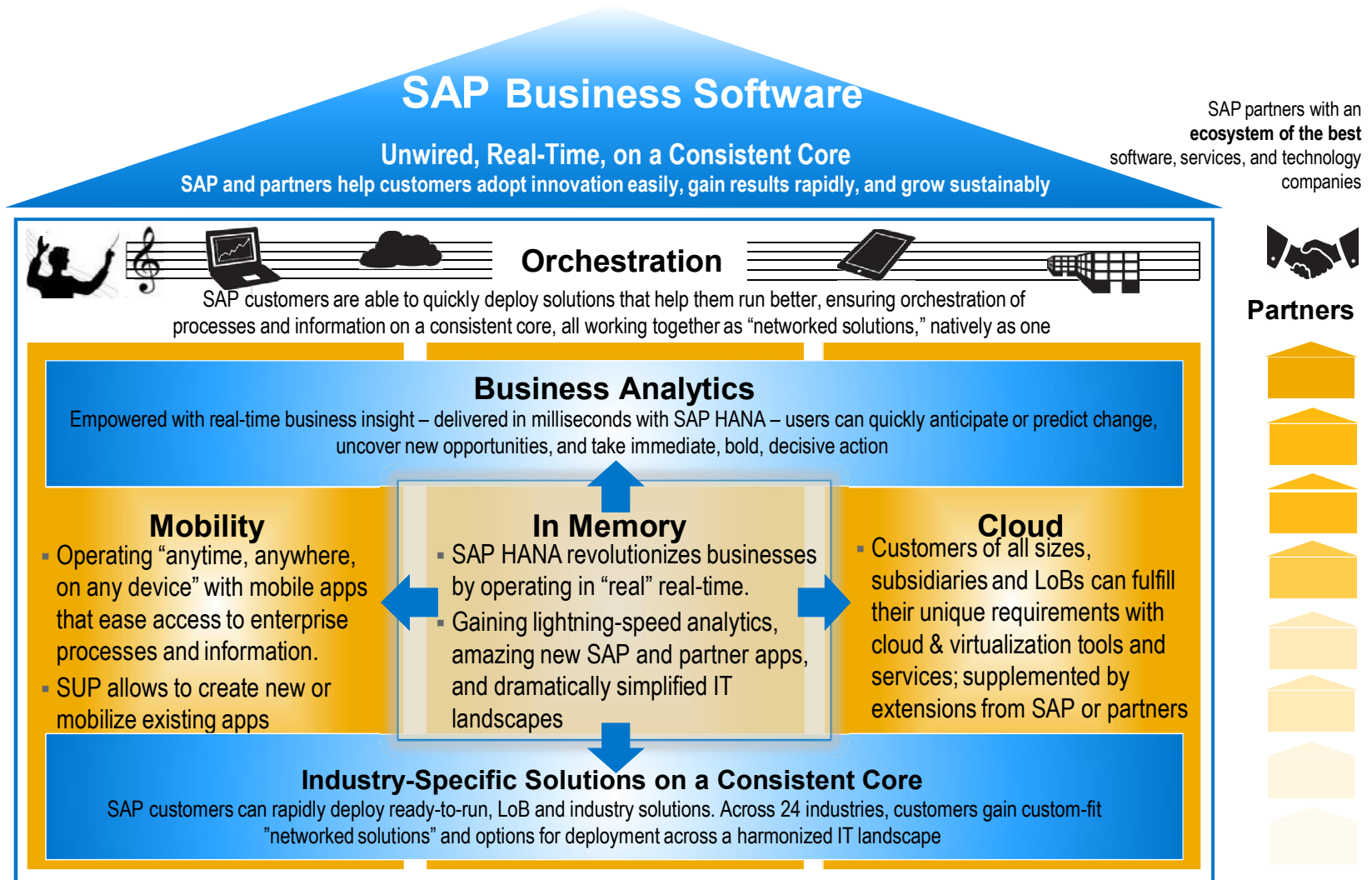
New Business Models



- “Real”- real time business
- Extending the enterprise
- Mobile scenarios

1- SAP HANA customer benchmark

Innovations Reshape Business IT World – SAP Orchestrates Analytics, Mobility, Cloud & In-Memory Capabilities



SAP's Answer to Big Data – In-Memory Technology Enables “Real” Real-Time Computing with SAP HANA



