

SAP Investor Symposium

New York City, Feb 4, 2014

The SAP logo is located in the bottom left corner of the slide. It consists of the letters 'SAP' in a white, bold, sans-serif font, set against a blue rectangular background with a white diagonal line running from the top-left to the bottom-right.

Introduction

Stefan Gruber, Head of Investor Relations

Agenda

08:30 – 09:00 am	Registration and Breakfast
09:00 – 09:05 am	Welcome Stefan Gruber, Head of Investor Relations
09:05 – 09:20 am	Strategy & Vision Bill McDermott, Co-CEO
09:20 – 10:05 am (incl. Q&A)	Product & Innovation Roadmap Dr. Vishal Sikka, Member of the Executive Board Core Applications Bernd Leukert, Member of the Global Managing Board, Head of Application Innovation LoB Applications Sanish Mondkar, Executive Vice President, Chief Product Officer, Ariba
10:05 – 10:35 am	Break

Agenda

10:35 – 11:45 am
(incl. Q&A)

Go-to-Market Priorities 2014

Rob Enslin, Global Customer Operations, Member of the Global Managing Board

Customer Case Study: ConAgra Foods

Mindy Simon, Vice President Information Technology, ConAgra Foods

LoB Cloud Apps

Shawn Price, President of Global Cloud & LoB

Business Network

Tim Minahan, CMO and SVP Strategy Cloud & LoB

11:45 – 12:00 pm

Financial Model – Shift to the Cloud

Luka Mucic, Member of the Global Managing Board

12:00 – 01:00 pm

Q&A

Bill McDermott, Jim Hagemann Snabe, Dr. Werner Brandt, Dr. Vishal Sikka,
Rob Enslin, Bernd Leukert, Luka Mucic

01:00 – 02:00 pm

Lunch

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.

Strategy & Vision

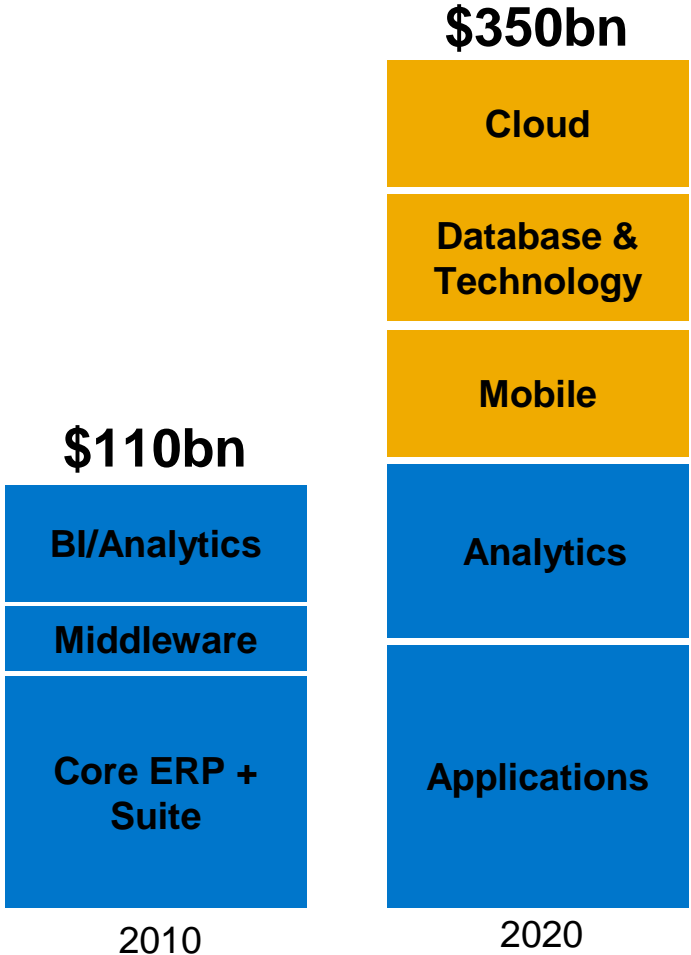
Bill McDermott, Co-CEO

SAP



2010 – Foundation of a winning strategy

Addressable market (\$ billion)



