

Fourth-Quarter and Full-Year 2008 Preliminary Results Release



Henning Kagermann
Co-CEO
SAP AG

Frankfurt, Germany
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THE BEST-RUN BUSINESSES RUN SAP



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.

2008

A Good Year Amid
a Challenging
Environment

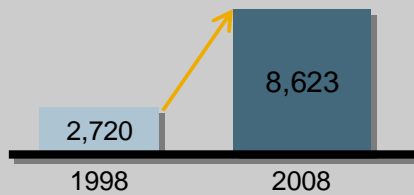
2008 - Key Metrics Demonstrate Long Term Success



1998-2008

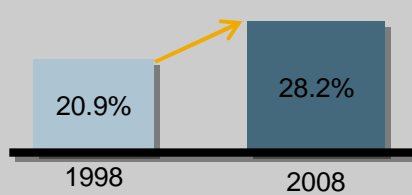
SSRS Revenue*

CAGR: +12.2%



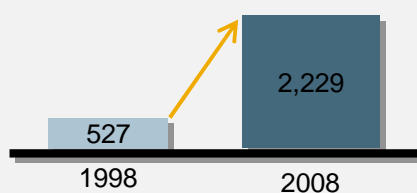
Operating Margin*

+7.3pp



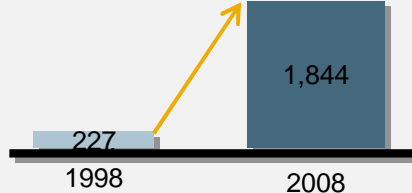
Net Income*

CAGR: +15.5%



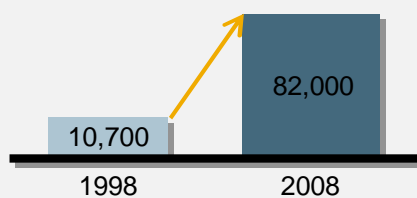
Free Cash Flow

CAGR: +23.3%



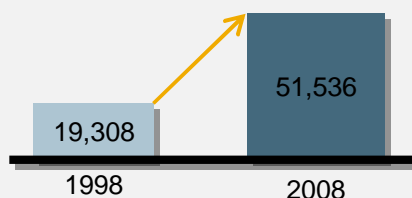
Customers

CAGR: +22.6%



Headcount

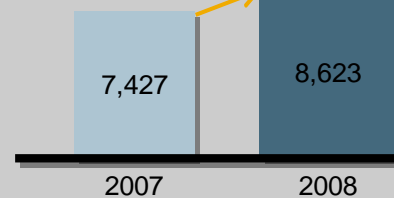
CAGR: +10.3%



2007-2008

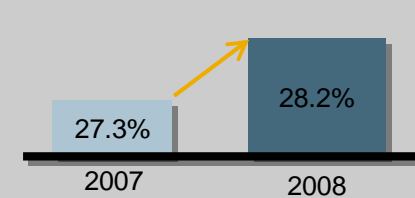
