



SAP AG Investor Presentation Debt Investors Conference Call

July 25, 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

SAP Strategy & Product Overview

Key Financials Q2 & Outlook 2013

Financing Strategy & Credit Profile

Market trends and customer requirements

Cloud

Business opportunities through cloud offerings

Consumerization

Business users driving corporate IT decisions

Big Data

Data volume for enterprise applications
is doubling every 18 months

Mobility

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

Social

Technology allows people to be more
connected than ever



New Business Models

Big Data and mobility open opportunities for new
business models that customer needs to adopt

Cost efficiency

Customer have to manage TCO tightly

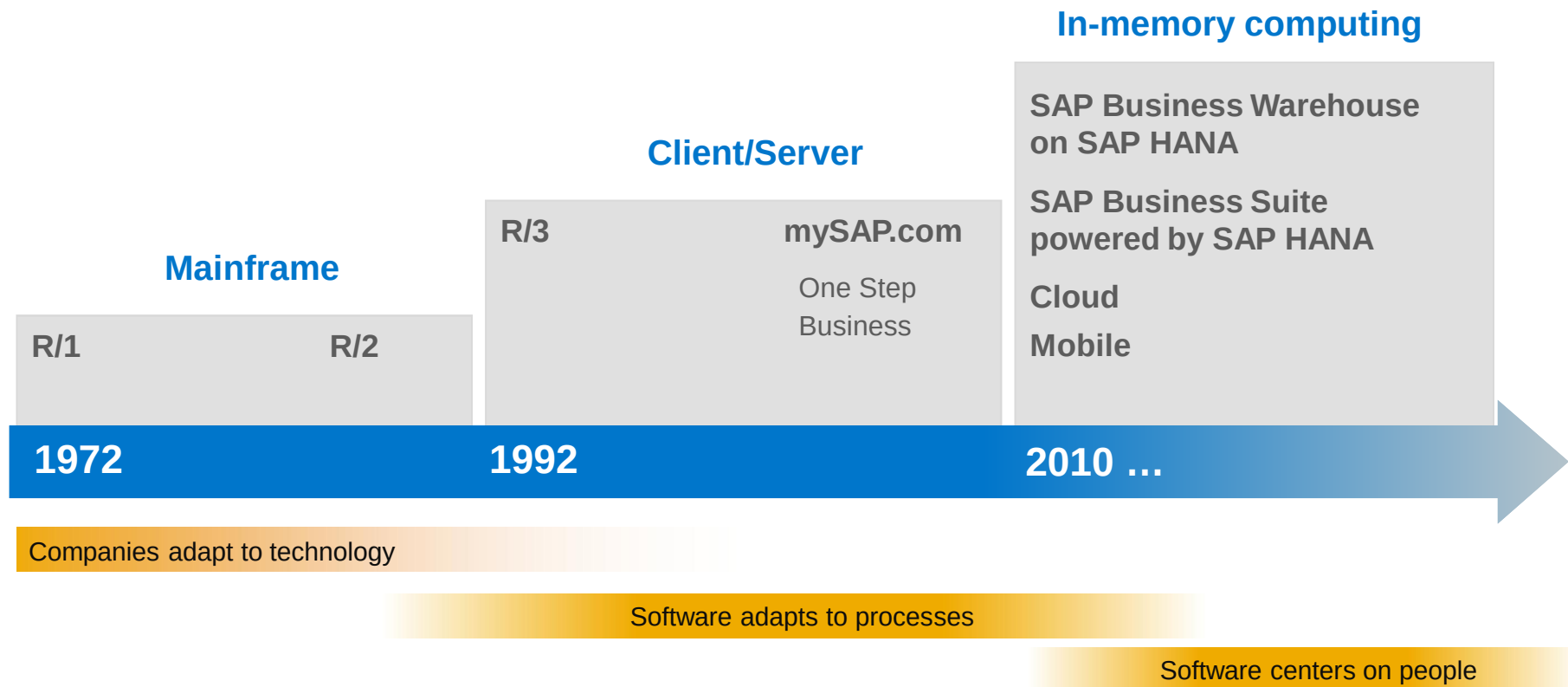
Simplification

Companies want simpler infrastructure
Users expect intuitive software

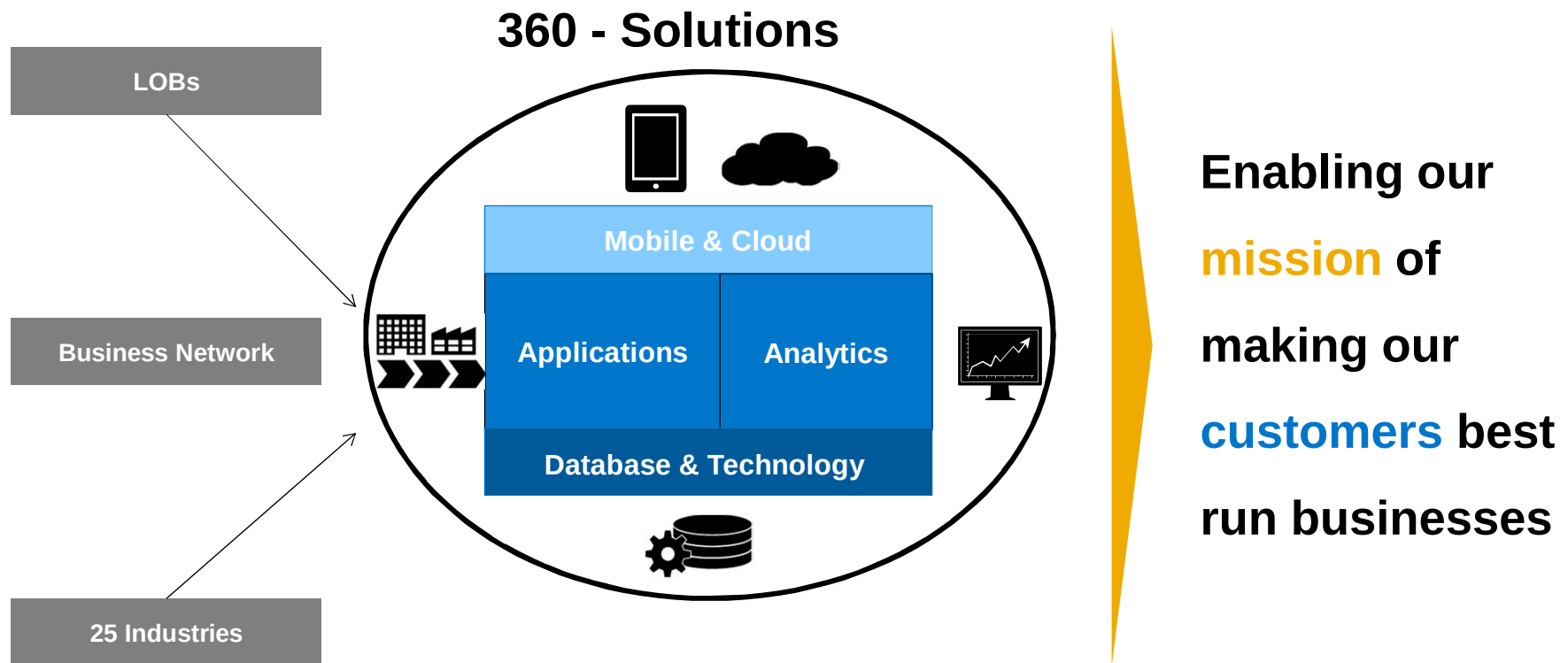
Investment Security

Customers require investment security
according to their planning horizons

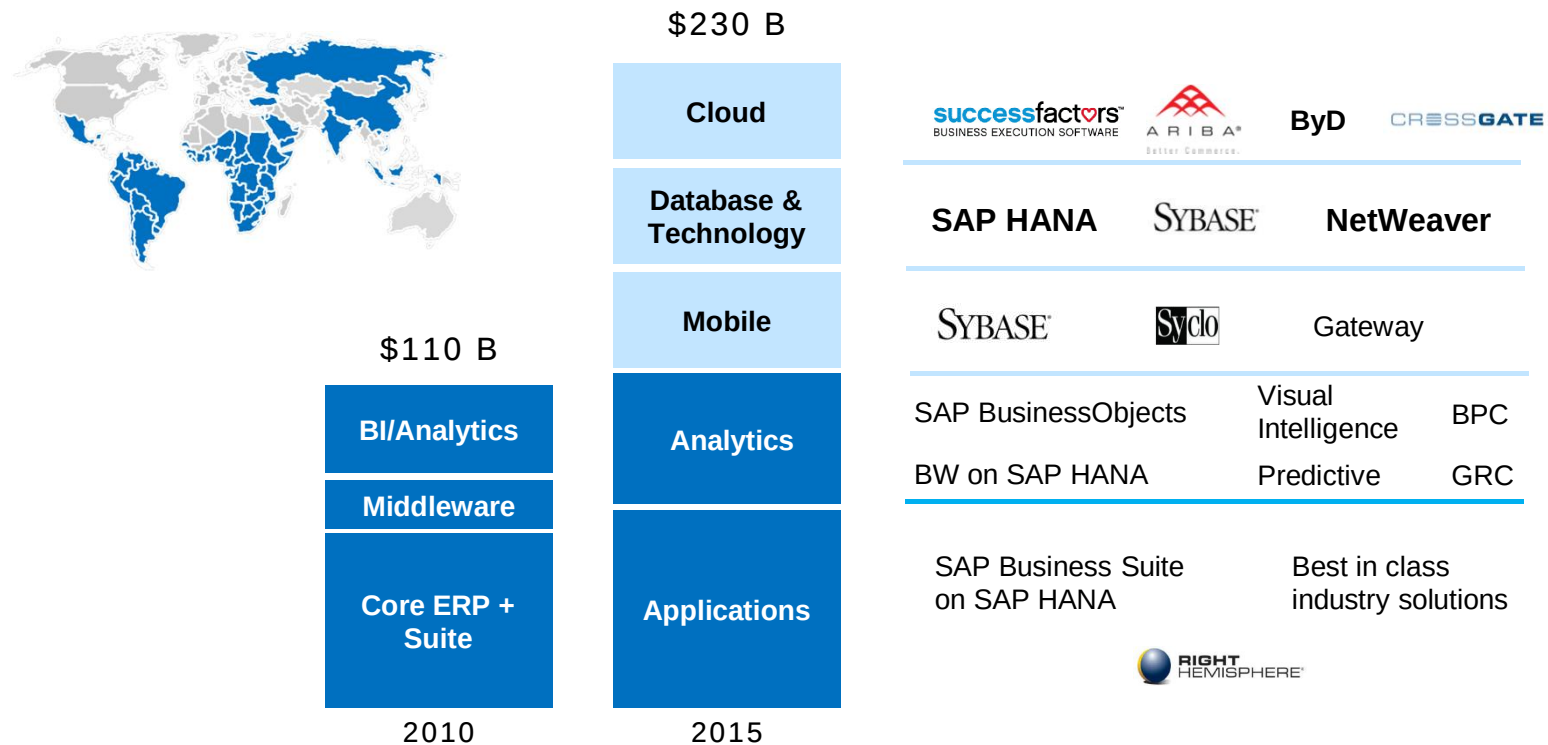
Transforming SAP through innovation and customer focus



SAP opportunity is delivering customer value



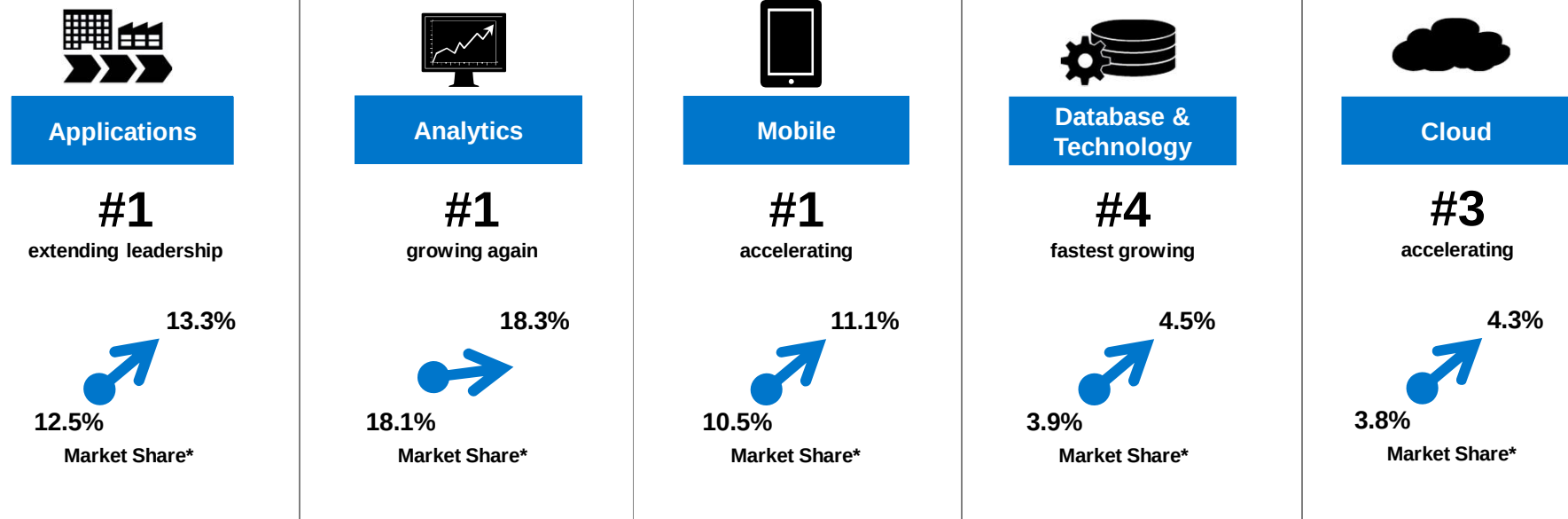
Doubling addressable market through Innovation