SAP position

1bn
EUR Revenue

Fastest
Growing Database

#1
in Mobility

#1
in Analytics

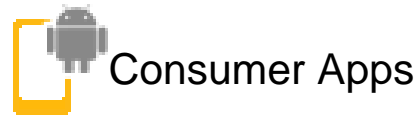
#1
in Applications

Complexity

cloud



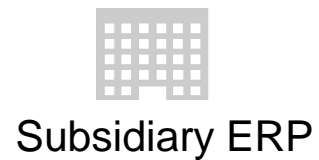
mobile



analytics



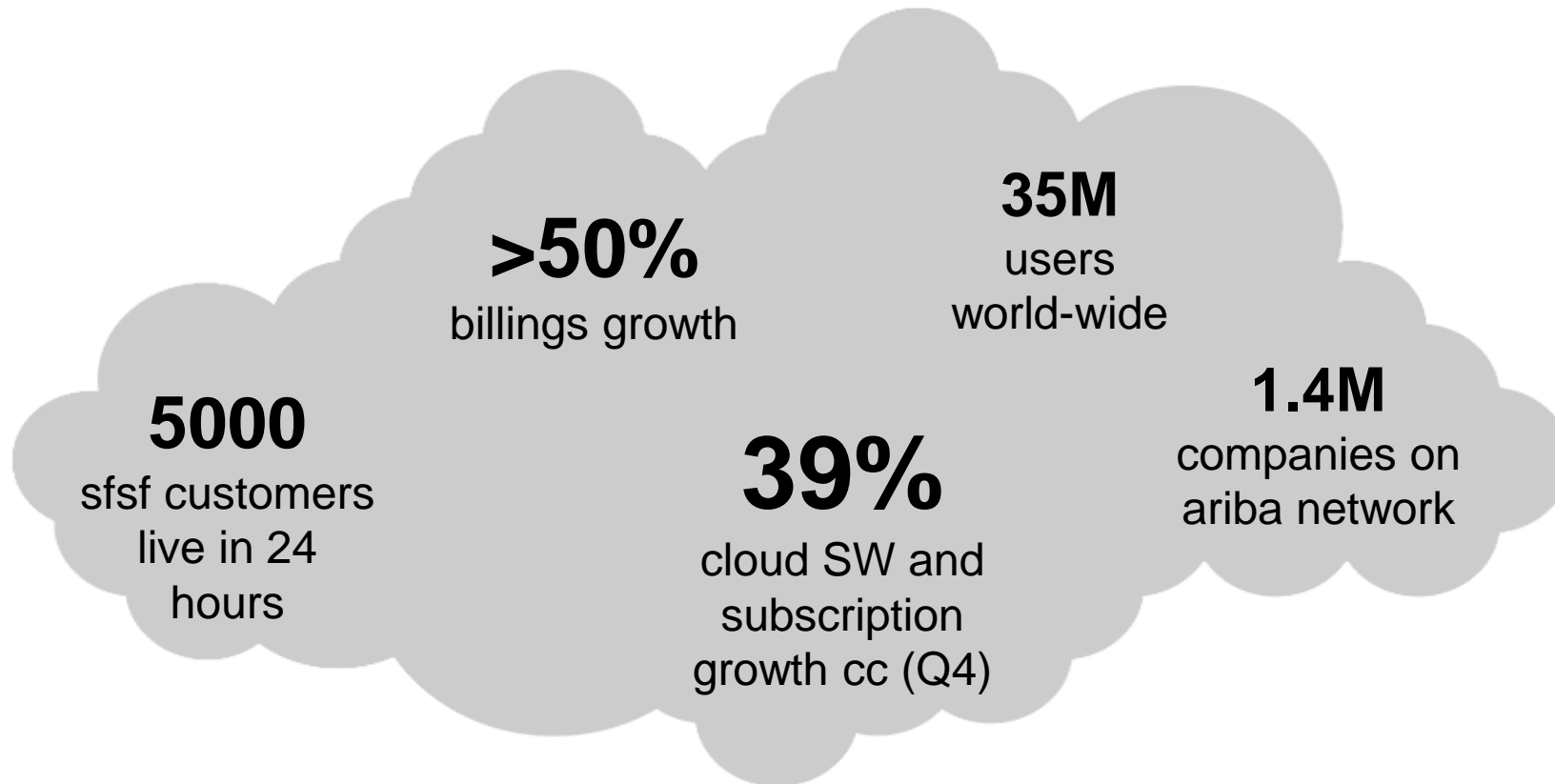
applications



database & technology



Simplicity



Our focus

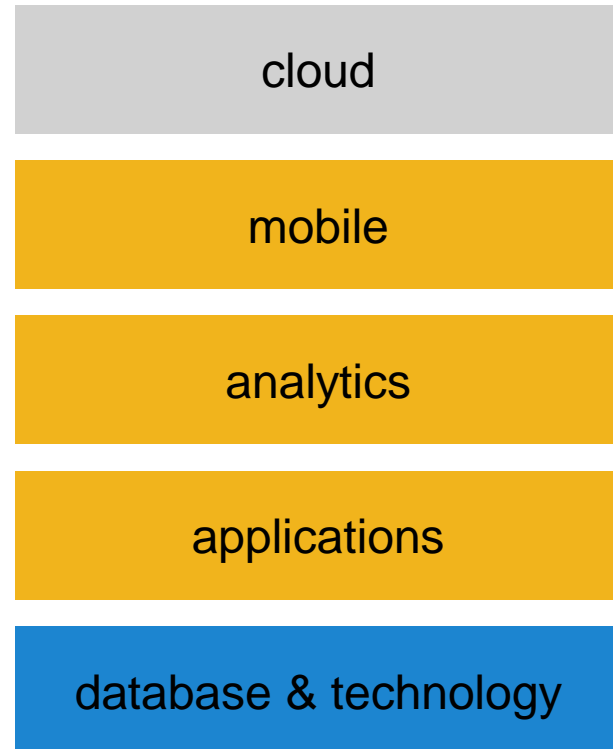
Simplify everything,
so we can do **anything**.



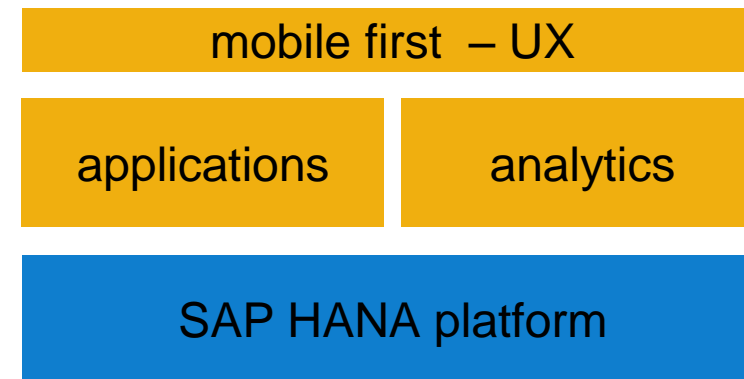
SAP Cloud powered by SAP HANA

Simplifying solutions

From 3,000 products in
five market categories...

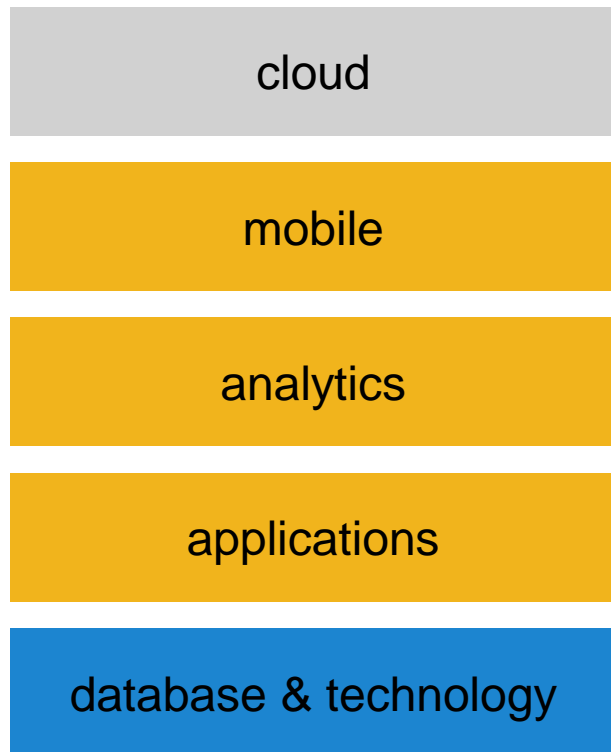


...to end-to-end solutions...