SSRS Revenue*

CAGR: +16.1%



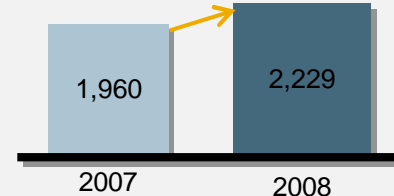
Operating Margin*

+0.9pp



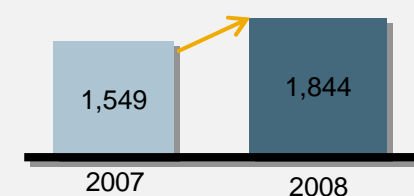
Net Income*

CAGR: +13.7%



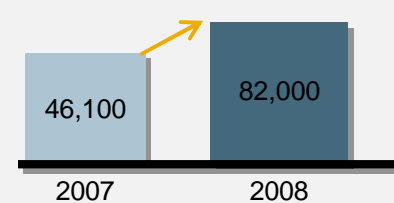
Free Cash Flow

CAGR: +19.0%



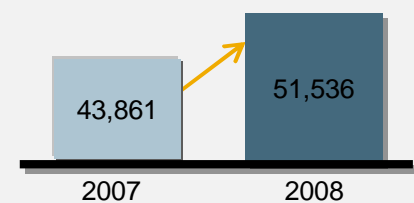
Customers

CAGR: +77.9%



Headcount

CAGR: +17.5%



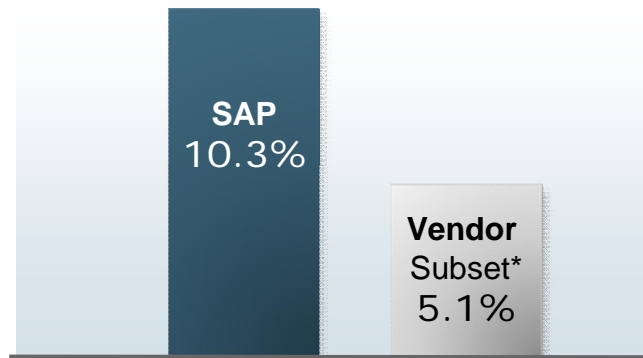
* Based on Non-GAAP; in EUR million, unless stated otherwise

2008 – Outperformed the Market

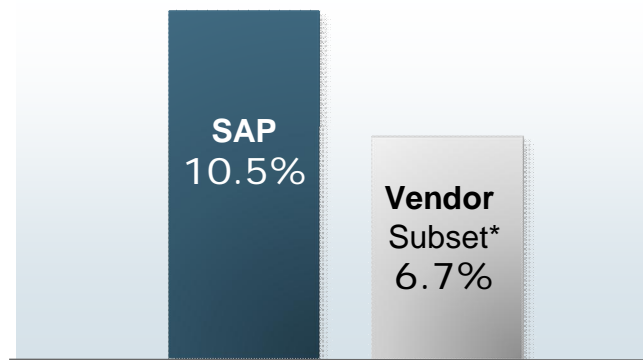
Full Year 2008



Software and Software Related Services Revenue



Total Revenue

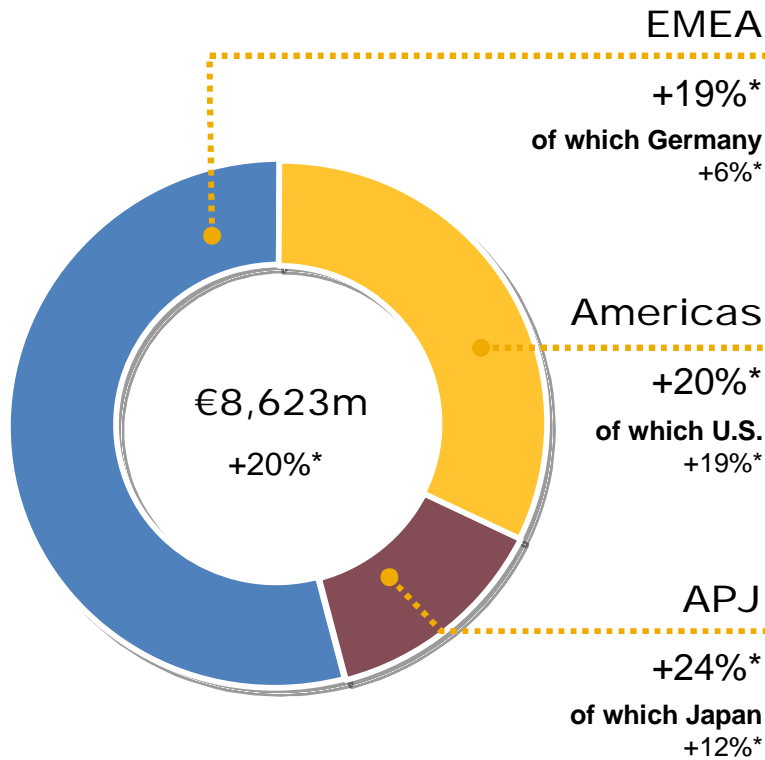


- Outperformed the market
- Gained share
 - 2008 share: 32.8%
 - 1-year gain: 4.4 pp (3.5 pp via acq.)
 - 3-year gain: 10.3 PP (3.5 pp via acq.)
- Improved ranking to 99th largest company in the world in terms of market capitalization (2007: 127th)

