

First Quarter 2013 Results Release

Walldorf, Germany
Friday, April 19, 2013

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

Income Statement

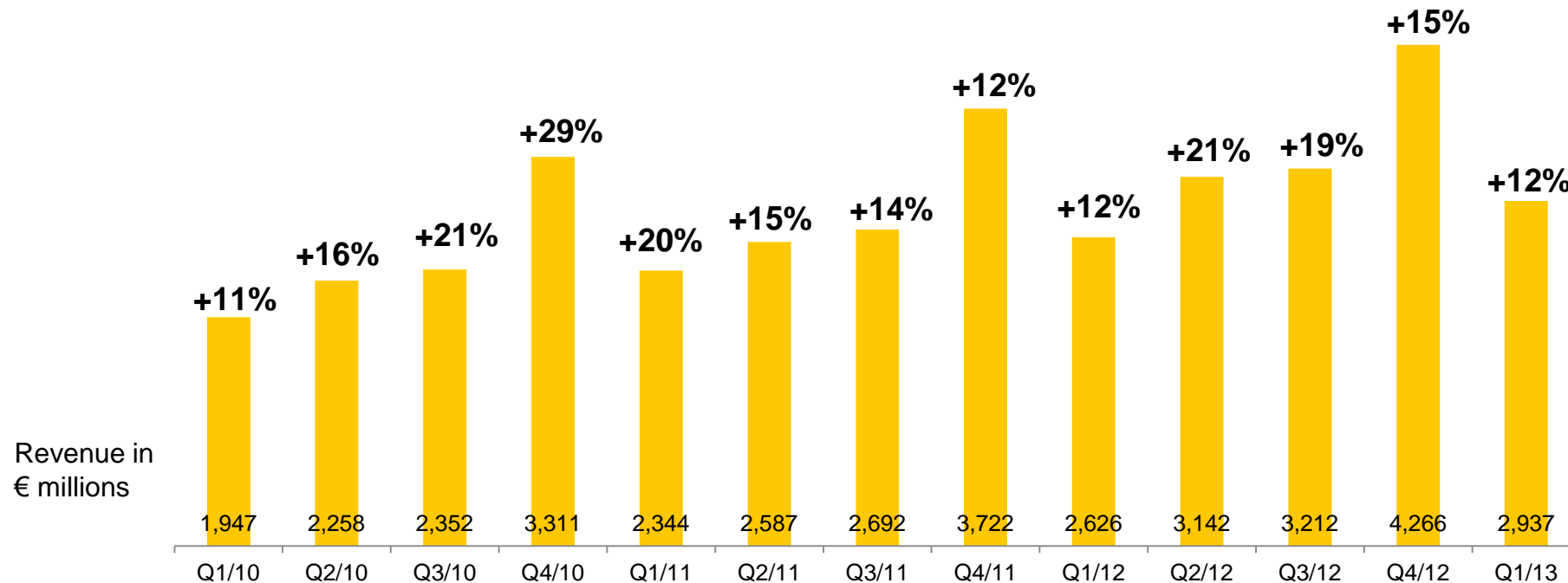
Balance Sheet and Cash Flow Analysis

Outlook and Additional Information

13th consecutive quarter of double-digit non-IFRS SSRS growth

Non-IFRS SSRS revenue : +14% at cc

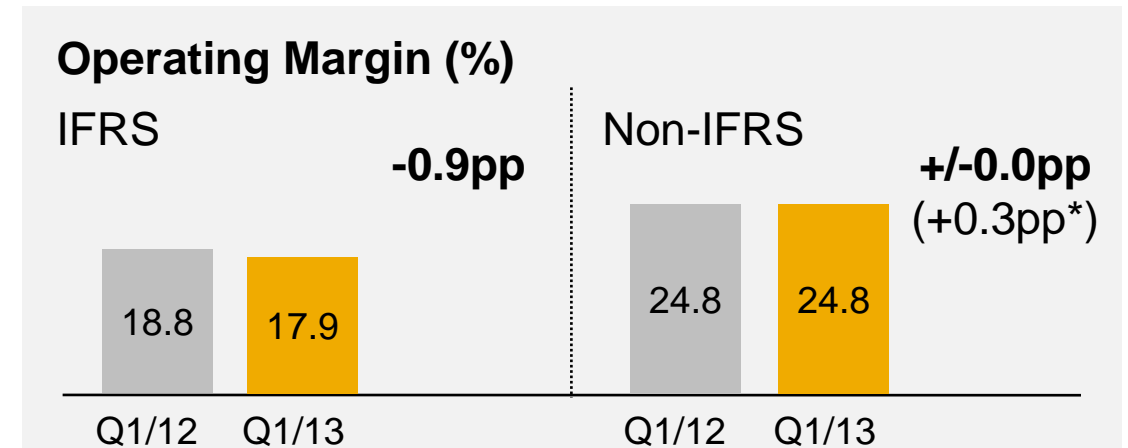
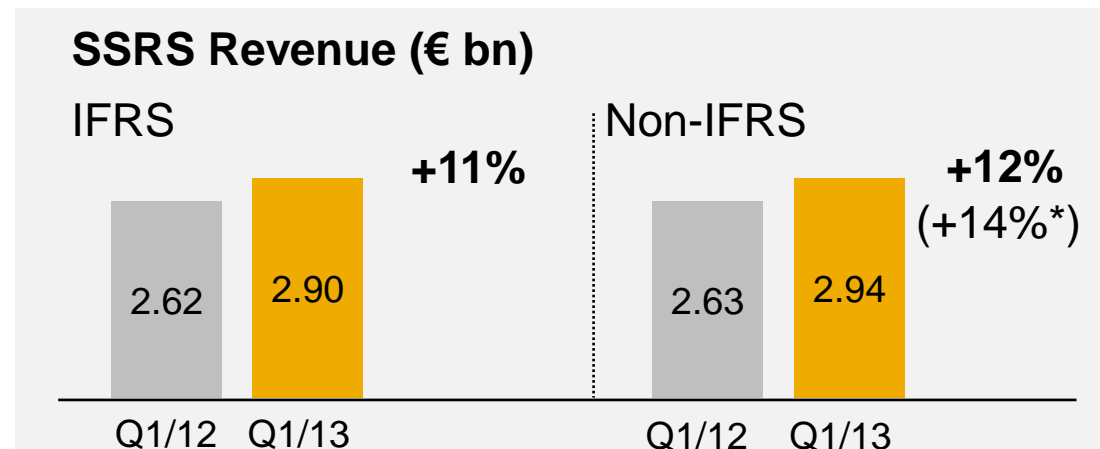
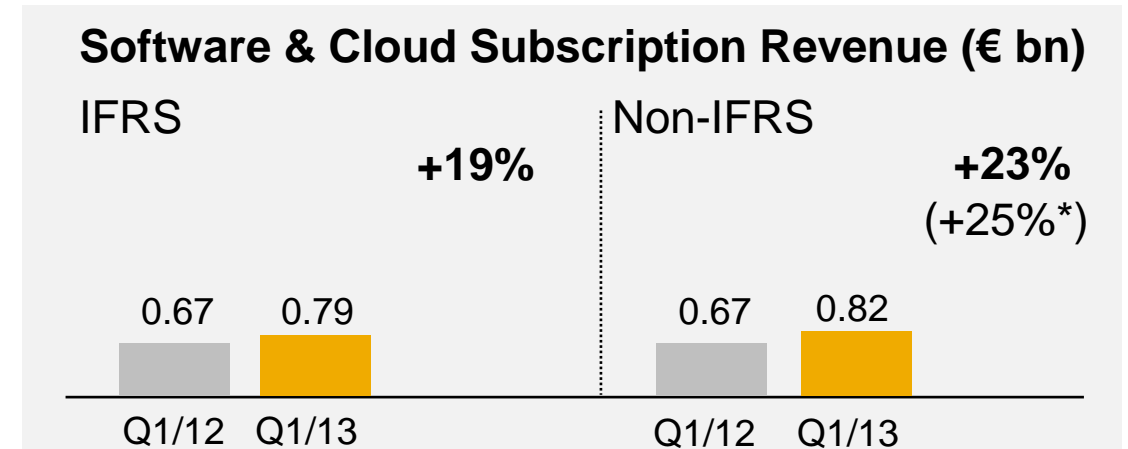
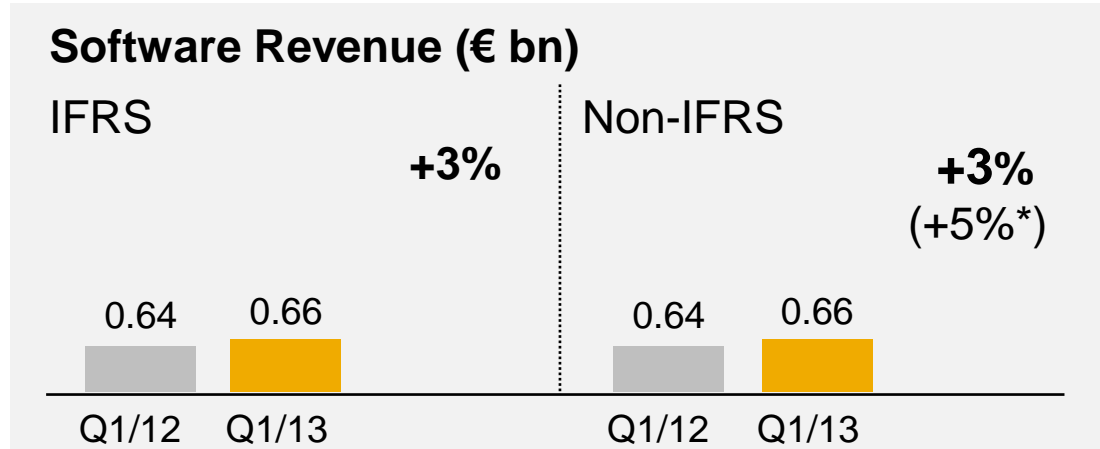
Year on year growth rates in %