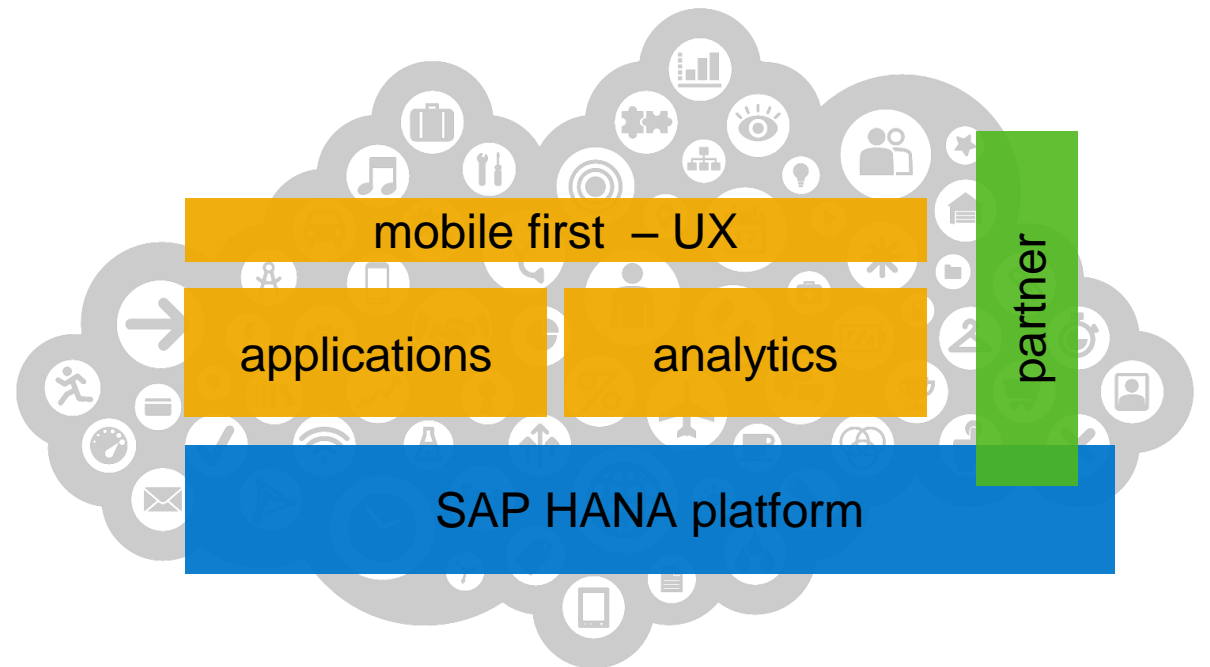


Simplifying consumption

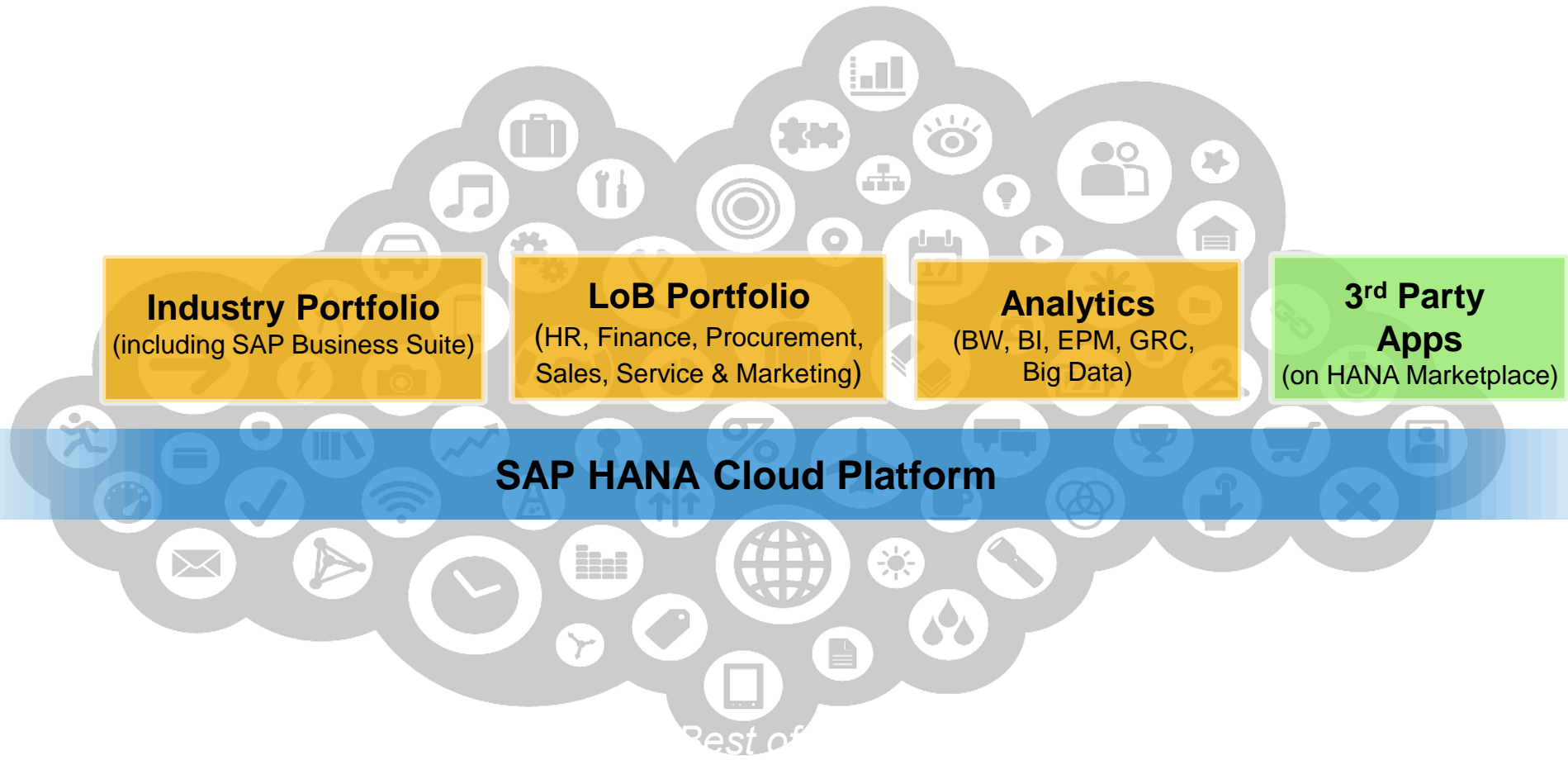
From 3,000 products in five market categories...



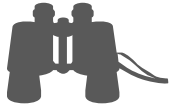
...on premise or in the SAP cloud



Our cloud vision – SAP Cloud powered by SAP HANA



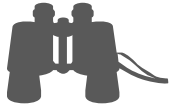
Simplify customer engagement



PROSPECT

- **One** digital experience
- SAP universal profile

Simplify customer engagement



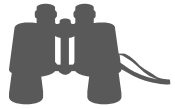
PROSPECT



SELL

- **One** digital experience
- SAP universal profile
- **One** solution per business problem
- **One** face to the customer

Simplify customer engagement



PROSPECT



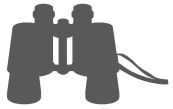
SELL



DELIVER

- **One** digital experience
- SAP universal profile
- **One** solution per business problem
- **One** face to the customer
- **One** service
- Cloud delivery

Simplify customer engagement



PROSPECT

- **One** digital experience
- SAP universal profile



SELL

- **One** solution per business problem
- **One** face to the customer



DELIVER

- **One** service
- Cloud delivery

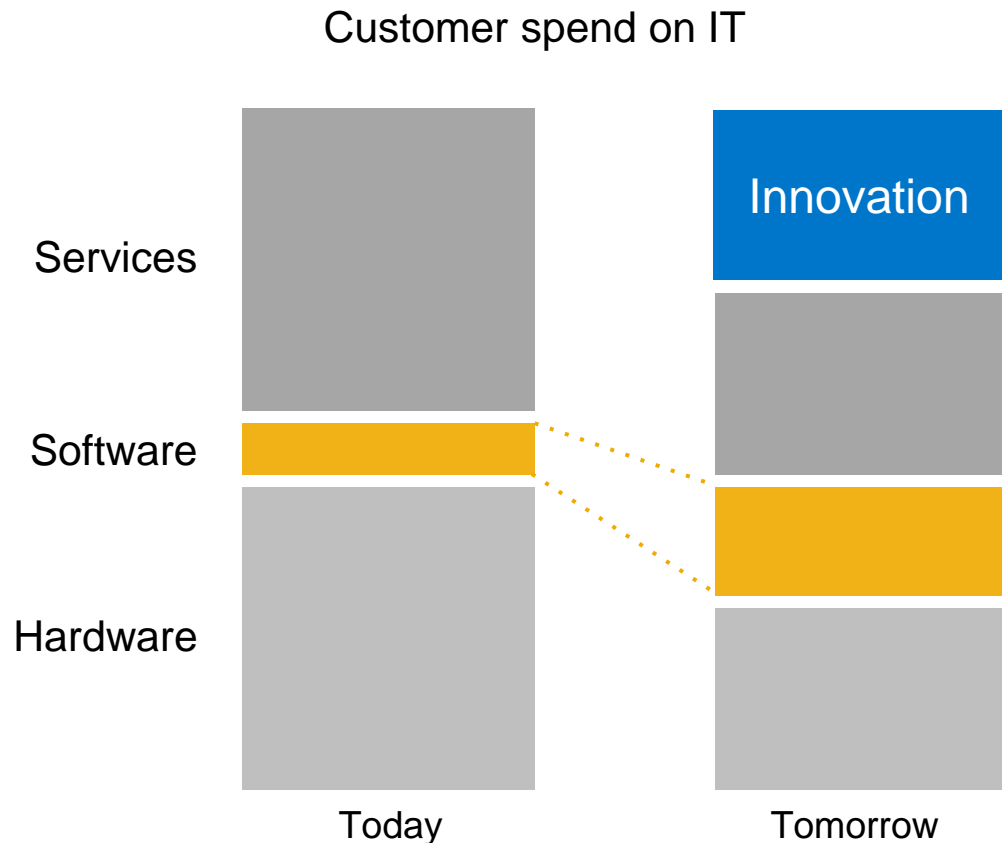


SUPPORT

- **One** support
- SAP HANA as a platform

Strategy for top-line growth

Increase share of wallet through cloud



Focus on new growth areas in the core

- Big data
- HANA platform monetization
- Customer's customer / B2B2C
- Industries - Financial Services, Retail, Public Sector & Healthcare
- Fast growth markets

Shaping the Enterprise Landscape. Again.