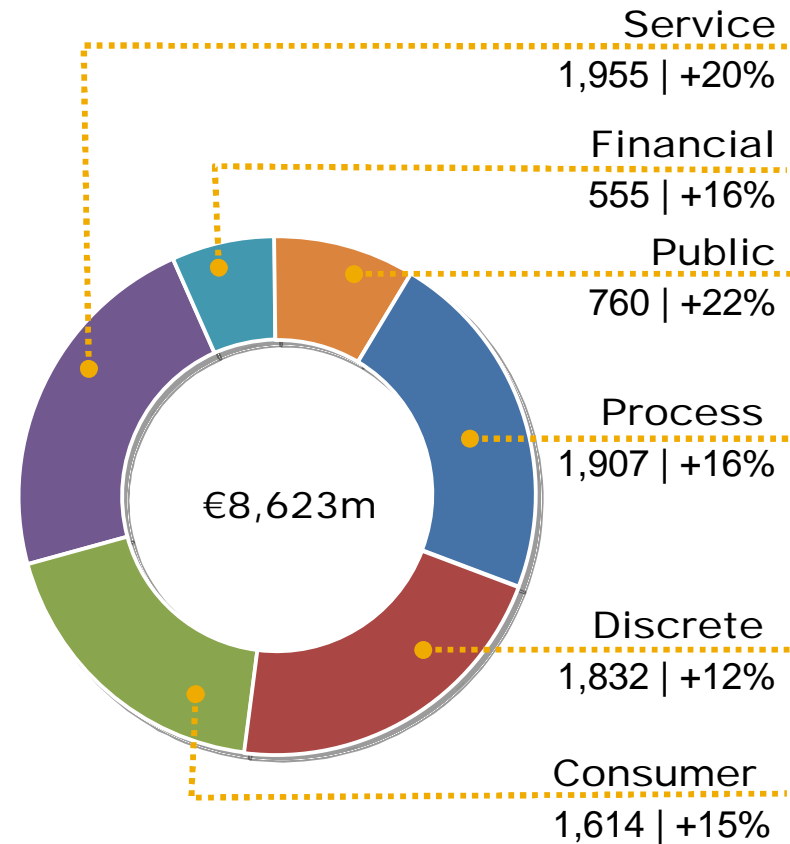
* Vendor Subset is defined as a subset of approximately 50 vendors



Software and software-related service revenues **by region**** yoy percent constant currency change



Software and software-related service revenues **by industry** yoy percent change



* Non-GAAP; at constant currencies

** by location of customers

2008 – Polarized Performance



SAP's seasonality shifted in 2008
as a result of the economic crisis

		H1	Q3	Q4	FY
Software and software related service revenues growth*	2007	+17%	+16%	+17%	+17%
	2008	+28%	+22%	+8%	+20%
Non-GAAP operating margin**	2007	22.7%	25.8%	34.8%	27.3%
	2008	22.2%	26.1%	39.1%	28.2%