Software and cloud subscription revenue grew 23% (25% at cc) to €824m

- SAP HANA software revenue tripled and achieved €86m, exceeding SAP's expectations

Key performance metrics Q1 2013



* At constant currencies

Strong growth in software & cloud subscription revenue in Q1 2013

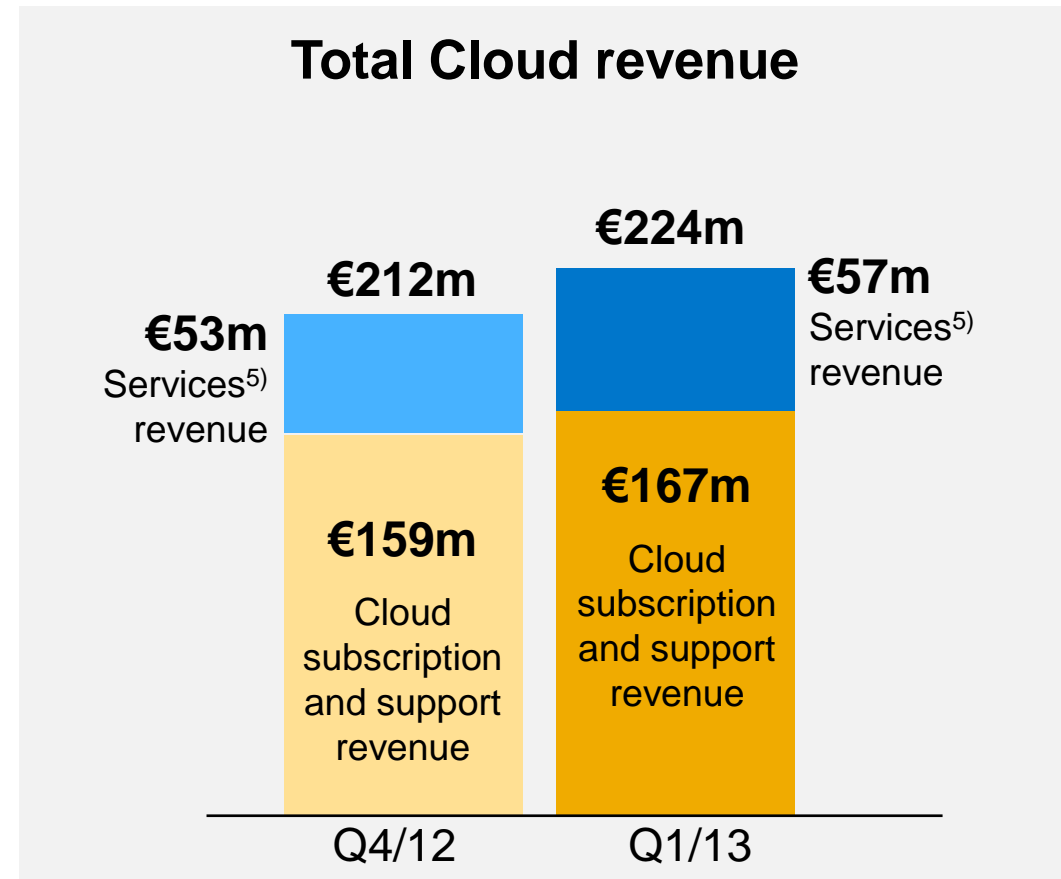
+ 23% (+25% at cc) yoy, non-IFRS

Regional performance

- Americas delivered strong Q1 with +49% yoy software & cloud subscription revenue growth (+51% at cc)
 - Driven by excellent software revenue performance in Latin America and
 - Strong cloud subscription and support revenue growth in North America
- Solid performance in EMEA, with +13% software & cloud subscription revenue growth (+15% at cc)
 - Impressive performance in light of continued market uncertainty
 - Strong yoy software revenue growth rates in many markets incl. Russia, Switzerland, and the UK
- APJ software & cloud subscription revenue declined (-10% / -7% at cc)
 - Several markets in APJ started more slowly in 2013 after a record fourth quarter in 2012 and new leadership in some markets
 - SAP expects the APJ region to be back on track in Q2

Continued acceleration in the cloud – Annual cloud revenue run rate³⁾ approaching €900 million

- **Total cloud revenue (Cloud division):** €224 million
- **Non-IFRS cloud subscription and support revenue:** €167 million, +380% yoy
- **Deferred cloud subscription and support revenue¹⁾** (non-IFRS as of March 31): €377 million +95% yoy
- **Cloud subscription and support backlog²⁾:** €800 million as of December 31, 2012
- **Run rate:** Annual Cloud revenue run rate³⁾ approaching €900 million
- **Number total cloud applications subscribers:** > 24 million
- **Ariba segment:**
 - trailing 12 month network spend volume⁴⁾: ~\$460 billion
 - >1 million companies connected through the Ariba network, the world's largest web-based trading community



1) Starting in Q1 2013, SAP is disclosing non-IFRS deferred cloud subscription and support revenue, which is a subset of the total non-IFRS deferred revenue number reported on the balance sheet.