Product & Innovation Roadmap

Dr. Vishal Sikka, Member of the Executive Board

A Software Driven Future

Pervasive Transition from
Atoms to Bits



Software is Reshaping Every Industry.

Computing & Connectivity
delivered at Massive Scale
as a Service



Cloud Delivery & Economic Models.

Empowered End-users



Experience. Overall. Over all.

Our 3 Unique Advantages

- Timeless Software → 42 Years of Innovation Without Disruption,
in Mission Critical Business Software.
- Design Thinking → A Recipe for Beautiful Innovation,
Continually & Pervasively.
- SAP HANA → A Platform for Real Time,
For Our Time.

HANA Platform

The HANA Effect: Massively Parallel, Natively In-Memory, Unlimited Scale

OLTP + OLAP | All Data | Legacy + Unprecedented

3000+ Customers | 1300+ Implementations | 1000+ HANA One

25K+ Developers | 8100+ Consultants | 1200+ Startups

1B€+

HANA Cloud Platform: Re-thinking Developer Experience

Our 5 Growth Opportunities

1. SAP HANA → The Defining Enterprise Software Platform
2. Cloud Services → Managing the Customer Experience, and Expanding the Share-of-Wallet
3. Core Apps → Pervasive and Simplifying Renewal

Core Applications

Bernd Leukert, Member of the Global Managing Board, Head of Application Innovation

Suite on HANA Has Great Momentum in the Market

Market momentum since launch in Jan 2013



100.000

Users on a
single ERP on
HANA system

+7.600

Trained
partners for
Suite on HANA

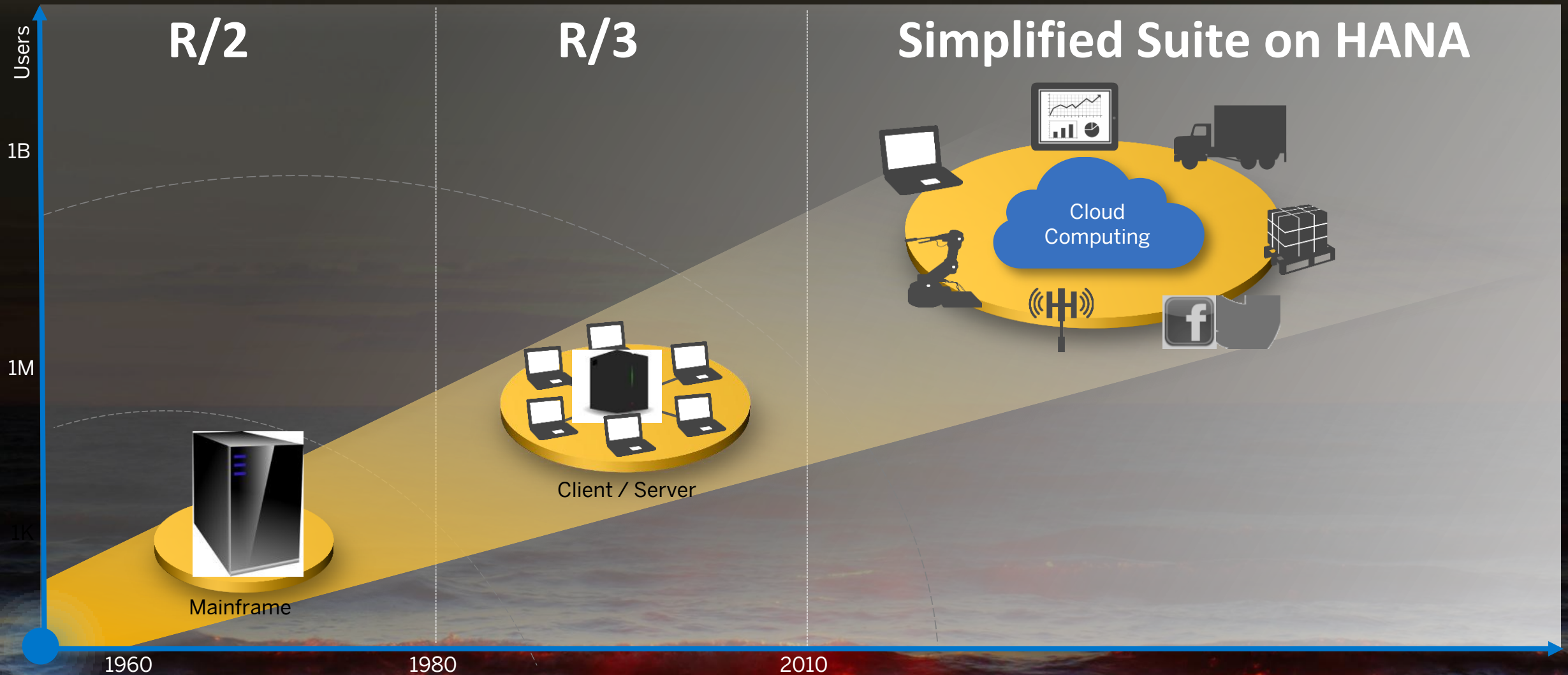
+250

Suite on HANA
go-live projects

53

Suite on HANA
live systems

Cloud Powered by HANA is the Next Wave in Enterprise Computing



SAP Business Suite on HANA is Cloud Ready

The most attractive & modern suite of applications in the market

Massive Simplification Enables Cloud Deployment

User Experience

- Fiori for any device

Application Simplification

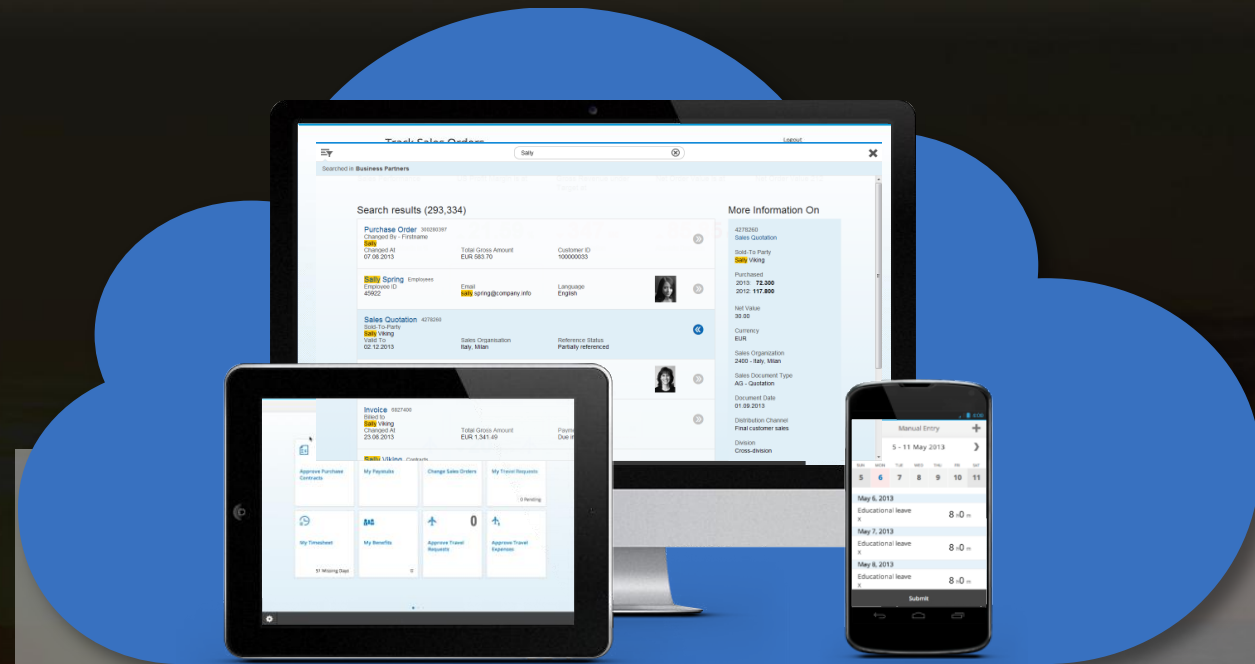
- Elimination of indices and aggregates
- Leverage in-memory capabilities