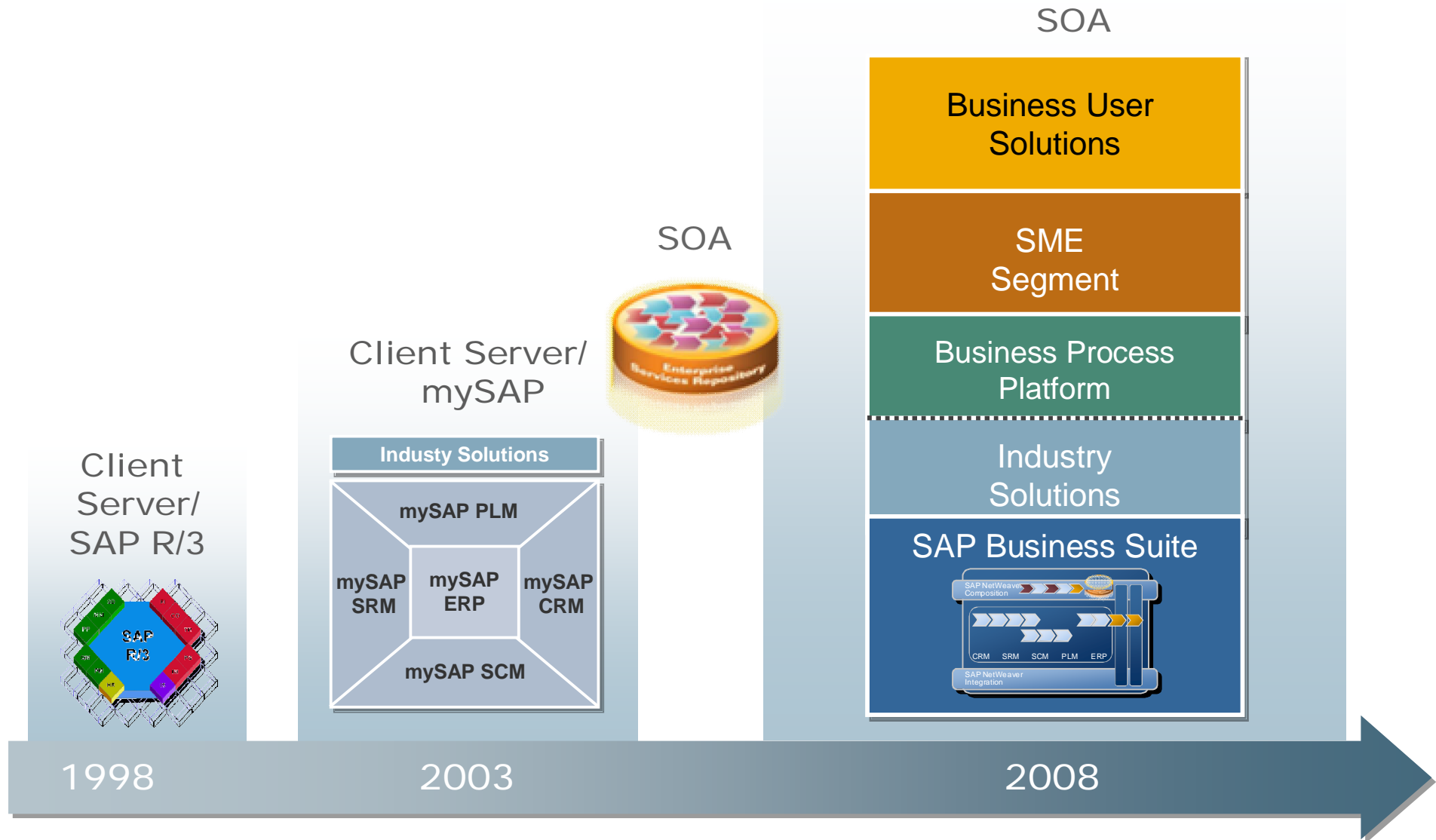
* 2007 at constant currencies, 2008 Non-GAAP at constant currencies

** 2007 and 2008 Non-GAAP

PAST INVESTMENT AND INNOVATION DELIVERS RESULTS

- Transformation of Product Portfolio
- Doubled the Addressable Market
- Achieved Three Pillars of Growth