2) Cloud subscription and support backlog represents expected future cloud subscription and support revenue that is contracted but not yet invoiced and thus not recorded in deferred revenue

3) The annual revenue run rate is the first quarter 2013 Cloud division revenue multiplied by 4.

4) Network spend volume is the total value of purchase orders transacted on the Ariba Network in the trailing 12 months

5) Professional services and other services revenue

Segment reporting

Q1 2013

€ millions	On Premise Division			Cloud Division			Cloud Division Total 2012	Total 2013	Total 2012
	On Premise Product	On Premise Services	On Premise Division Total	Cloud Applications	Ariba	Cloud Division Total 2013			
Q1 2013									
Software	657	0	657	0	0	0	1	657	637
Cloud subscriptions and support	0	0	0	87	81	167	35	167	35
Software & cloud subscription	657	0	657	87	81	168	35	824	672
Support	2,099	0	2,099	6	8	14	1	2,113	1,954
SSRS	2,756	0	2,756	93	88	181	37	2,937	2,626
PSOS	0	656	656	22	21	43	11	698	731
Total revenue	2,756	656	3,412	115	109	224	48	3,636	3,357
Cost of revenue	-457	-539	-996	-42	-46	-88	-36	-1,084	-1,061
Gross Profit	2,299	117	2,416	72	63	136	11	2,551	2,296
Cost of Sales & Marketing	-815	0	-815	-71	-37	-108	-36	-923	-776
Reportable Segment Profit/Loss	1,484	117	1,600	1	26	28	-25	1,628	1,520