Source: IDC, CMI, strategy reviews with consulting firms, team analysis

Our market position is stronger than ever

SAP is either number one or the fastest growing competitor



*Market Share growth from 2011 to 2012

Re-inventing the database market with SAP HANA

- **SAP** – First to bring transactions and analytics into one single platform
- **SAP Business Suite on SAP HANA** – Next generation platform for business innovation
- **Open architecture** – customer choice and eco-system friendly
- **Innovation without disruption**



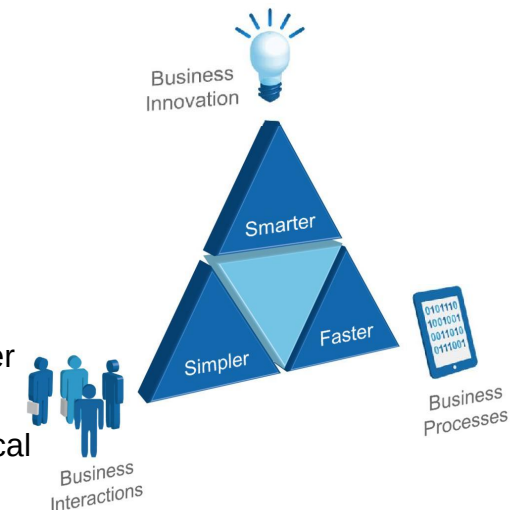
SAP Business Suite powered by SAP HANA – Applications on HANA bring business processes to a new level (1)

FASTER – Suite on HANA enables unprecedented speed to manage business in a second while data is exponentially exploding in a socially connected world:

- ✓ Better and faster insight – better decisions
- ✓ Faster business processes – more agility and better execution
- ✓ Faster anticipation of changes (markets, customers, consumers) – react faster to emerging trends than competition

SIMPLER – Suite on HANA radically simplifies IT and enables companies to shift investment into innovative software

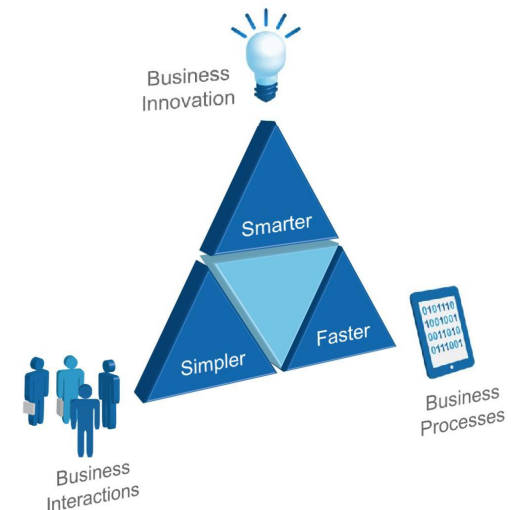
- ✓ Merge the world of structured & unstructured data management – significantly leaner and more powerful IT systems
- ✓ Move all applications on the HANA platform – close the data divide between analytical and transactional world and instant access. No batching anymore – extremely simplifies IT process management and helps manage big data processing without delays and including fast growing world of unstructured data from social platforms



SAP Business Suite powered by SAP HANA – Applications on HANA bring business processes to a new level (2)

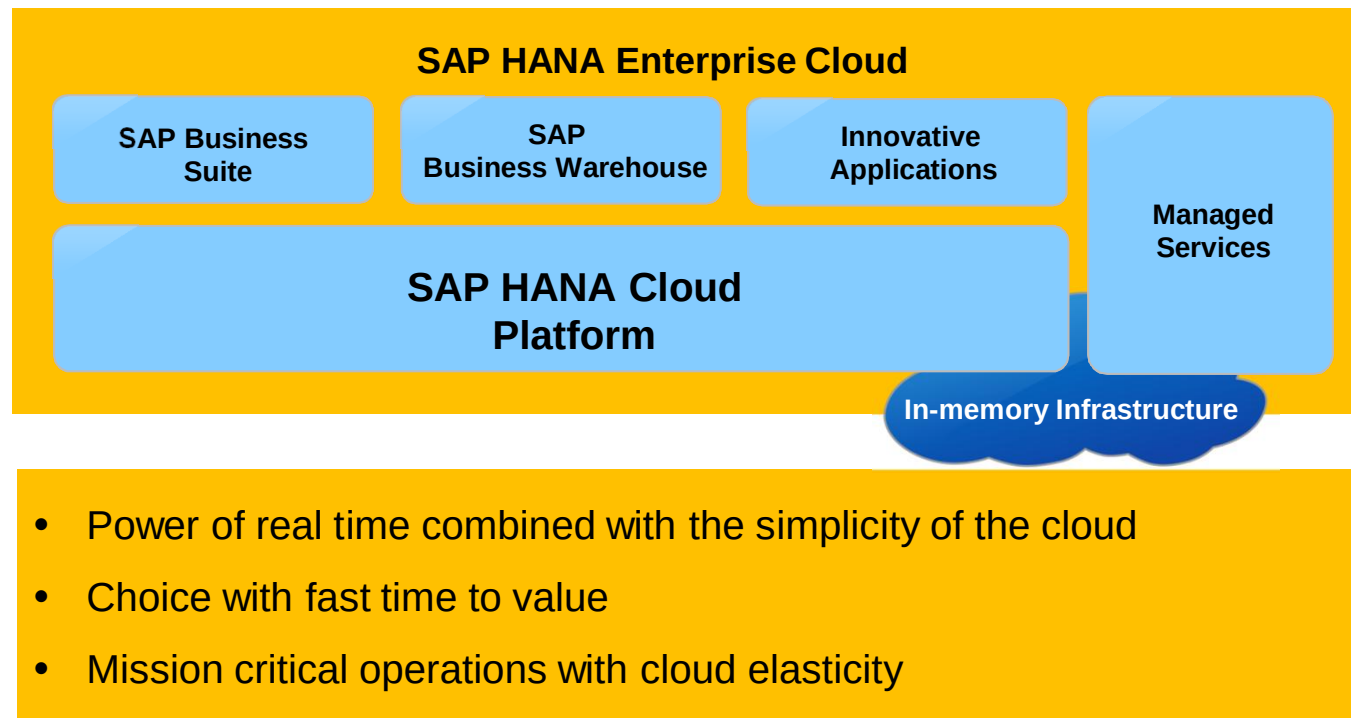
SMARTER – Suite on HANA enables companies to reinvent business and create new business opportunities