Landscape Simplification

- Co-Deployment

Componentization

- Core and optional



- Ease of Use
- Ease of consumption
- Ease of Integration
- Ease of Implementation
- Ease of Learning
- Increased productivity
- Increased usage
- Increased cost-efficiency
- Increased performance

SAP Business Suite on HANA is Cloud Ready

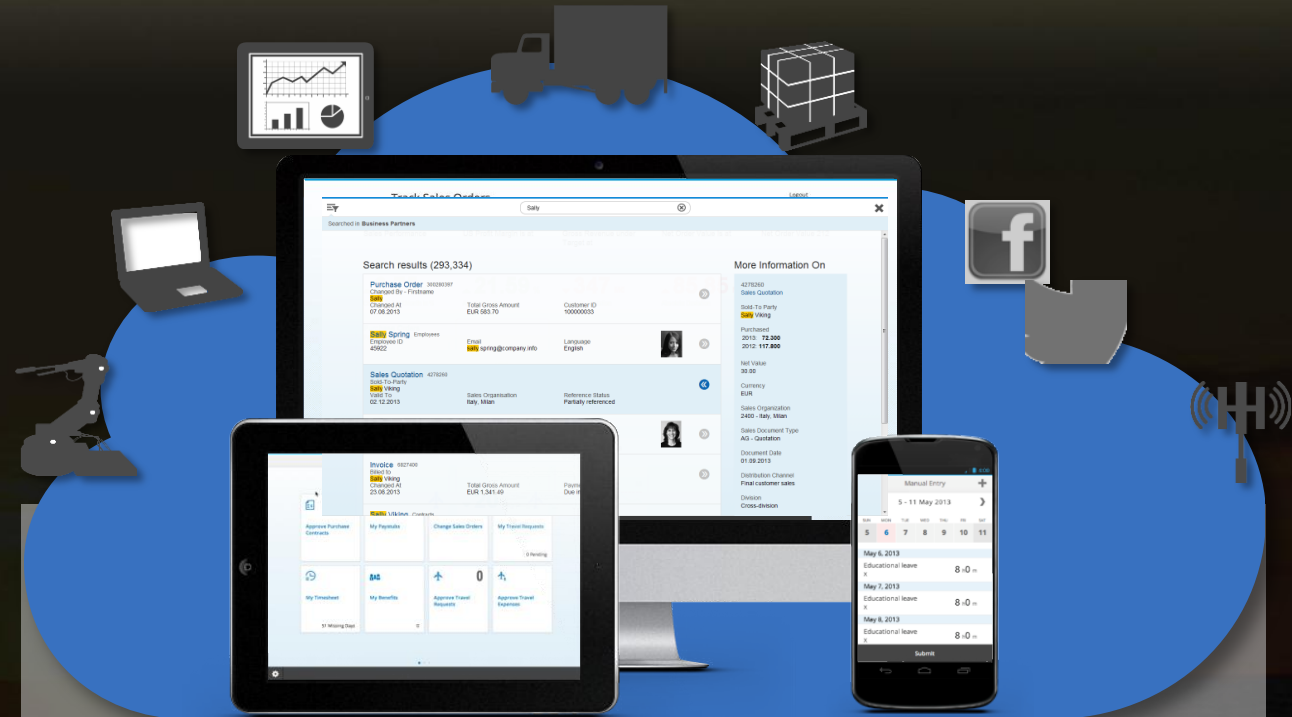
New opportunities in Industry and LOBs

Simplification and Cloud Enable New Processes

- Most modern LoB functions
- Deepest functional and industry coverage
- New edge solutions in industry core processes (Oil & Gas)

New capabilities

- Predictive
- Machine-to-machine / Internet of things
- Simulation
- Decision automation



- Industry 4.0 / Smart Manufacturing with smart devices
- Smart metering
- Retail shelf optimization
- Real-time behavior based product recommendation
- Focus on Retail, Financial Services, Transportation, Public Sector

SAP Business Suite on HANA is Cloud Ready

Commercial options give customers choice

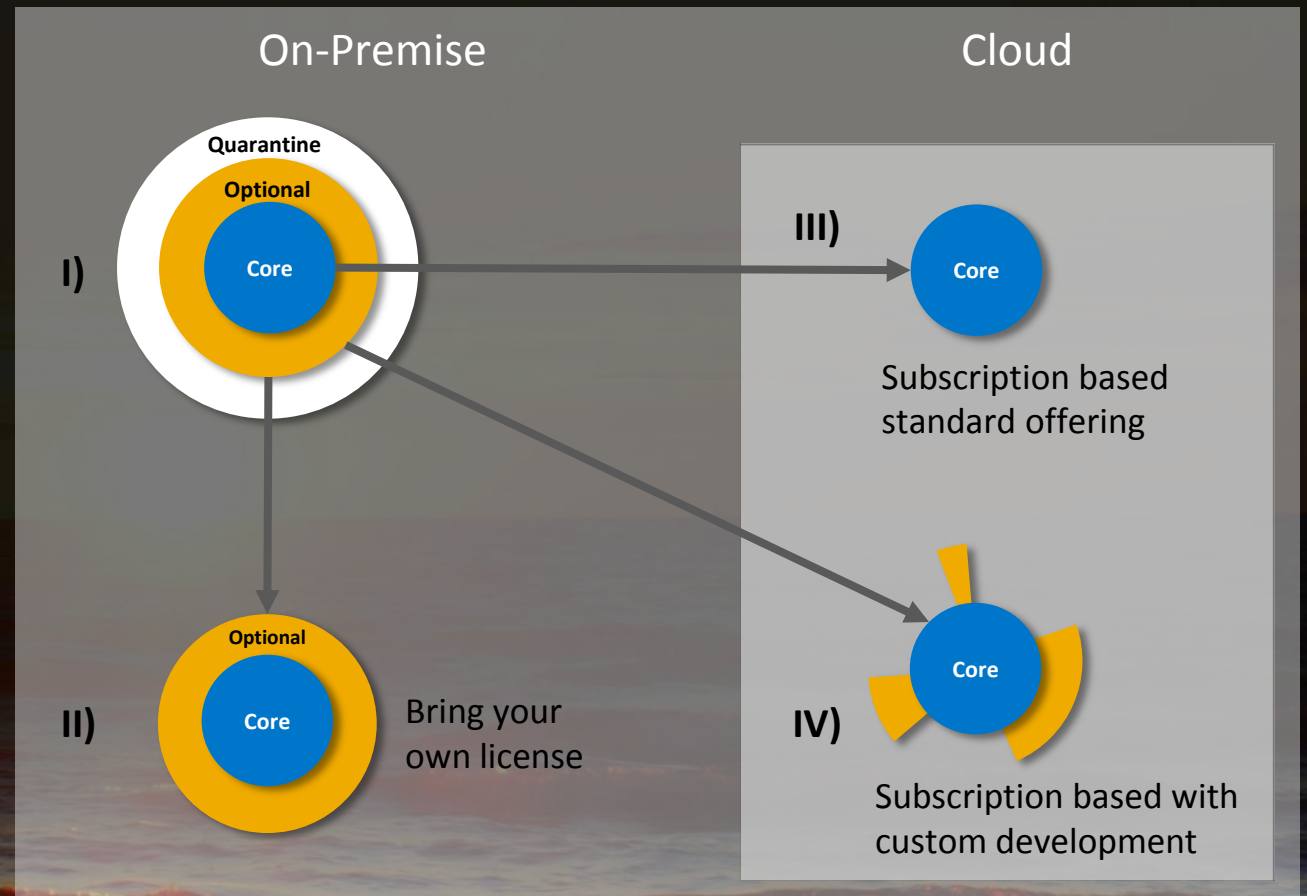
Cloud enables new business models

Only cloud vendor to offer both:

- Non-disruptive transition for the installed base
- And easy-to-adopt for net-new customers

Flexible licensing with subscription and license

Any mix of On-Premise and Cloud deployment possible



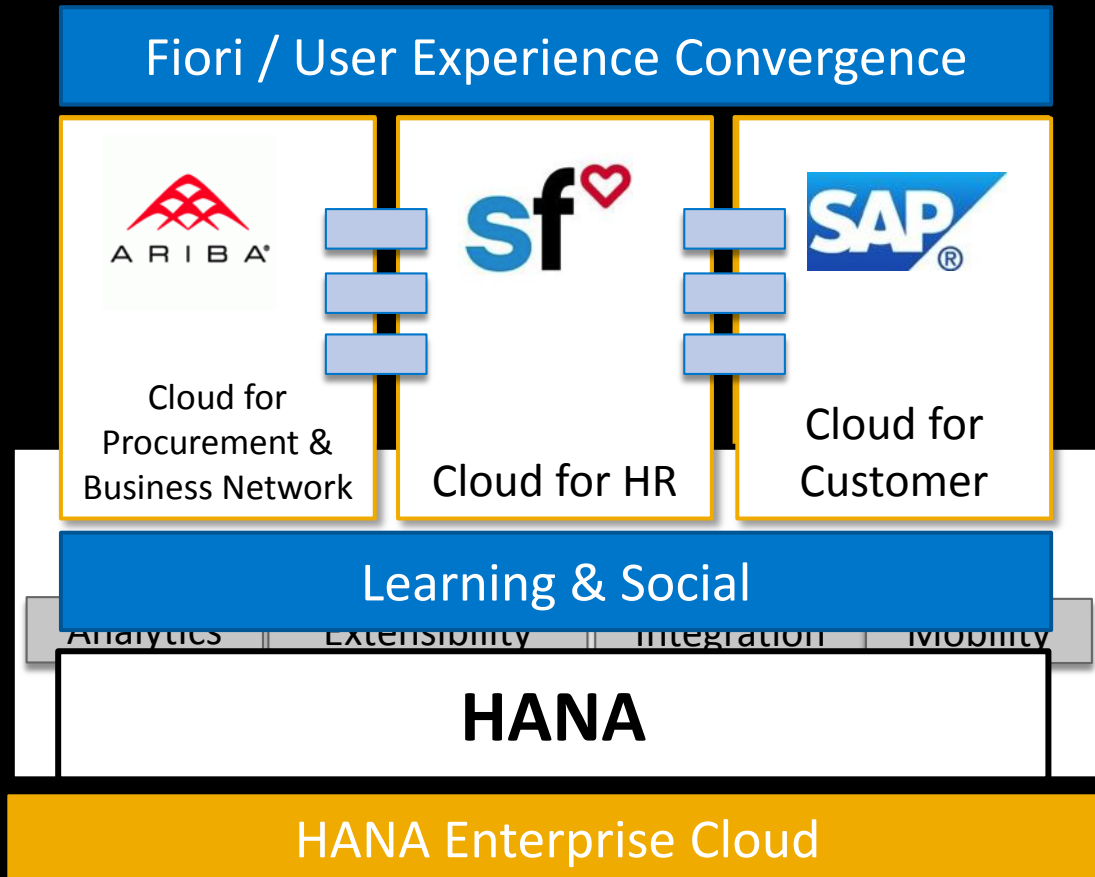
Our 5 Growth Opportunities

1. SAP HANA → Defining The Enterprise Software Platform
2. Cloud Services → Managing the Customer Experience, and Expanding the Share-of-Wallet
3. Core Apps → Pervasive and Simplifying Renewal
4. Edge LoB Apps → Innovative Business Practices and Real-time Network

Edge LoB Applications

Sanish Mondkar, Executive Vice President, Chief Product Officer, Ariba

LoB/Cloud Application Architecture Strategy



Application Innovations

- Business Network for all collaborations
- Globalization - All
- Public sector – Ariba
- Power of 1 – C4HR
- Industry focus – C4C
- Partner ecosystem – C4C, C4HR
- iFlow integrations C4C
- Knowledge Network

HANA Platform

- Performance
- Architectural Simplification
- Real-time Analytics
- Common Services

User Experience

- Beautiful
- Persona based
- Responsive
- Social
- Learning Everywhere

True “End to End”

- Connect business process
- Shared Master Data
- Analytics across applications

Single Infrastructure

- Single infrastructure
- Consistent SLAs
- Common Services across all apps

Our 5 Growth Opportunities

1. SAP HANA → Defining The Enterprise Software Platform
2. Cloud Services → Managing the Customer Experience, and Expanding the Share-of-Wallet
3. Core Apps → Pervasive and Simplifying Renewal
4. Edge Apps → Innovative Business Practices and Real-time Network
5. Co-Innovation → Pursuing New Frontiers

Shaping The Enterprise Landscape. Again.

SAP's Products & Innovation Roadmap

DR. VISHAL SIKKA, MEMBER OF THE EXECUTIVE BOARD, SAP

Go-to-Market Priorities

Rob Enslin, President, Global Customer Operations, Member, Global Managing Board

Go-to-market priorities for 2014

Align...



...to the way customers buy

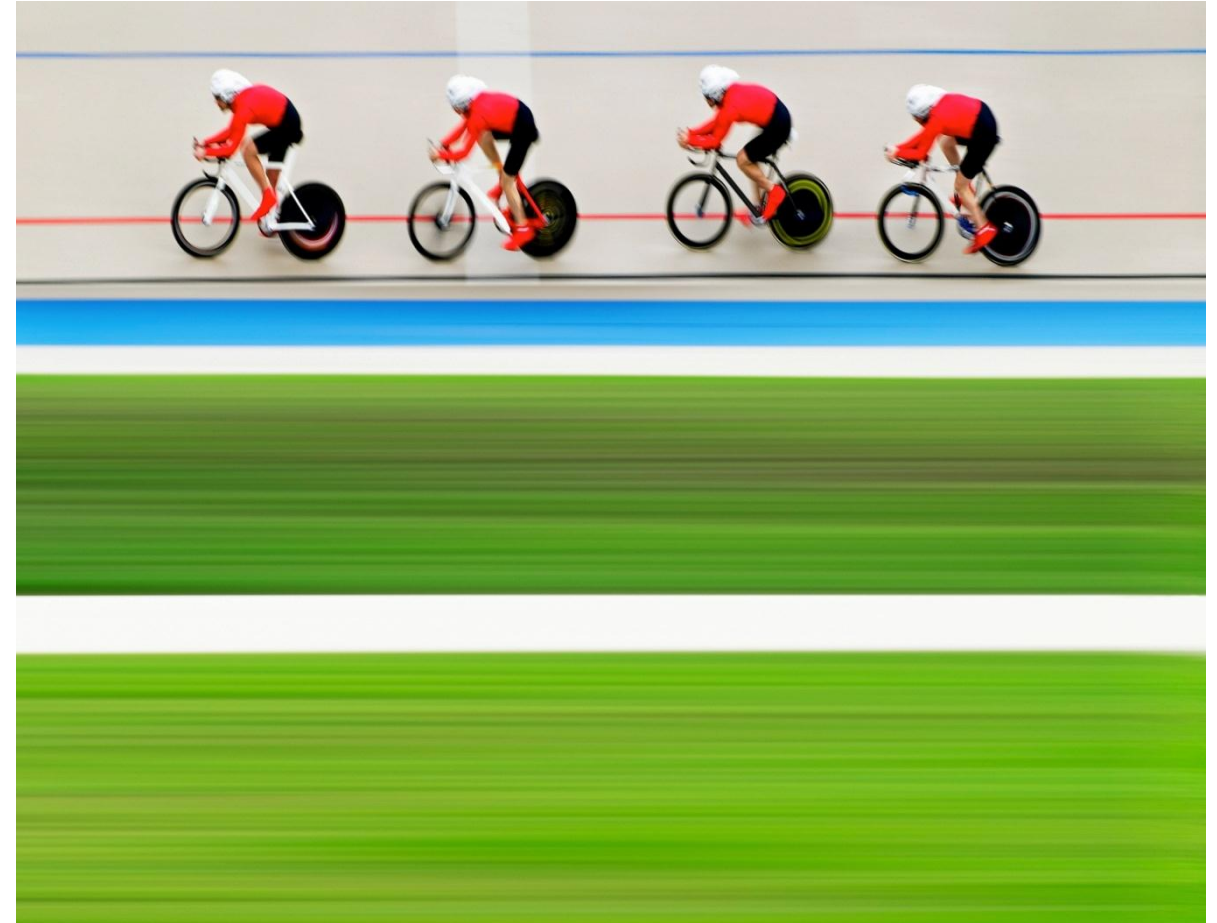
Invest...