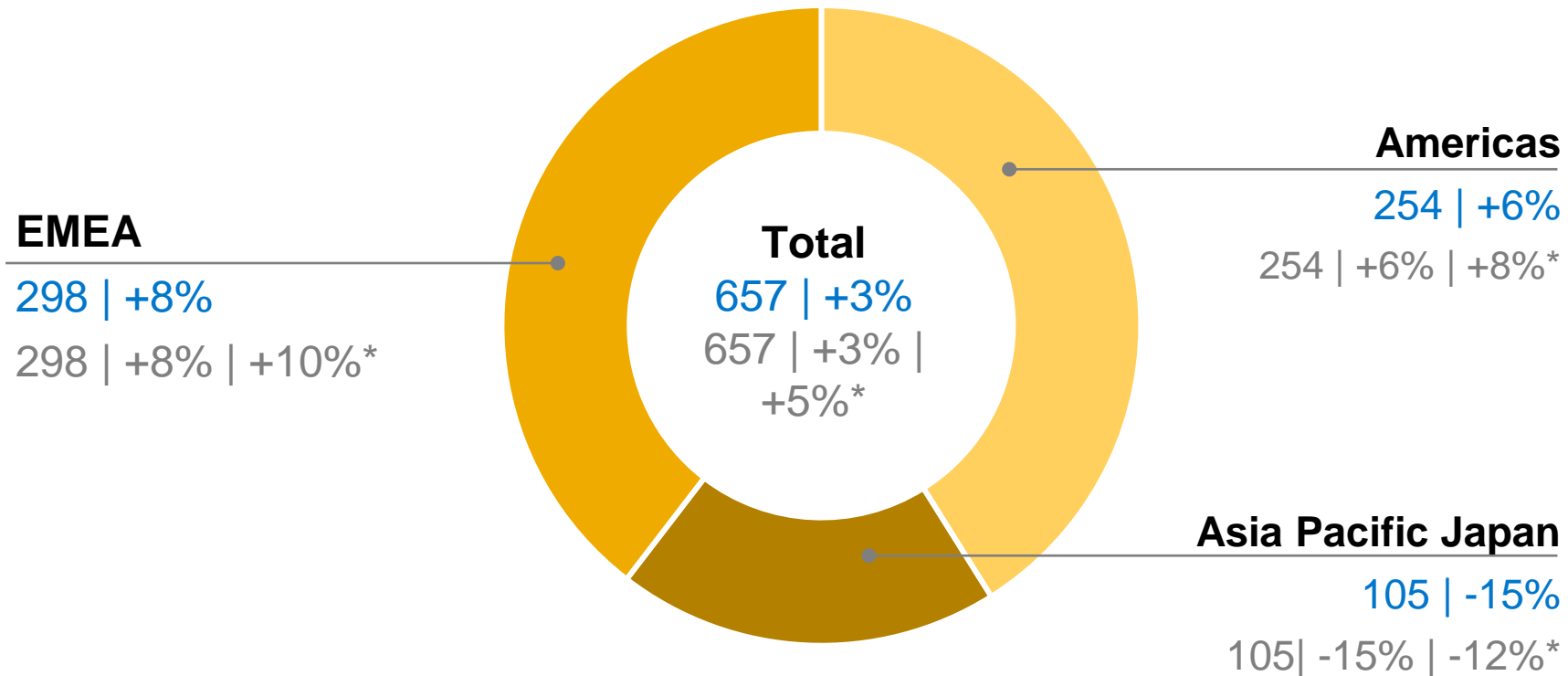
Software revenue by region**

Q1 2013

€ millions | yoy percent change

IFRS

Non-IFRS



* At constant currencies

** IFRS and non-IFRS revenue is presented by places where contracts were negotiated

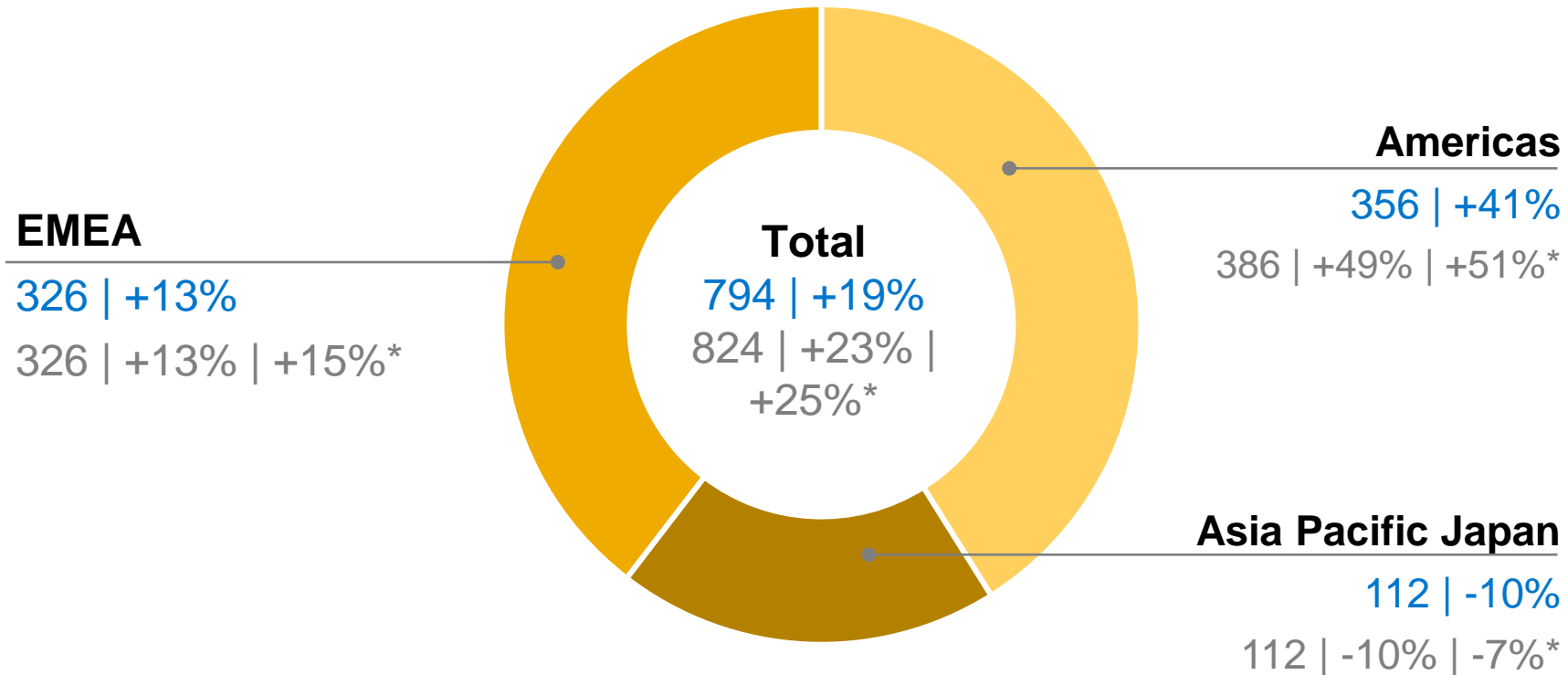
Software and Cloud Subscription Revenue**

Q1 2013

€ millions | yoy percent change

IFRS

Non-IFRS



* At constant currencies

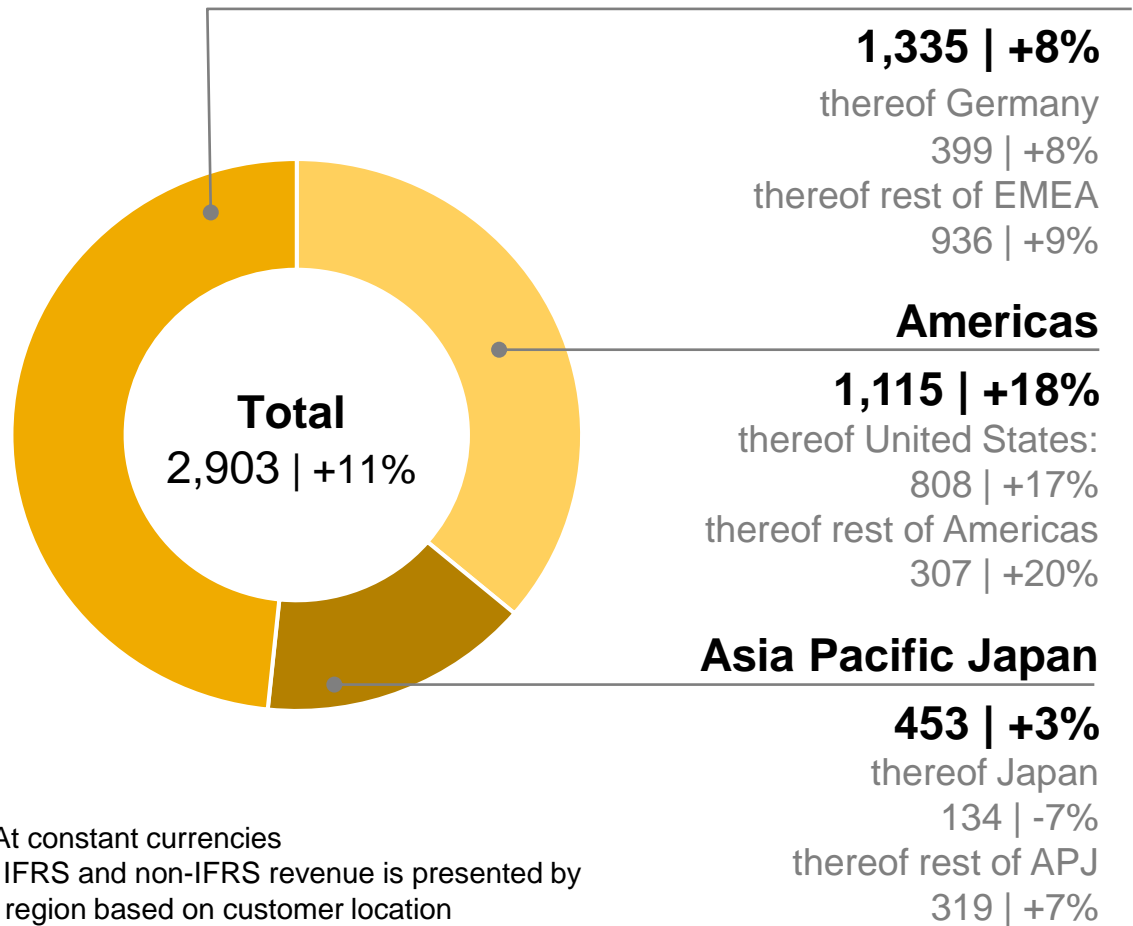
** ** IFRS and non-IFRS revenue is presented by region based on customer location