- ✓ Leverage the power of real time big data management – to create new business opportunities (e.g. Personalized affordable health care)
- ✓ Boost efficiency gains across your supply chains – become leaner, more agile and real "in time" (e.g. Reduce waste in transportation and logistics, real time materials management)
- ✓ Predictive smart analytics – anticipate consumer demand and customer needs (e.g. Smart trade promotions, instant consumer retention, dynamic pricing in airline transportation)



SAP HANA Enterprise Cloud (Managed Cloud Services)

HANA Cloud Platform is the foundation of our entire approach



SAP Cloud Strategy

One common cloud platform

SOCIAL PEOPLE TO PEOPLE COLLABORATION

MANAGED CLOUD



Business Suite NetWeaver BW
Powered by SAP HANA

LINE OF BUSINESS CLOUD APPLICATIONS



PEOPLE



CUSTOMER



MONEY



SUPPLIER

**Cloud
Suites**



Business

**Cloud
Marketplace**



BUSINESS NETWORK BUSINESS TO BUSINESS COLLABORATION

SAP HANA CLOUD PLATFORM

Application Development | Integration | Database and Analytics | Foundation

Agenda

SAP Strategy & Product Overview

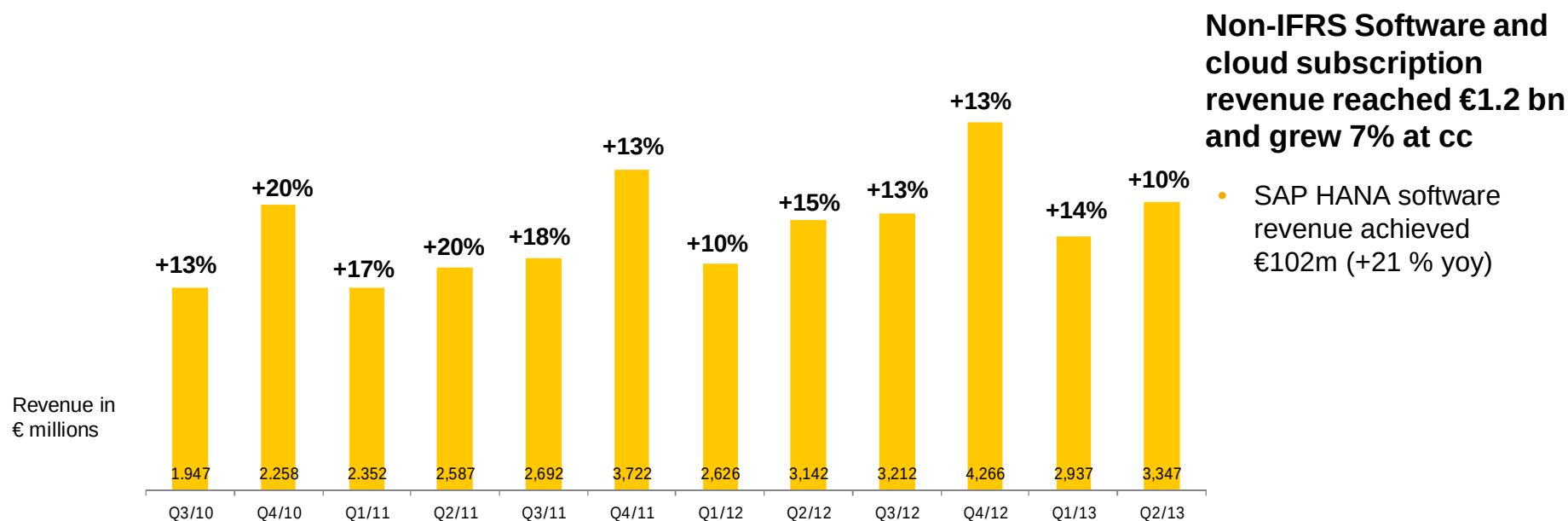
Key Financials Q2 & Outlook 2013

Financing Strategy & Credit Profile

Track record of 3 years of double-digit non-IFRS SSRS revenue growth

Non-IFRS SSRS revenue : +10% at cc

Year on year growth rates in % @cc



Key performance metrics H1 2013

Software Revenue (€ bn)

IFRS

-3%

1.70

1.64

H1/12 H1/13

Non-IFRS

-3%
(+/-0%*)

1.70

1.64

H1/12 H1/13

SSRS Revenue (€ bn)

IFRS

+8%

5.74

6.22

H1/12 H1/13

Non-IFRS

+9%
(+12%*)

5.77

6.28

H1/12 H1/13

Software & Cloud Subscription Revenue (€ bn)

IFRS

+9%

1.78

1.94

H1/12 H1/13

Non-IFRS

+11%
(+14%*)

1.80

1.99

H1/12 H1/13

Operating Margin (%)

IFRS

-0.1pp

21.4

21.3

H1/12 H1/13

Non-IFRS

-0.2pp
(+0.4pp*)

27.6

27.4

H1/12 H1/13

* At constant currencies

Software & cloud subscription revenue increased 7% at constant currencies yoy in Q2 2013 (3% at actual currencies to €1.17 billion)

Regional performance¹⁾

- Americas delivered strong Q2 with +18% yoy software & cloud subscription revenue growth
- Solid performance in EMEA, with +3% yoy software & cloud subscription revenue growth
- Performance in Asia Pacific Japan (APJ) region was below expectations at -7% yoy, mainly due to continued macroeconomic challenges, trend consistent with what our competitors and partners experienced

1) Non-IFRS software and cloud subscription revenue on this page is calculated as the combination of software revenue based on location of negotiation and cloud subscription and support revenue based on customer location; growth rates at constant currencies.