SAP HANA

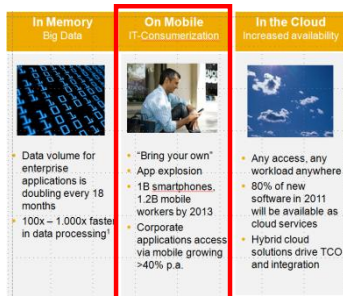
- Make decisions faster by analyzing large volumes of data in real-time
- Data stored in-memory rather than on hard disk
- In-memory columnar processing optimized for modern multi-core
- Data source agnostic appliance
- 5 leading hardware partners: Cisco, IBM, HP, Fujitsu, Dell (80% of HW market)

Key differentiators

- Build new class of real-time applications and analytics
- Sophisticated planning engines, business functions and predictive analytics to provide insights on granular data
- Simplifying existing IT landscapes
- Direct access to operational data w/o affecting performance of ERP
- Strong pipeline for SAP HANA
- Strategic Workforce Planning is 1st HANA-enabled application

SAP significantly exceeded its €100 million 2011 target for SAP HANA achieving software revenue of more than €160 million.

SAP is #1 in Enterprise Mobility – Most Comprehensive Mobile Enterprise Solution Set



Mobility




- Access SAP anytime & anywhere
- Building-up a device agnostic mobility strategy is critical
- Integrate “bring-your-own” in mobility strategy
- Security is key topic in mobility strategy
- Making mobile technology integral to business strategy will gain competitive advantage for customers

SAP Offering

- Integration to Back-end- and Core-Systems
- Sybase Unwired Platform allows IT units & partners to easily create new/mobilize existing apps
- Mobile Apps to boost employee productivity, CRM and service for key industries; 30 Apps as of Q3
- Afaria ensures reliable, secure data across multiple device platforms

SAP also exceeded its 2011 target for mobile solutions, which contributed more than €100 million in software revenue.

Customers of All Sizes, Subsidiaries and Line of Businesses Benefit from Cloud & On-Demand Offering

In Memory Big Data	On Mobile IT-Consumerization	In the Cloud Increased availability
 <ul style="list-style-type: none">Data volume for enterprise applications is doubling every 18 months100x – 1.000x faster in data processing¹	 <ul style="list-style-type: none">"Bring your own" App explosion18 smartphones, 1.2B mobile workers by 2013Corporate applications access via mobile growing >40% p. a.	 <ul style="list-style-type: none">Any access, any workload anywhere80% of new software in 2011 will be available as cloud servicesHybrid cloud solutions drive TCO and integration



Comprehensive SAP cloud portfolio:

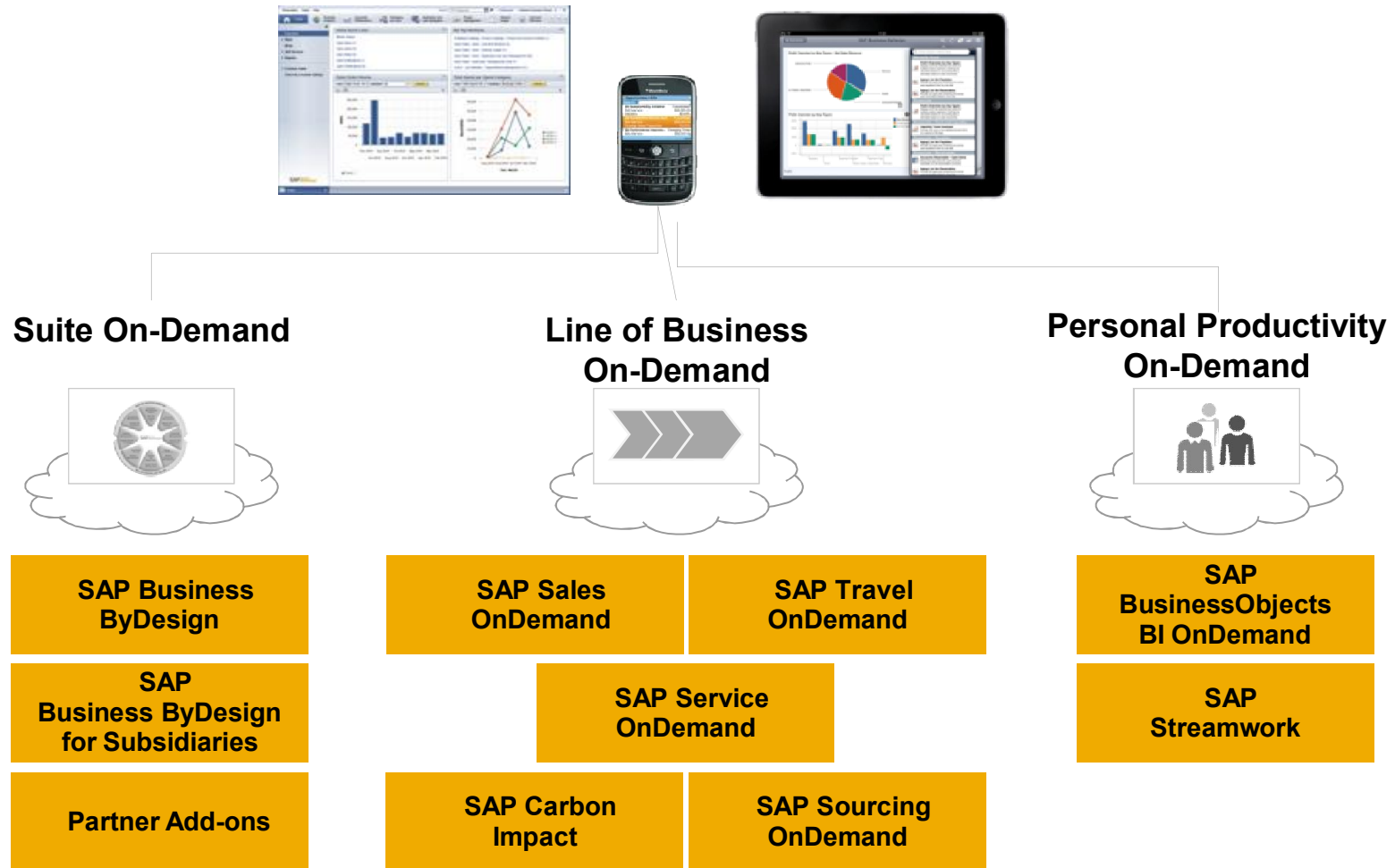
- SAP Business ByDesign – integrated on-demand suite for mid market customers and subsidiaries
- Line-of-Business solutions (e.g. Sales & Sourcing OD) – extend on-premise core with on-demand
 - Seamless integration on-premise & on-demand
- For SAP Business Suite customers:
 - SAP Virtualization and Cloud Mgmt product in Nov 2011



Business Value

- SAP helps customers to run on-premise systems in the cloud and on virtualized and abstracted infrastructure
- Significant TCO-reduction through tools and services
- Simultaneously enabling as much automation as possible
- Customers and partners can combine all on-demand and on-premise solutions and services in a hybrid environment – incl. real-time analytics, in-memory computing and mobility

Comprehensive Cloud & On-Demand Solution Portfolio – Seamlessly Integrated for a Hybrid World



SAP to Accelerate Cloud Strategy with Planned Acquisition of SuccessFactors



- SAP to buy SuccessFactors for \$40.00 per share in cash, representing an enterprise value of approximately \$3.4 billion; transaction expected to close in Q1 2012
- SAP will gain immediate strength and leadership presence in the fast-growing segment of cloud-based applications for people and talent management
- SuccessFactors
 - #1 cloud-based Human Capital Management solution provider
 - Headquartered in San Mateo, California – more than 1,450 employees
 - Fast growing company: 50%+ topline growth in 9M 2011
 - 15 million subscription users – the largest paying subscription user base
 - More than 3,500 customers – including deployments in SAP environments in diverse industries, e.g. Siemens

Source: SAP, December 12, 2011

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SAP's Strategy for Continued Profitable Growth

- SAP is the clear leader in the enterprise application industry
- By the middle of the SAP strives to achieve
 - at least €20bn in total revenue
 - an operating margin of 35%
 - 1 billion people
- SAP expects the key drivers of growth will be innovation:
 - In-Memory technology
 - On-device solutions
 - On-demand solutions
- SAP expects these innovations will pull through demand for SAP's stable core business



Together with our customers and partners, SAP helps people in businesses of all sizes and industries to collaborate better, decide better, adapt better and run better.

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