SSRS revenue by region**

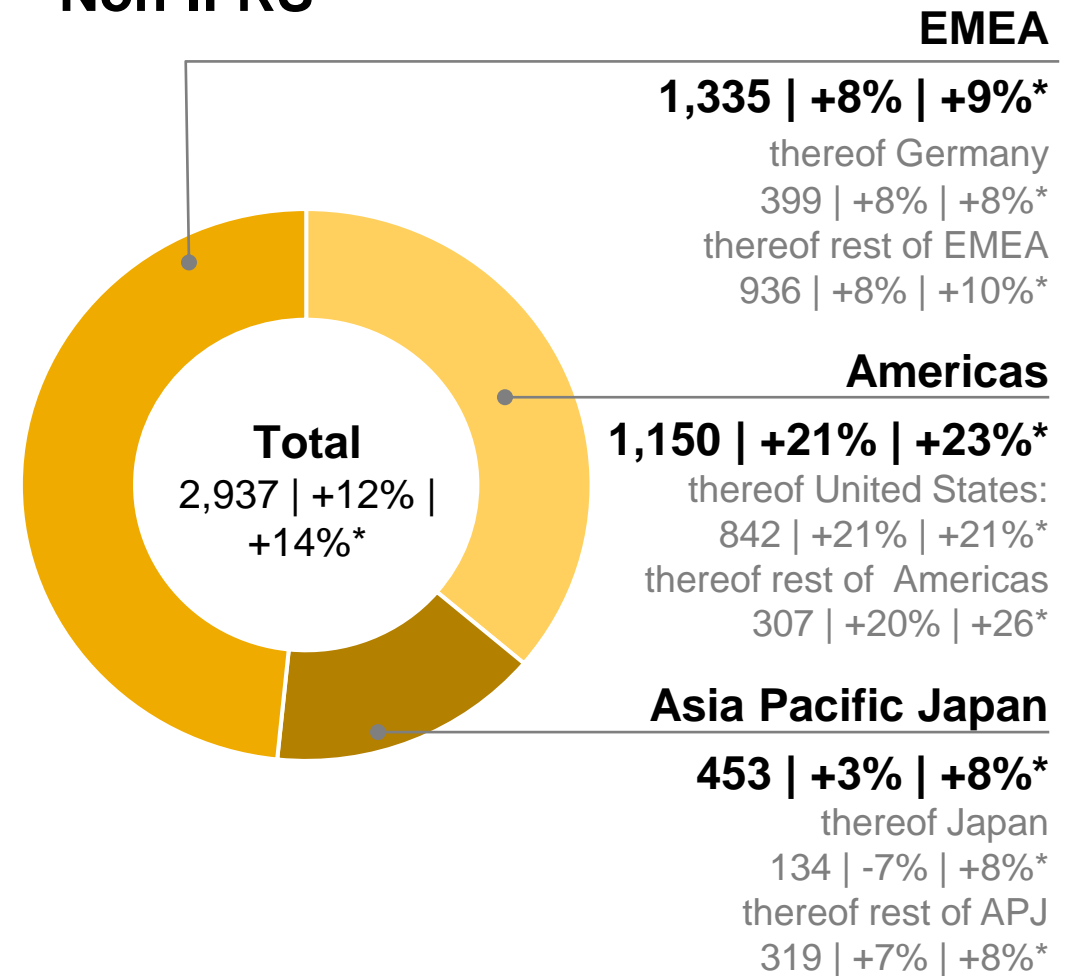
Q1 2013

€ millions | yoy percent change

IFRS



Non-IFRS



* At constant currencies

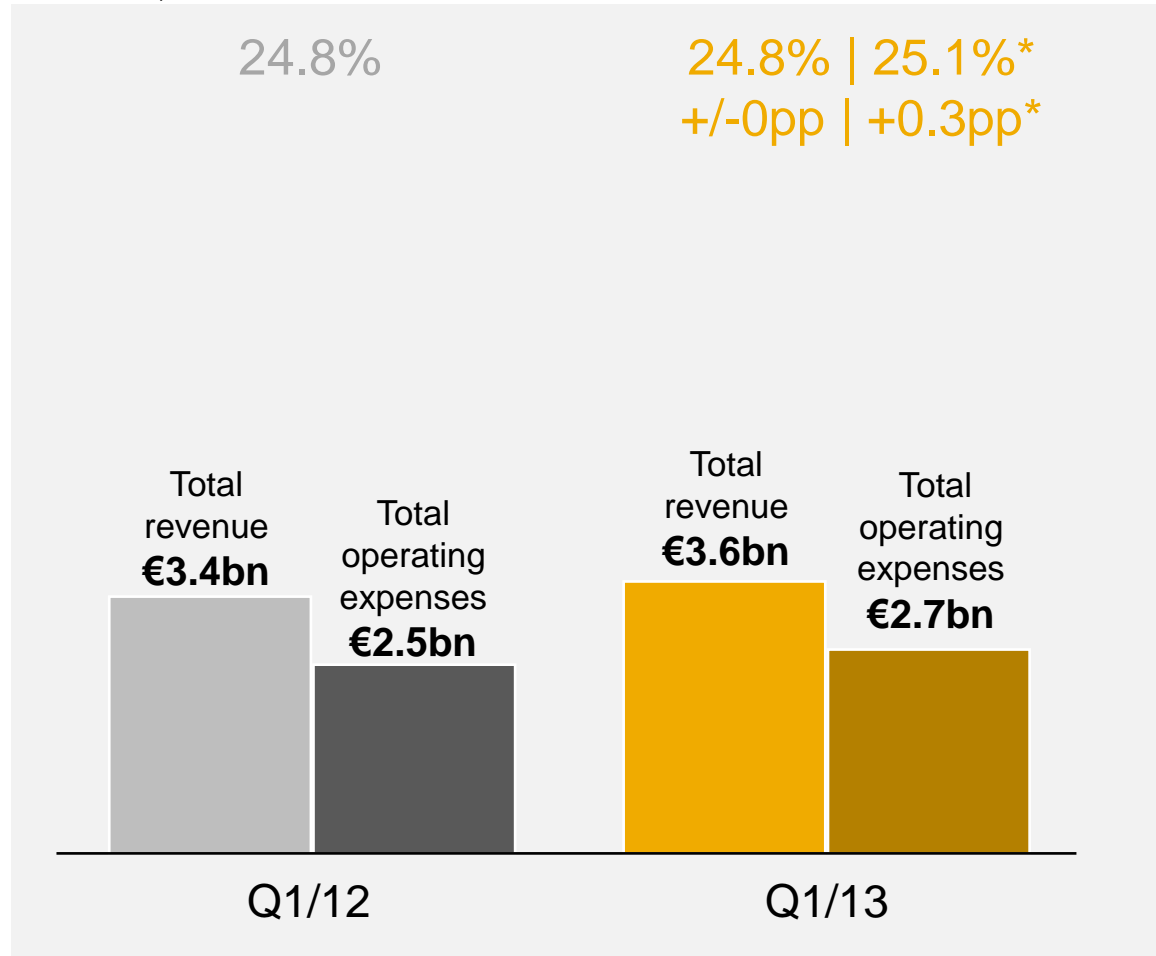
** IFRS and non-IFRS revenue is presented by region based on customer location

Q1 2013: Solid top-line growth

€ millions, unless otherwise stated	IFRS			Non-IFRS			
Revenue Numbers	Q1/13	Q1/12	Δ%	Q1/13	Q1/12	Δ%	Δ% at cc
Software	657	637	3	657	637	3	5
Cloud subscriptions and support	137	29	373	167	35	380	385
Software & Cloud subscriptions	794	666	19	824	672	23	25
Support	2,109	1,953	8	2,113	1,954	8	10
SSRS revenue	2,903	2,619	11	2,937	2,626	12	14
PSOS revenue	698	731	-4	698	731	-4	-3
Total revenue	3,601	3,350	7	3,636	3,357	8	10
Operating Expense Numbers							
Total operating expenses	-2,955	-2,719	9	-2,734	-2,523	8	10
Profit Numbers							
Operating profit	646	631	2	901	834	8	11
Finance income, net	-15	-16	-8	-15	-15	-1	
Profit before tax	621	607	2	877	811	8	
Income tax expense	-101	-163	-38	-188	-228	-18	
Profit after tax	520	444	17	689	583	18	
Operating margin in %	17.9	18.8	-0,9pp	24.8	24.8	+/-0pp	+0,3pp
Basic earnings per share, in €	0.44	0.37	19	0.58	0.49	18	

Non-IFRS operating margin increased by 0.3pp at constant currency in the first quarter

Non-IFRS, Q1/13



* At constant currencies

Non-IFRS operating profit:

- +8% to €901m
- +11% to €928m at cc

Non-IFRS operating margin:

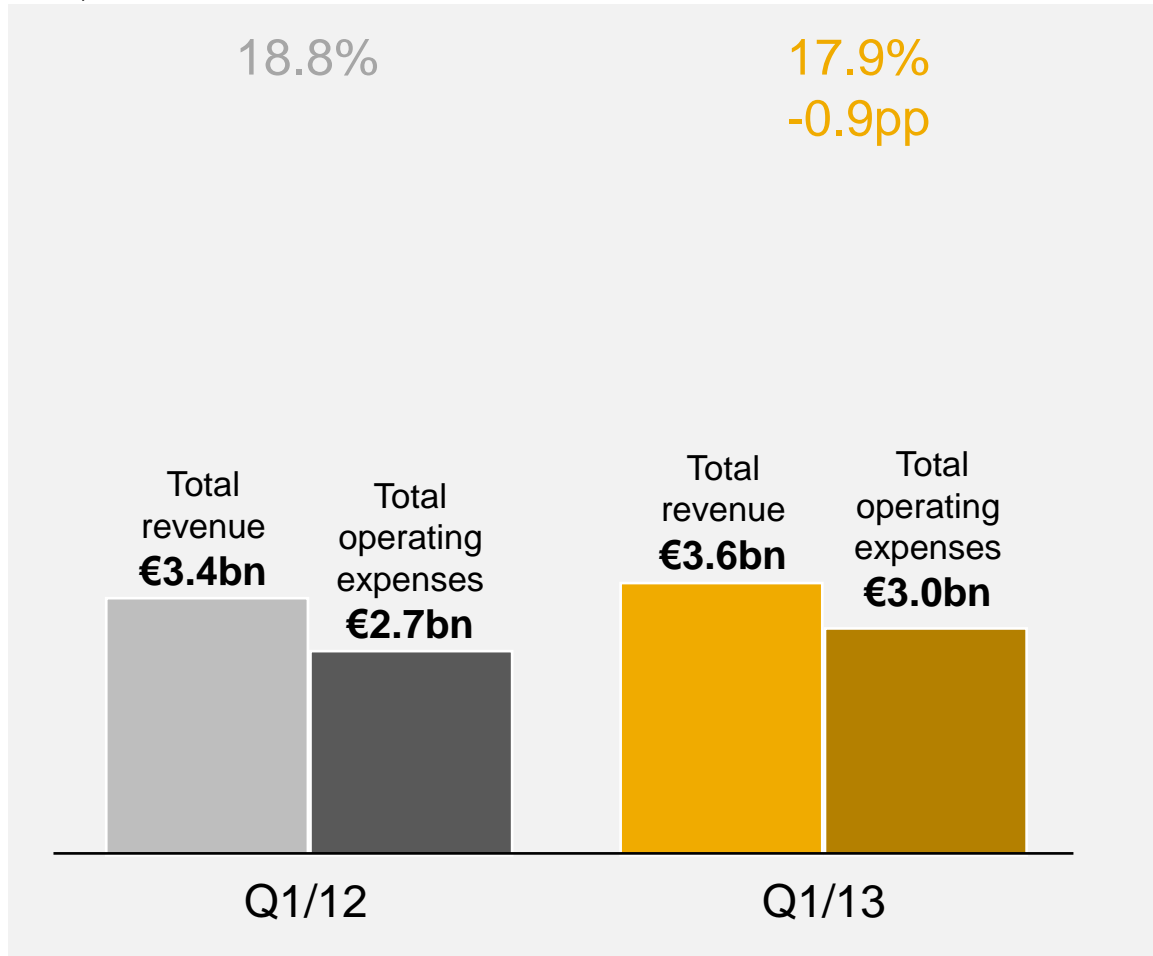
- +/-0pp (+0.3pp at cc) to 24.8% (Q1/12: 24.8%)

Non-IFRS operating profit and operating margin were affected by the acquisition of Success-Factors and Ariba, which impacted the operating margin by approximately 80 basis points.

The organic margin performance demonstrates that efficiency in SAP's core business has improved further.

IFRS operating profit increased by 2% in Q1 2013

IFRS, Q1/13



IFRS operating profit:

- +2% to €646m (Q1/12: €631m)

IFRS operating margin:

- Operating margin decreased mainly due to acquisitions by 0.9 percentage points to 17.9% (Q1 2012: 18.8%)