SAP driving the transition to the cloud and gaining market share – Annual cloud revenue run rate³⁾ exceeded €930 million

- **Total cloud revenue (Cloud division), Q2 2013:** €233 million in Q2 2013
- **Non-IFRS cloud subscription and support revenue, Q2 2013:** €183 million, +166% yoy (+171% @cc)
- **Deferred cloud subscription and support revenue¹⁾** (non-IFRS as of June 30): €361 million +68% yoy
- **Cloud subscription and support backlog²⁾:** €800 million as of December 31, 2012
- **Run rate:** Annual Cloud revenue run rate³⁾ exceeded €930 million
- **Number total cloud users:** > 30 million
- **Ariba segment:**
 - trailing 12 month network spend volume⁴⁾: ~\$465 billion (+27% yoy)
 - >1.1 million companies connected through the Ariba network, the world's largest web-based trading community

1) Beginning in Q1 2013, SAP discloses 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 second quarter 2013 cloud division revenue of €233 million multiplied by 4.

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

H1 2013: Solid top and bottom line growth

€ millions, unless otherwise stated	IFRS			Non-IFRS			
Revenue Numbers	H1/13	H1/12	Δ%	H1/13	H1/12	Δ%	Δ% at cc
Software	1,638	1,696	-3	1,638	1,696	-3	0
Cloud subscriptions and support	296	81	266	350	104	238	243
Software & Cloud subscriptions	1,935	1,777	9	1,989	1,799	11	14
Support	4,286	3,966	8	4,295	3,968	8	11
SSRS revenue	6,220	5,743	8	6,284	5,768	9	12
PSOS revenue	1,443	1,505	-4	1,443	1,505	-4	-2
Total revenue	7,663	7,248	6	7,727	7,273	6	9
Operating Expense Numbers							
Total operating expenses	-6,029	-5,696	6	-5,607	-5,266	6	8
Profit Numbers							
Operating profit	1,634	1,551	5	2,120	2,007	6	11
Finance income, net	-37	-26	41	-37	-25	48	
Profit before tax	1,584	1,472	8	2,070	1,929	7	
Income tax expense	-340	-368	-8	-507	-515	-2	
Profit after tax	1,244	1,104	13	1,563	1,414	11	
Operating margin in %	21.3	21.4	-0,1pp	27.4	27.6	-0,2pp	+0,4pp
Basic earnings per share, in €	1.04	0.93	12	1.31	1.19	10	

Segment reporting

H1 2013

€ millions	On Premise Division				Cloud Division					
H1 2013	On Premise Product	On Premise Services	On Premise Division Total 2013	On Premise Division Total 2012	Cloud Applications	Ariba	Cloud Division Total 2013	Cloud Division Total 2012	Total 2013	Total 2012
Software	1,638	0	1,638	1,695	0	0	0	1	1,638	1,696
Cloud subscriptions & support	0	0	0	0	184	167	350	104	350	104
Software & cloud subscription	1,638	0	1,638	1,695	184	167	351	105	1,989	1,799
Support	4,271	0	4,271	3,964	9	15	24	4	4,295	3,968
SSRS	5,909	0	5,909	5,659	193	182	375	109	6,284	5,768
PSOS	0	1,360	1,360	1,474	40	42	82	31	1,443	1,505
Total revenue	5,909	1,360	7,270	7,133	233	224	457	140	7,727	7,273
Cost of revenue	-928	-1,088	-2,016	-2,076	-88	-88	-176	-85	-2,192	-2,162
Gross profit	4,982	273	5,254	5,057	144	136	281	55	5,535	5,111
Cost of sales & marketing	-1,709	0	-1,709	-1,594	-154	-76	-230	-98	-1,939	-1,692
Reportable Segment Profit/Loss	3,273	273	3,545	3,463	-9	60	51	-44	3,596	3,419

SAP updated its outlook for the full year 2013

- SAP reaffirms its full year 2013 non-IFRS operating profit outlook to be in a range of €5.85 billion – €5.95 billion at constant currencies (2012: €5.21 billion).
- Although the difficult macroeconomic environment in particular in Asia Pacific Japan and the rapid transition to the cloud have resulted in lower software revenue expectations, SAP remains committed to be a double-digit growth company with at least 10% growth in non-IFRS software and software-related service revenue at constant currencies in full year 2013 (2012: €13.25 billion). This replaces the previous growth outlook for non-IFRS software and software-related service revenue of 11% – 13% at constant currencies and the underlying guidance for software and cloud subscription revenue.
- In addition, SAP reaffirms its outlook for the fast-growing innovation categories cloud and in-memory.
 - SAP continues to expect full year 2013 non-IFRS cloud subscription and support revenue of around €750 million at constant currencies (2012: €343 million) and
 - full year 2013 SAP HANA software revenue in a range of €650 – €700 million (2012: €392 million).
- SAP now projects a full-year 2013 IFRS effective tax rate of 24.0% – 25.0% (previously 25.5% – 26.5%) (2012: 26.2%) and a non-IFRS effective tax rate of 25.5% – 26.5% (previously 27.0% – 28.0%) (2012: 27.5%).

Balance sheet, condensed

June 30, 2013, IFRS

Assets € millions	06/30/13	12/31/12
Cash, cash equivalents and other financial assets	3,681	2,631
Trade and other receivables	3,379	3,917
Other non-financial assets and tax assets	716	450
Total current assets	7,776	6,998
Goodwill	13,333	13,227
Intangible assets	2,996	3,234
Property, plant, and equipment	1,751	1,708
Other non-current assets	1,637	1,543
Total non-current assets	19,717	19,711
Total assets	27,494	26,710