...for growth and results

Align

- Sales force to industry, line of business and technology buyers
- To present “One Face to the Customer”
- Territories & accounts for long-term relationships
- Globally consistent customer segmentation



Invest

- To increase customer intimacy
- Accelerate partner-led selling
- End-to-end market models
- Key solution areas & markets



Mindy Simon

Vice President Information Technology
ConAgra Foods

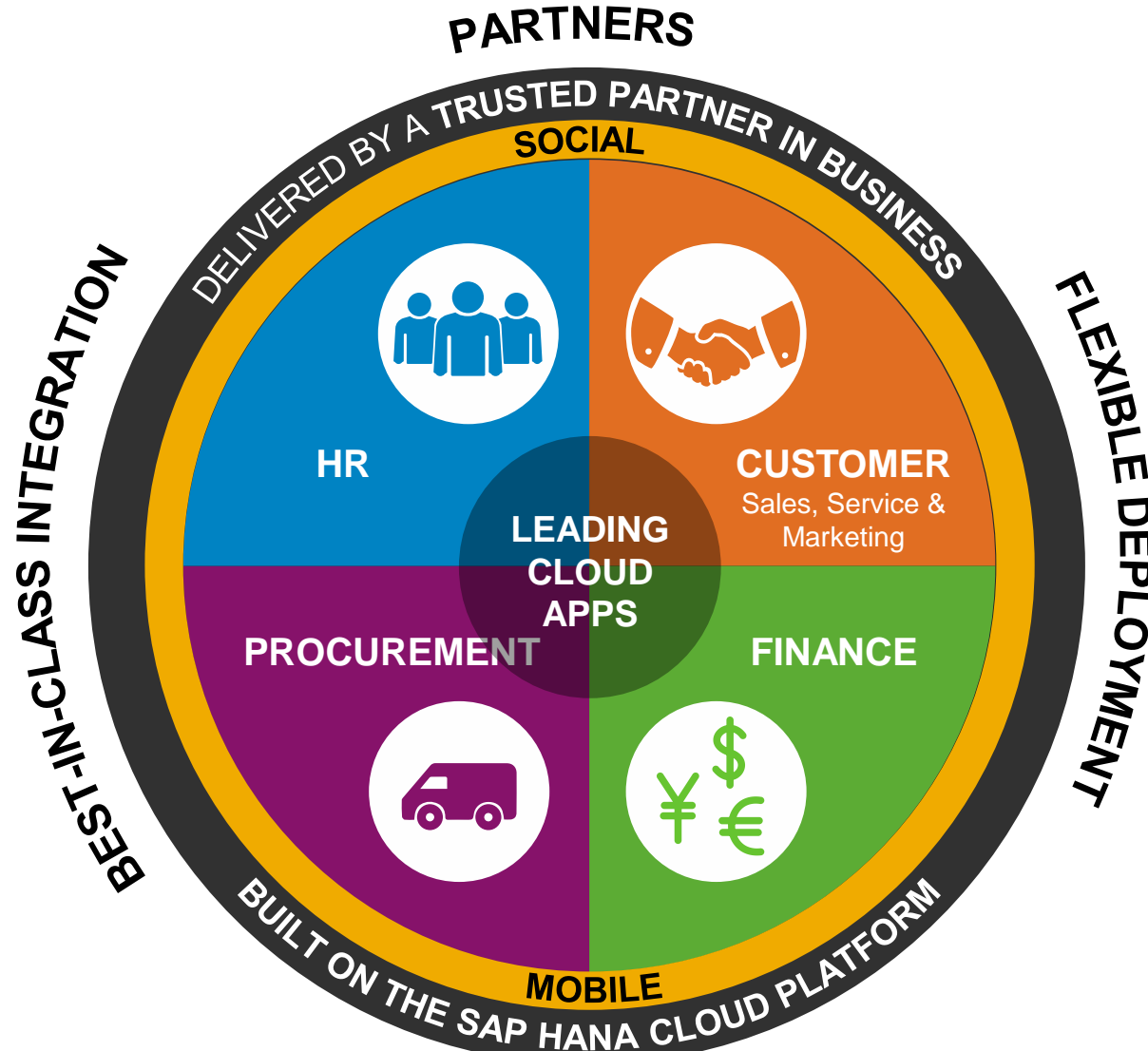


SAP Cloud & LoB Overview

Shawn Price, President SAP Cloud & Line of Business



SAP Cloud Portfolio



SAP Cloud for HR

Recruit to Retire



in



SOCIAL+
MOBILE



in



in



t



t



in



SAP Cloud for Sales

Welcome to the age of customer engagement

SAP Customer Insight for Sales

MONDAY, MAY 4, 2013

- Product Review Workshop Intel Corporation 10:00 AM

TUESDAY, MAY 6, 2013

- Customer Feedback Lowey 11:00 AM
- Meet the Executive Team Paul Smith 3:00 PM

WEDNESDAY, MAY 7, 2013

- Forecast Review Home Depot 9:00 AM
- Product Review Workshop 2:00 PM

Intel Corporation (INTC) New CEO Aims A Faster Shift To Mobile - Value Walk
ValueWalk 5 hours ago

Forecast variance
Closing next 3 months USD
▲ 5.1%
+17.5% on last quarter

Pipeline
Next 3 months USD
3.32m
+21% on last month

Performance QTD
Actual and target USD
31k to go

Target vs Forecast
USD

Month	Expected value	Target revenue
January	0.5m	0.5m
April 2013	1.5m	2.0m
July 2013	1.0m	1.5m
October	0.5m	0.5m

Opportunities
12
Created in last 3 months

Stalled deals
USD

Closing ratio
USD

Team activities

successfactors

8:12 AM

8:17 Mobile Screen May 17 02:00 PM

Remember to book meeting with Ursula

FEED

- Carla Grant May 18: Life is short. Live your dream!
- Don Harris May 9: National Rivers - Implementation: Created a new Agenda Project Kick-off Meeting
- Thomas Clark: posted the document National Rivers - Solar Requirements.pdf

TO DO
4 days vacation for Marcus Hoff

RECENT GROUPS
National Rivers - Implementation

The Termination Rate - Voluntary (High Performers) for your group is too high
Tracking towards 429 Voluntary Terminations (High Per) for the year.