* At constant currencies

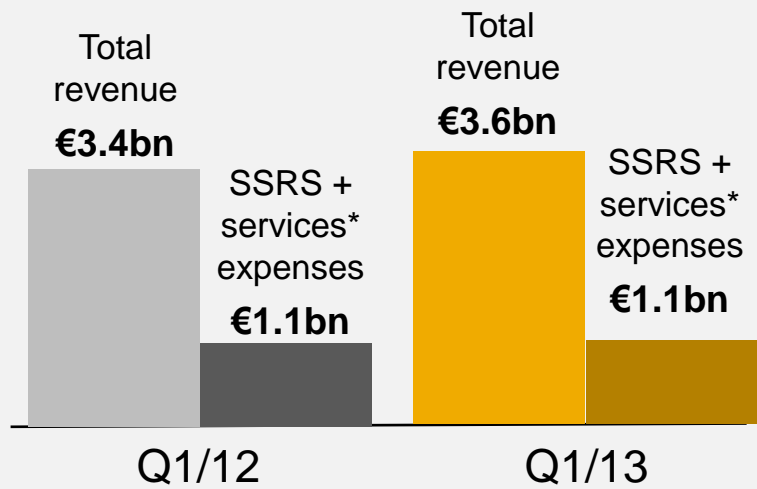
Gross margin improved by 180 bps

Q1 2013

Non-IFRS, Q1/13

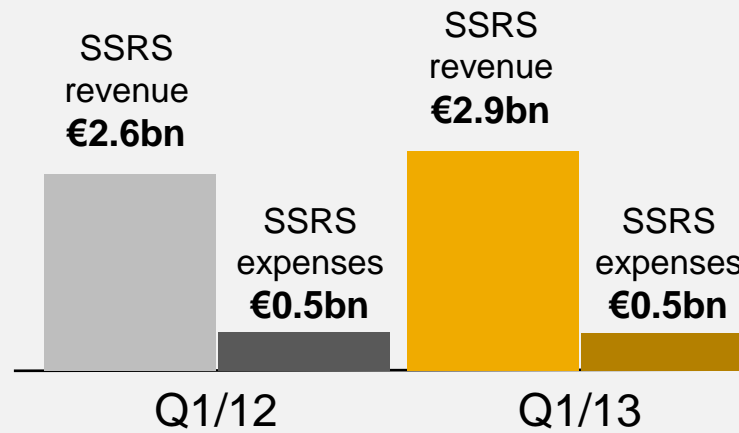
Gross Margin

70.2% | +1.8pp



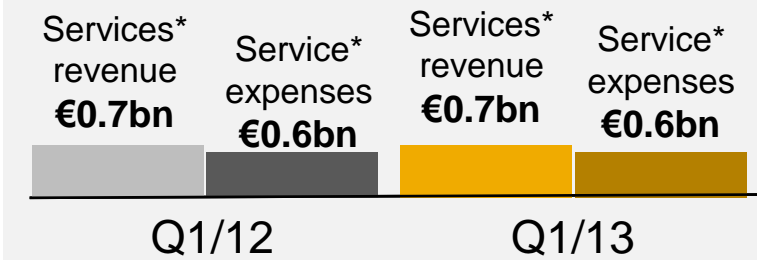
SSRS Margin

82.7% | +0.5pp



Professional Services* Margin

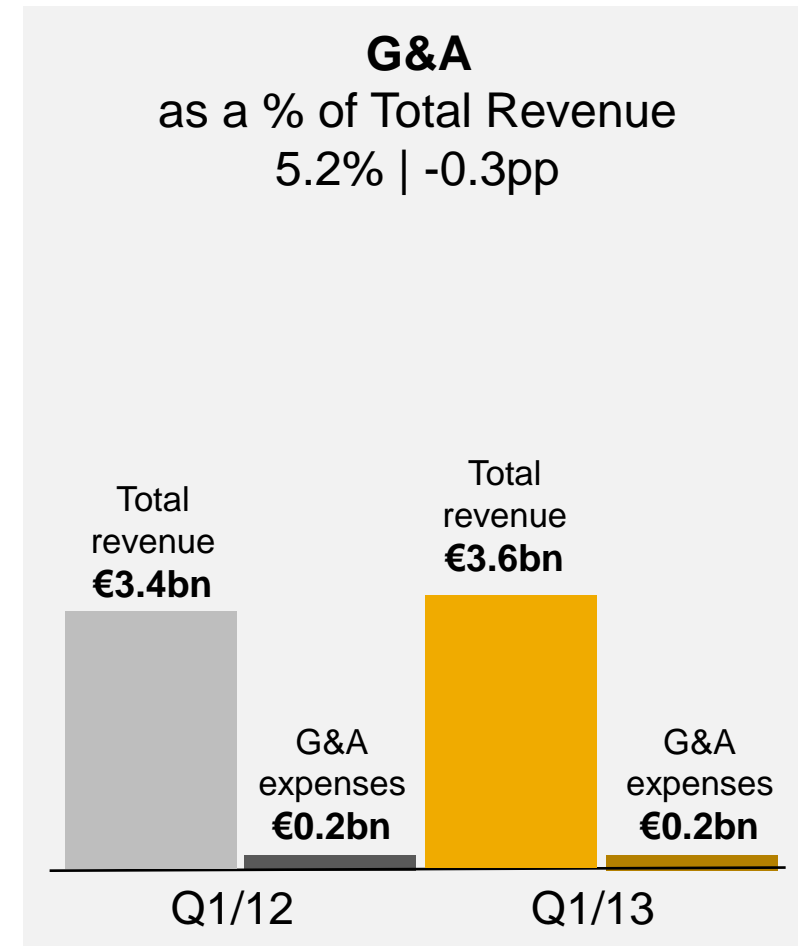
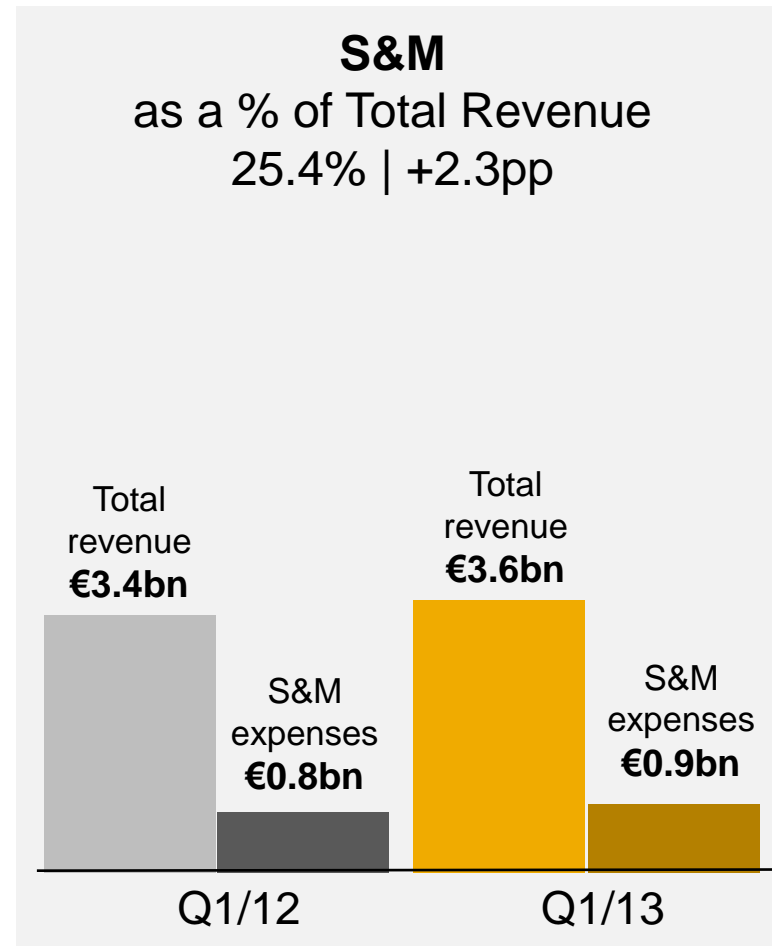
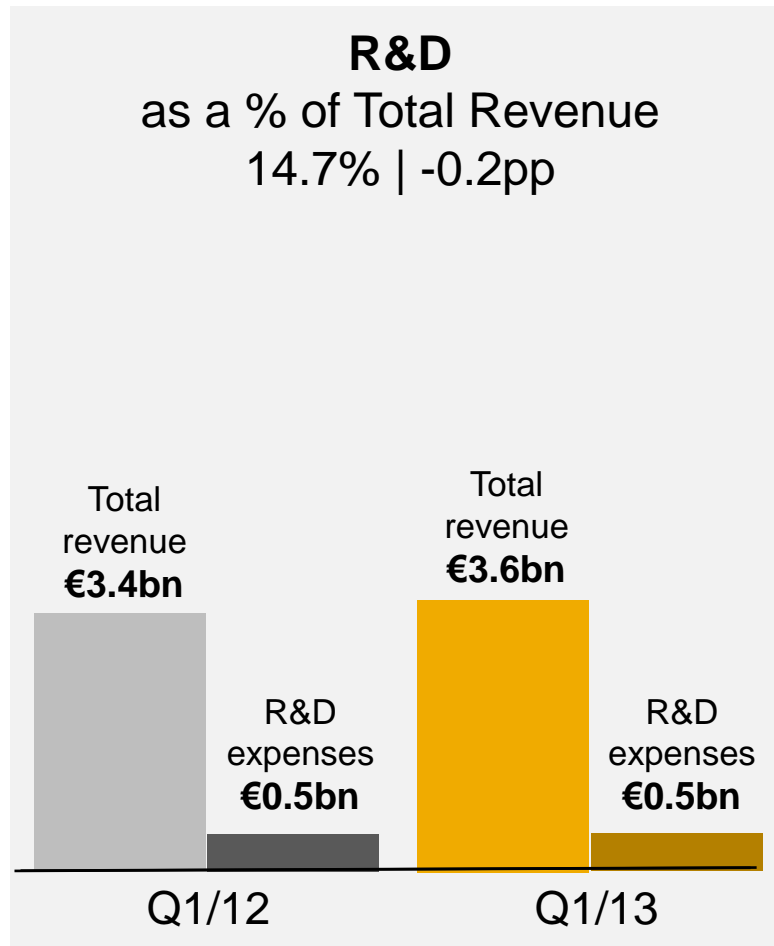
17.3% | -1.4pp