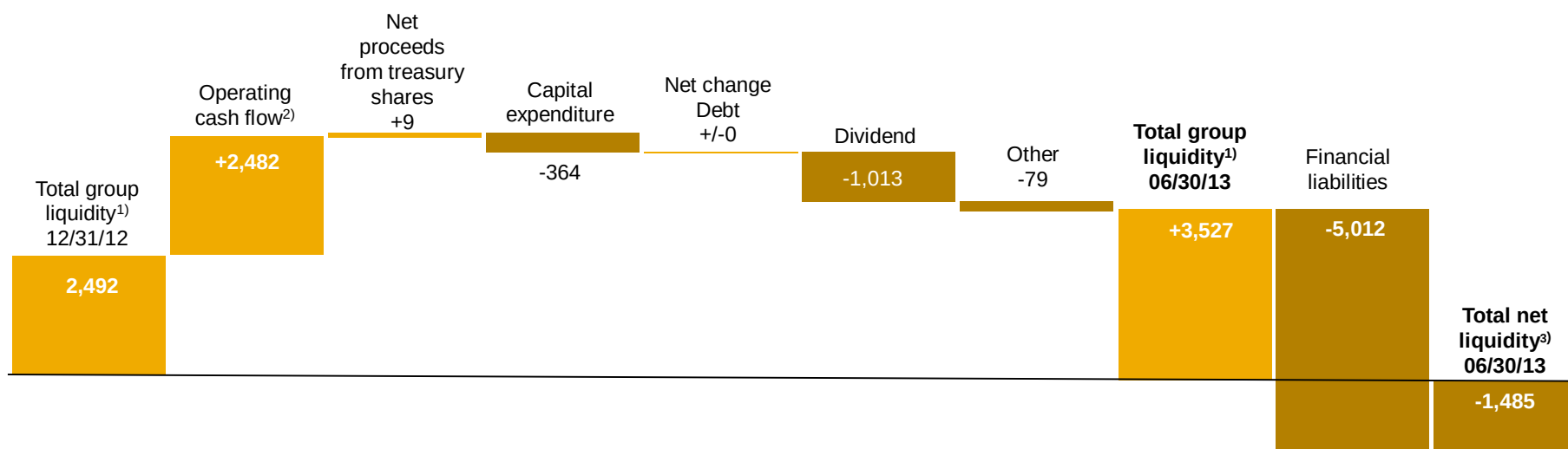
Equity and liabilities € millions	06/30/13	12/31/12
Financial liabilities	883	870
Deferred income	3,125	1,386
Provisions	624	843
Other liabilities	3,164	3,449
Current liabilities	7,797	6,547
Financial liabilities	3,859	4,446
Provisions	330	361
Deferred income	62	62
Other non-current liabilities	1,068	1,123
Non current liabilities	5,319	5,991
Total liabilities	13,116	12,538
Total equity	14,378	14,171
Equity and liabilities	27,494	26,710

Operating cash flow in H1 2013 exceeded €2.4 billion – Highest number ever achieved in a first half

€ millions, unless otherwise stated	01/01/13 - 06/30/13	01/01/12 - 06/30/12	Δ
Operating cash flow	2,482	2,400	+3%
- Capital expenditure	-265	-275	-4%
Free cash flow	2,217	2,125	+4%
Free cash flow as a percentage of total revenue	29%	29%	+/-0pp
Cash conversion rate	2.00	2.17	-8%
Days sales outstanding (DSO)	62	61	+1 day

Total group liquidity increased up to €3.5 billion due to high operating cash flow and despite of dividend payment

€ millions



1) Cash and cash equivalents + restricted cash + current investments

2) Business combinations, net of cash and cash equivalents acquired amounted to -€99m

3) Total Group Liquidity less financial liabilities (=bank loans, private placement transactions and bonds); corresponds with net liquidity 2 – for more details see second quarter and half year Interim Report

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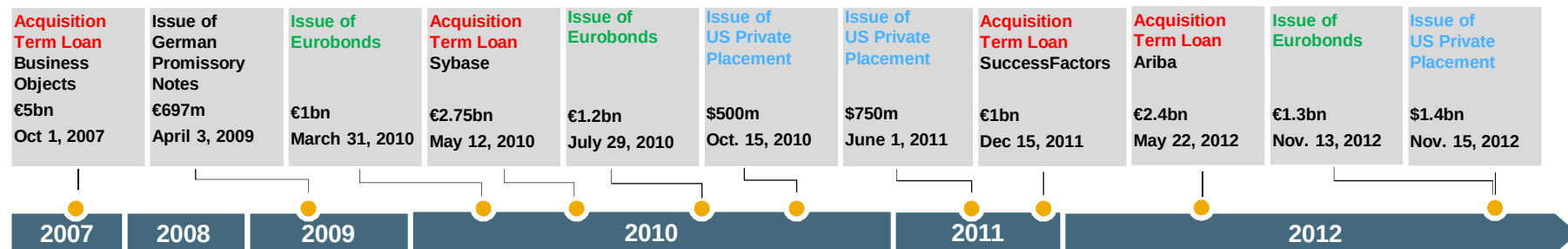
Proven track record of SAP's financing strategy

Excellent reputation in debt capital markets achieved since first major debt transaction in 2007

- Experienced in debt capital market financing
- Usage of different markets like Eurobond, German Promissory Note and US Private Placement to broaden SAP's debt investor base
- Terms and conditions allowed for high investor demand

High quality credit profile combined with investor opportunity to diversify portfolio

- SAP has a highly diversified global business structure (customer portfolio is well balanced in terms of geographies, industries, and company sizes)
- SAP's business model proved to provide positive resistance in difficult economic times
- Excellent investment opportunity to diversify into the enterprise applications software sector



SAP's well-balanced maturity profile and debt instruments

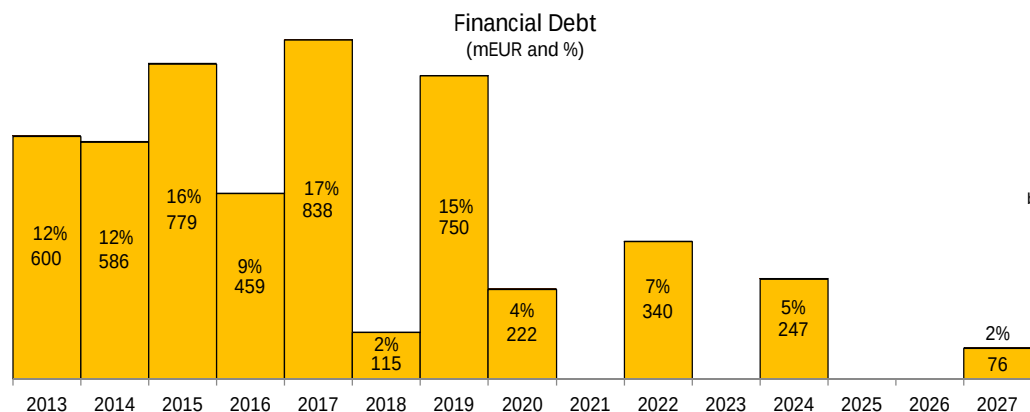
- The strong credit profile allowed SAP to generate high demand for its capital market transactions
- The high oversubscriptions enabled SAP to issue significant volumes at very attractive terms
- With the recent transactions, SAP extended and further smoothened its maturity profile
- However, our commitment to fast deleveraging is still valid – within the next 5 of 15 years, ~2/3 of SAP's financial debt will mature