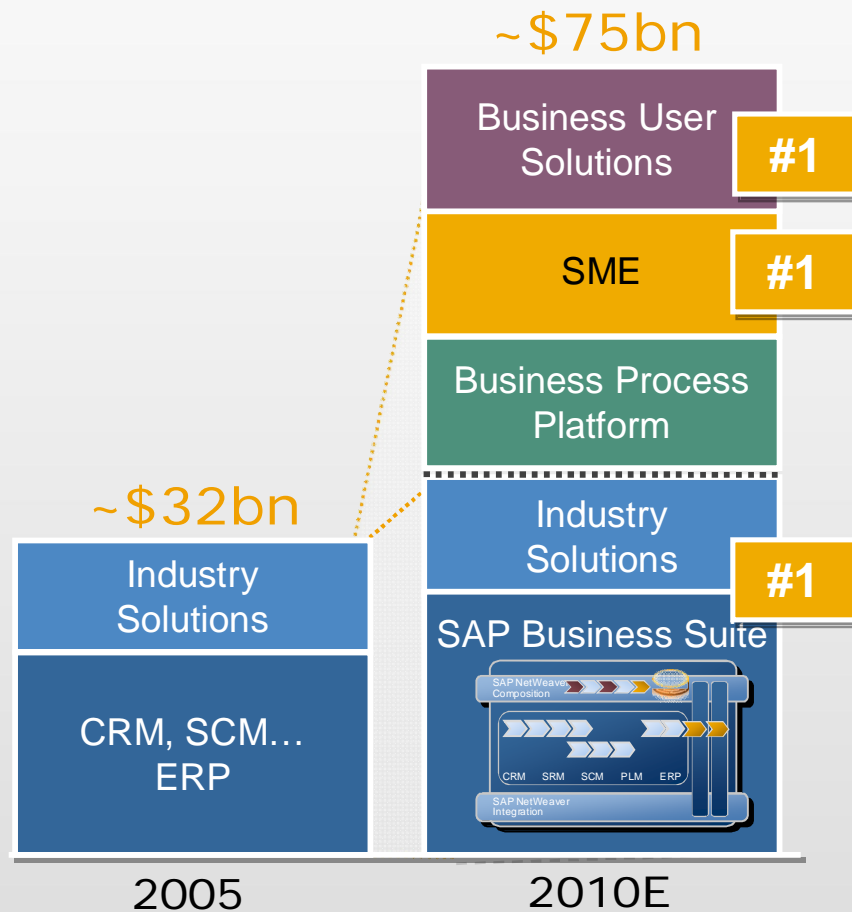
Transformation from a One-Product Company to a Multi-Product Company



Doubled the Addressable Market



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



- Doubled addressable market to ~\$70b
- 40% of revenues from new products in 2008
- 51,300 productive SAP NetWeaver systems (+47% yoy)
- 13,600 SAP ERP 6.0 customers, thereof 9,400 productive (+84% yoy)
- 13,450 SAP Business All-in-One Customers (+19% yoy)
- 22,600 SAP Business One Customers (27% yoy)
- SAP Business ByDesign productive and on-demand

Achieved Three Pillars of Long Term Growth Strategy



Organic

Co-Innovation

Acquisition

Successful acquisition of SAP Business Objects

- SAP's largest acquisition and the fourth largest acquisition in the history of the software industry
- Investment into a very strategic product segment
- Integration went better than expected
- Strong contribution to SAP's growth in 2008
- Successfully aligned Business Objects product portfolio with SAP's and developed roadmaps for all products with further innovation to come
- Continued large upselling opportunity into SAP accounts

2009

A New Reality

2009 – A New Reality But SAP is Well-Prepared



A new reality...

- Visibility remains limited
- Customers want smaller, focused projects with fast ROI
- Cost cutting measures implemented in Q4 2008 will continue into 2009
- Further cost containment in 2009 includes a reduction of workforce

...but SAP is well-prepared

- Not the first time SAP has experienced tough times (i.e. 2002 - 2003)
- Largest installed base in the industry with customer satisfaction at record high
- Stable business model with high percentage of recurring revenue and with high barriers to entry
- The most complete horizontal and vertical solution portfolio for small, midsize and large enterprises to fully support customers' pain points caused by today's challenging environment