* Professional services and other services

S&M to total revenue ratio increased mainly due to additional sales headcount in Q1 to capture growth opportunities

Non-IFRS, Q1/13



Agenda

Income Statement

Balance Sheet and Cash Flow Analysis

Outlook and Additional Information

Balance sheet, condensed

March 31, 2013, IFRS

Assets € millions	03/31/13	12/31/12
Cash, cash equivalents and other financial assets	4,752	2,631
Trade and other receivables	3,872	3,917
Other non-financial assets and tax assets	645	450
Total current assets	9,269	6,998
Goodwill	13,512	13,274
Intangible assets	3,168	3,234
Property, plant, and equipment	1,725	1,708
Other non-current assets	1,621	1,495
Total non-current assets	20,025	19,711
Total assets	29,294	26,710

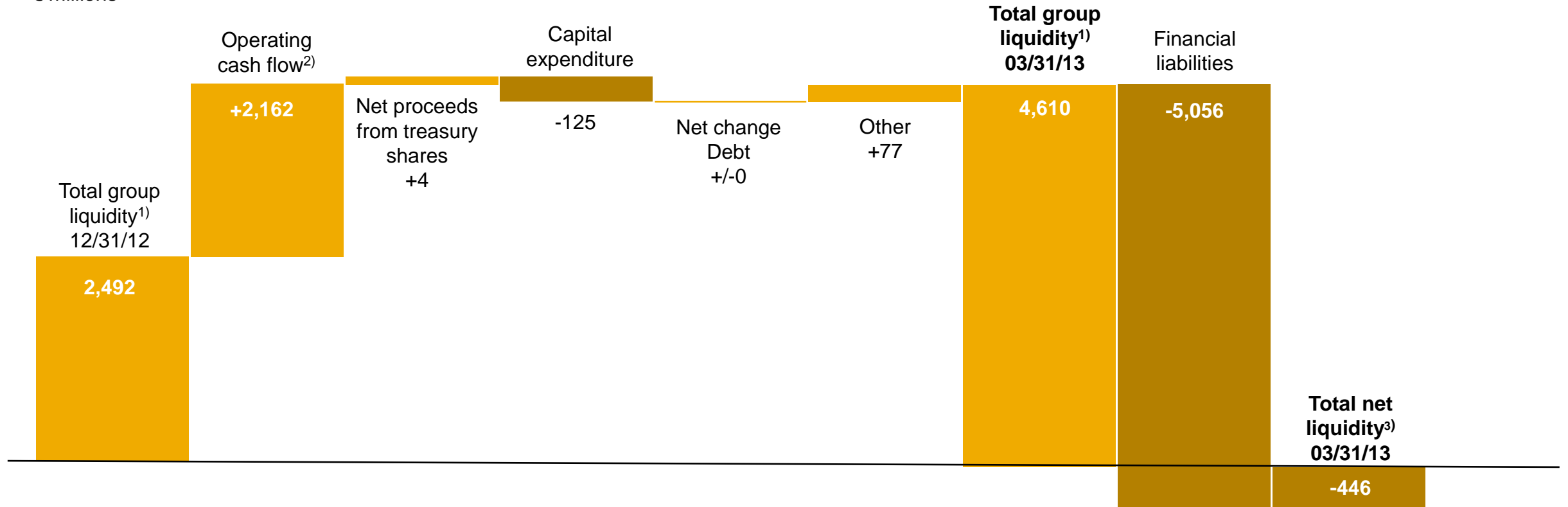
Equity and liabilities € millions	03/31/13	12/31/12
Financial liabilities	873	802
Deferred income	3,959	1,386
Provisions	646	843
Other liabilities	2,832	3,517
Current liabilities	8,309	6,547
Financial liabilities	4,500	4,446
Provisions	382	361
Deferred income	65	62
Other non-current liabilities	1,085	1,123
Non current liabilities	6,032	5,991
Total liabilities	14,341	12,538
Total equity	14,953	14,171
Equity and liabilities	29,294	26,710

Operating cash flow in Q1 2013 reached €2.2 billion – Highest number ever achieved in a first quarter

€ millions, unless otherwise stated	01/01/13 - 03/31/13	01/01/12 - 03/31/12	Δ
Operating cash flow	2,162	2,071	+4%
- Capital expenditure	-113	-113	+/-0%
Free cash flow	2,049	1,958	+5%
Free cash flow as a percentage of total revenue	57%	58%	-1pp
Cash conversion rate	4.16	4.66	-11%
Days sales outstanding (DSO)	61	60	+1 day

Total group liquidity increased up to €4.6 billion due to high operating cash flow

€ millions



- 1) Cash and cash equivalents + restricted cash + current investments
- 2) Business combinations, net of cash and cash equivalents acquired amounted to -€12m
- 3) Total Group Liquidity less financial liabilities (=bank loans, private placement transactions and bonds)

Agenda

Income Statement

Balance Sheet and Cash Flow Analysis

Outlook and Additional Information

SAP reiterated its outlook for the full year 2013

	SAP's Outlook FY 2013	Basis for Comparison 2012
Software and cloud subscription revenue (Non-IFRS at cc)	+ 14% to 20%	€5.00bn
Cloud subscription and support revenue (Non-IFRS at cc)	~ €750m	€343m
SSRS Revenue (Non-IFRS at cc)	+ 11% to 13%	€13.25bn
Operating Profit (Non-IFRS at cc)	€5.85bn to €5.95bn	€5.21bn
Effective Tax Rate (IFRS)	25.5% to 26.5%	26.2%
Effective Tax Rate (Non-IFRS)	27.0% to 28.0%	27.5%

Additional 2013 guidance information and non-IFRS adjustments

1. **SAP HANA software revenue** expectation for FY 2013: €650m to €700m (2012: €392m)
2. **Professional services and other service revenues:** expected to grow low single digit percent in FY 2013
3. **Total cloud revenue** expected to approach €1billion in FY 2013
4. **Non-IFRS adjustments:**

IFRS Profit Measure	Actual Amounts Q1/2013	Actual Amounts Q1/2012	Estimated Amounts for FY/2013
Deferred revenue write-down	€35m	€7m	€65m to €75m
Discontinued activities	€0m	€-7m	< €10m
Share-based compensation expenses	€70m	€83m	€440m to €480m
Acquisition-related charges	€137m	€120m	€560m to €600m
Restructuring charges	€13m	€0m	€40m to €60m

Explanation of non-IFRS measures

SAP has provided its non-IFRS estimates for the full-year 2013. For a more detailed description of all of SAP's non-IFRS measures and their limitations as well as our constant currency and free cash flow figures see [Non-IFRS Measures and Estimates](#) online.

Constant currency revenue figures are calculated by translating revenue of the current period using the average exchange rates from the previous year's respective period instead of the current period. Constant currency period-over-period changes are calculated by comparing the current year's non-IFRS constant currency numbers with the non-IFRS number of the previous year's respective period.

For a more detailed description of all of SAP's non-IFRS adjustments and their limitations as well as our constant currency and free cash flow figures see [Non-IFRS Measures and Estimates](#) online.