in mEUR	Issue Date	Interest Rate (effective)	2013	2014	2015	2016	2017	2018	2019	2020	2022	2024	2027	Total
Schuldschein - Tranche 2	Apr, 2009	4,98%	-	86	-	-	-	-	-	-	-	-	-	86
US PP 1 - Tranche 1	Oct, 2010	2,40%	-	-	229	-	-	-	-	-	-	-	-	229
US PP 1 - Tranche 2	Oct, 2010	3,03%	-	-	-	-	153	-	-	-	-	-	-	153
US PP 2 - Tranche 1	Jun, 2011	2,82%	-	-	-	459	-	-	-	-	-	-	-	459
US PP 2 - Tranche 2	Jun, 2011	3,50%	-	-	-	-	-	115	-	-	-	-	-	115
US PP 3 - Tranche 1	Nov, 2012	2,16%	-	-	-	-	185	-	-	-	-	-	-	185
US PP 3 - Tranche 2	Nov, 2012	2,86%	-	-	-	-	-	-	-	222	-	-	-	222
US PP 3 - Tranche 3	Nov, 2012	3,22%	-	-	-	-	-	-	-	-	340	-	-	340
US PP 3 - Tranche 4	Nov, 2012	3,37%	-	-	-	-	-	-	-	-	-	247	-	247
US PP 3 - Tranche 5	Nov, 2012	3,57%	-	-	-	-	-	-	-	-	-	-	76	76
Total Private Placements¹		3,02%	0	86	229	459	338	115	0	222	340	247	76	2.112
Eurobond 1 - Tranche 1	Apr, 2010	2,64%	-	500	-	-	-	-	-	-	-	-	-	500
Eurobond 1 - Tranche 2	Apr, 2010	3,58%	-	-	-	-	500	-	-	-	-	-	-	500
Eurobond 2 - Tranche 2	Aug, 2010	2,38%	600	-	-	-	-	-	-	-	-	-	-	600
Eurobond 3 - Tranche 1	Nov, 2012	1,17%	-	-	550	-	-	-	-	-	-	-	-	550
Eurobond 3 - Tranche 2	Nov, 2012	2,27%	-	-	-	-	-	-	750	-	-	-	-	750
Total Eurobonds²		2,37%	600	500	550	0	500	0	750	0	0	0	0	2.900
Total Financial Debt³		2,64%	600	586	779	459	838	115	750	222	340	247	76	5.012

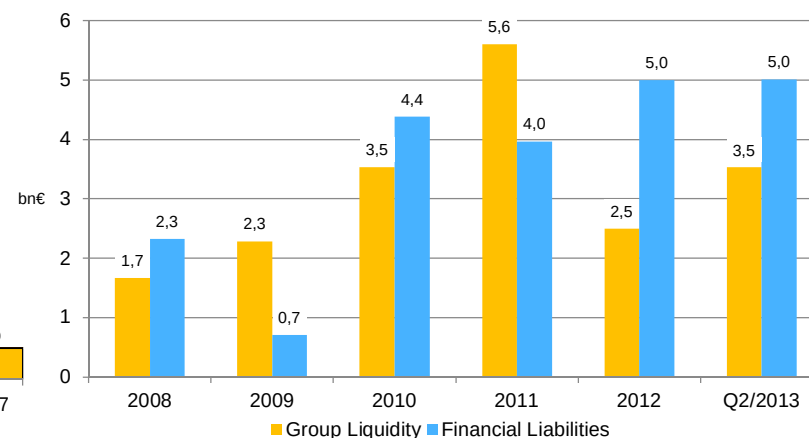
All values as per June 30, 2013

SAP's maturity profile and strong liquidity buffer

Well-balanced maturity profile while...



...maintaining a strong liquidity buffer.

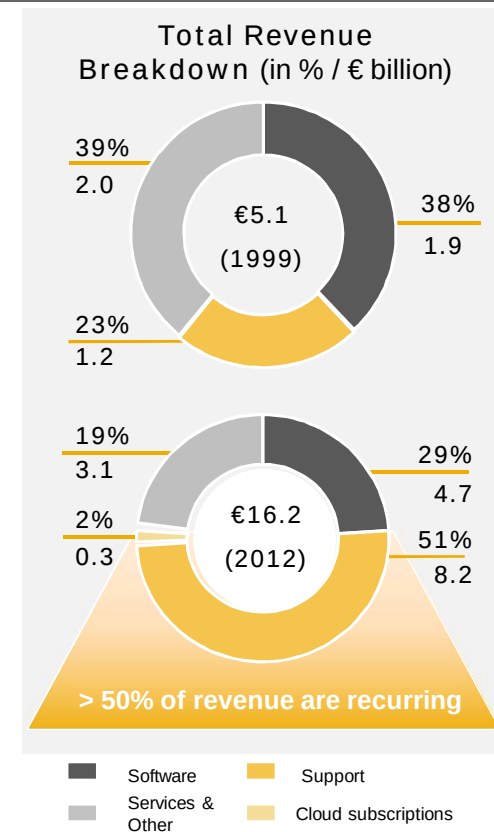
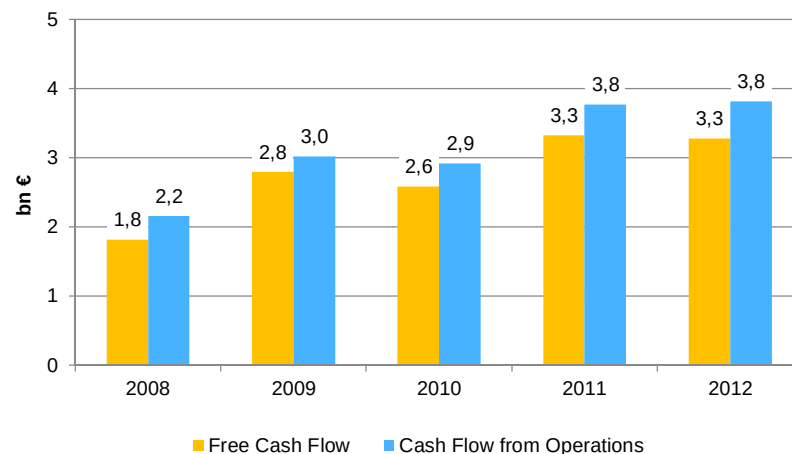


- Primary aim of financing strategy: Maintain liquidity at a level that is adequate to meet obligations at all times
- Minimum Group Liquidity concept
- Liquidity position is supported by syndicated revolving credit facility (€1.5bn)

Strong cash flow generation supported by recurring revenues...

Excellent Cash Flow

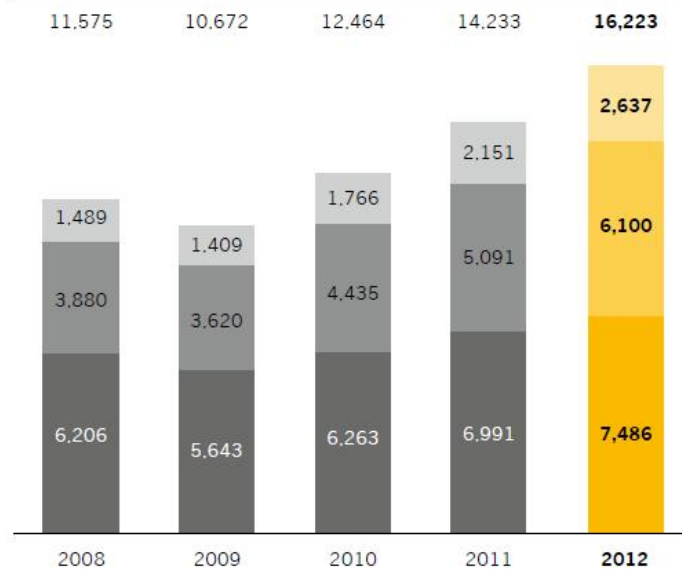
- SAP's strong free cash flow generation capacity serves as primary source of funding
- Stable cash flow development driven by recurring support revenue
- Financing may be required in case of large acquisitions or to pro-actively increase liquidity position



...and a strong diversification between geographies and industries

Total Revenue by Region (based on customer location)

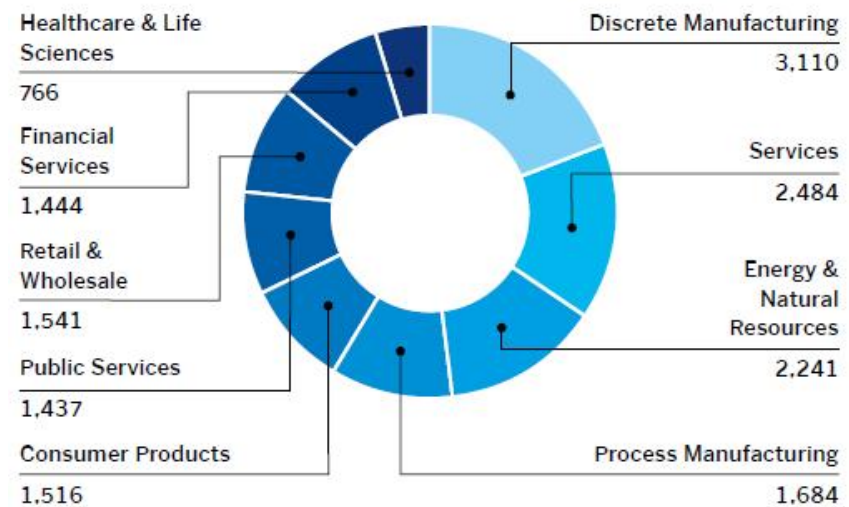
€ millions



■ EMEA region ■ Americas region ■ Asia Pacific Japan region

Revenue by Industry

€ millions



Centralized financial management as foundation for financing strategy and strong credit profile

Treasury Guideline

- Framework for all Treasury activities at SAP
- Liquid assets and market risks are controlled by a centralized global financial management
- Derivative instruments are only allowed for hedging purposes
- Conservative investment strategy



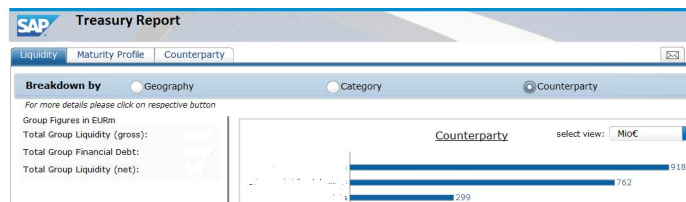
TREASURY GUIDELINE

VERSION 6.0

JULY 2011

Counterparty Risk Management

- Successful liquidity protection during financial crisis (stress-tested concept)
- Risk concept ensures broad diversification of investments across business partners*
- No investments in complex financial products
- Professional credit risk management



* Defined minimum rating and limit per business partner, daily monitoring of business partner development via CDS and other information

Appendix

Non-IFRS adjustments

IFRS Profit Measure	Actual Amounts H1/2013	Actual Amounts H1/2012	Estimated Amounts for FY/2013
Deferred revenue write-down	€64m	€25m	€65m to €75m
Discontinued activities	€0m	€-5m	< €10m
Share-based compensation expenses	€109m	€181m	€350m to €390m
Acquisition-related charges	€283m	€250m	€560m to €600m
Restructuring charges	€31m	€4m	€50m to €70m

Explanation of non-IFRS measures

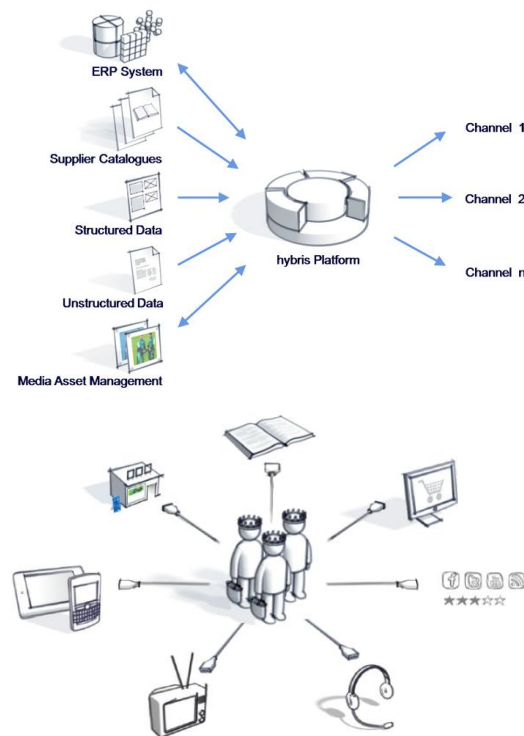
SAP has provided its non-IFRS estimates for the full-year 2013. For a more detailed description of all of SAP's non-IFRS measures and their limitations as well as our constant currency and free cash flow figures see [Non-IFRS Measures and Estimates](#) online.

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.

Planned acquisition of hybris

The market-leading, next-generation e-commerce platform



- Founded in 1997, hybris is a rapidly growing and widely recognized leader in e-commerce technology
- Today, shoppers expect much more than an online presence. They demand a consistent brand experience and a seamless shopping experience across all channels – in person, online, mobile and more
- Hybris helps businesses on every continent sell more goods, services and digital content through an ever-growing number of delivery channels, devices and touch points
- The acquisition* positions SAP to deliver the next-generation e-commerce platform, with the choice of on-premise or cloud deployment, as enterprises around the world seek to optimize the customer experience for businesses and consumers
- The combination of hybris' commerce platform with the flagship in-memory platform SAP HANA, analytical and cloud applications, and the SAP JAM social software platform will give SAP a significant edge in delivering new levels of customer insight and engagement – and define the next generation customer experience

* Completion expected in Q3 2013 and subject to regulatory approval and other closing conditions