News Feed

- Vietnam Stricken with widespread Malaria...
- Foods that can fix your health problems.
- Chemical weapons that cause your health problems.
- Kerry says world cannot let Assad get away with...

Pipeline
total size \$12M

Deal Finder
75 leads

Today's Activities
3 meetings, 3 calls

Quota Attainment
Current Quarter: \$3M to go

Commission
\$15k earned QTD

Notes, Documents, My Accounts, My Contacts, Sales Plays

SAP Cloud for Procurement (Ariba)

The screenshot displays the SAP Cloud for Procurement (Ariba) interface, featuring several key components:

- Services Procurement Dash:** Includes a navigation bar with 'Home', 'Services Procurement', 'Create', 'Search', 'Manage', 'Preferences', and 'Community'. It shows 'Main Priorities' with '2 New' items and an 'Invoice Due Today (5/7/13)' for 'New Marketing Page Launch' with pay to 'Jim's Printing Services'.
- Acceptance Ratio:** A horizontal bar chart comparing 'Accepted' (green) and 'Rejected' (red) bids across five categories: Central Services, Global Staffing, Domoco Staffing, WW Solutions, and Dynamic Systems. The x-axis ranges from 0 to 200.
- Contractors On Site:** A donut chart showing 167 total contractors. The breakdown is: Dynamic Systems (48%), Domoco Staffing (19%), WW Solutions (33%), and an unlabeled segment (2%).
- Projects & Labor:** A section with a 'Submit for Bid' button and 'View RFX' and 'Submit' options.
- Worker Management:** A section with a 'Start Requisition Now' button and a list of tasks: '5 Projects & Requisitions in Collaboration' (View), '1 Worker to Onboard' (Start, Go to Onboarding Central), '2 Timesheets to Approve' (View), and '0 No Workers to Offboard'.
- Finances:** A section with a 'View RFX' and 'Submit' button.

Extensibility & Leverage – The Ecosystem

Cloud to Strategic Partners

accenture

IBM

Deloitte.

EPI·USE®

ON-PREMISE to Cloud



Cloud to Cloud



Cloud to 3rd Party



Boomi

InsideView®



SAVO™



GlobalView.

KRONOS®

SAP Cloud: A solid foundation to build upon

35M

Industry's largest base of Cloud users

More business professionals use Cloud solutions from SAP than from any other vendor on the planet.

30+

Industry's most comprehensive Cloud portfolio

Market-leading public apps (#1 in HCM, Procurement, Business Networks and Social Collaboration) covering all lines of business

12M

The leading social business platform

More users than Chatter, Yammer, etc.

1.4M

The largest and most global business network

1.4 million connected companies in 190 countries transacting over half a trillion in commerce annually. - the size of any other business network...

2M+

Largest business Cloud deployments

Some with more than 2 million users.

Public, private and managed service offerings

>€1B

Annualized run rate in Cloud business

Just four quarters into new structure

SAP Business Network

Tim Minahan

CMO & SVP Strategy SAP Cloud and LoB

The SAP logo is located in the bottom left corner of the slide. It consists of the letters 'SAP' in a white, bold, sans-serif font, set against a blue rectangular background with a slight gradient and a white border.

Business commerce is complex...



...We simplify it

Ariba Business Network



Collaborations

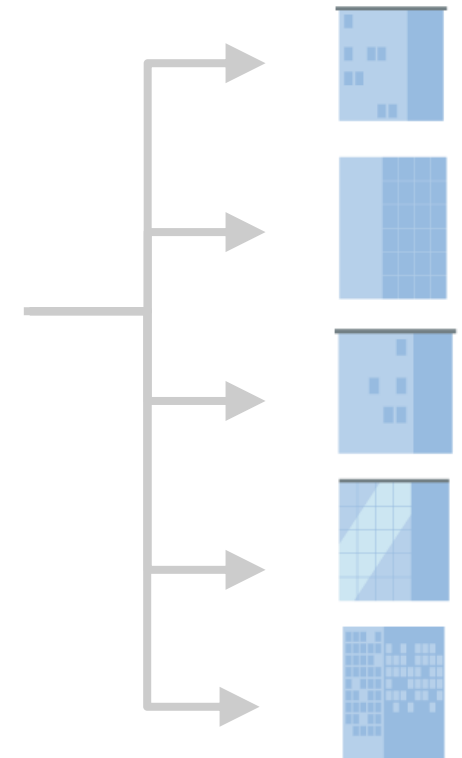
Purchases – Invoices – Change Orders – Logistics

Insights

Benchmarks – Market Intelligence – Commerce Graph

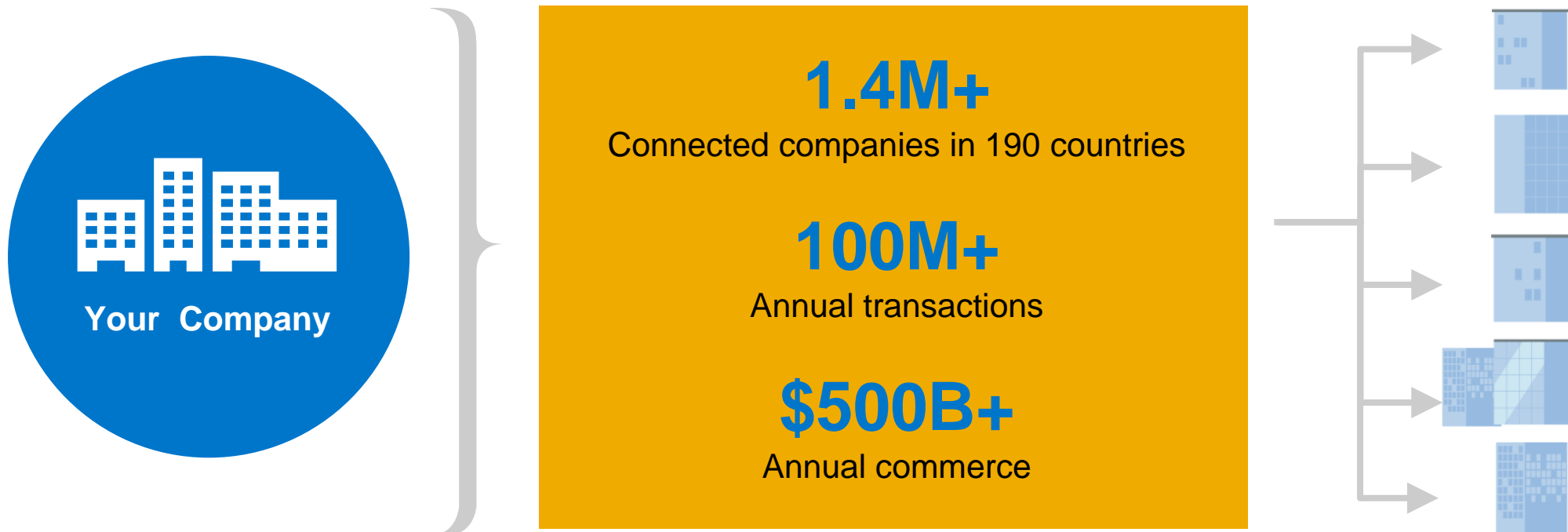
Network Services

Discovery – Discounting – Financing – Payments



SAP: The Business Network Edge

Ariba Business Network



1 **Open**
Any Vendors
Any Protocols

2 **Comprehensive**
All Suppliers, All Processes,
Global Scale, Network Effect

3 **Intelligent**
Smart real-time business
processing, Commerce Graph

Two-sided model fuels measurable outcomes for all Companies of all sizes, industries, regions



8%-10% Total Spend Savings

5-32% Revenue Increase

A sizeable opportunity

And how we'll capture it

Network sales & Adoption Services infused within SAP GCO

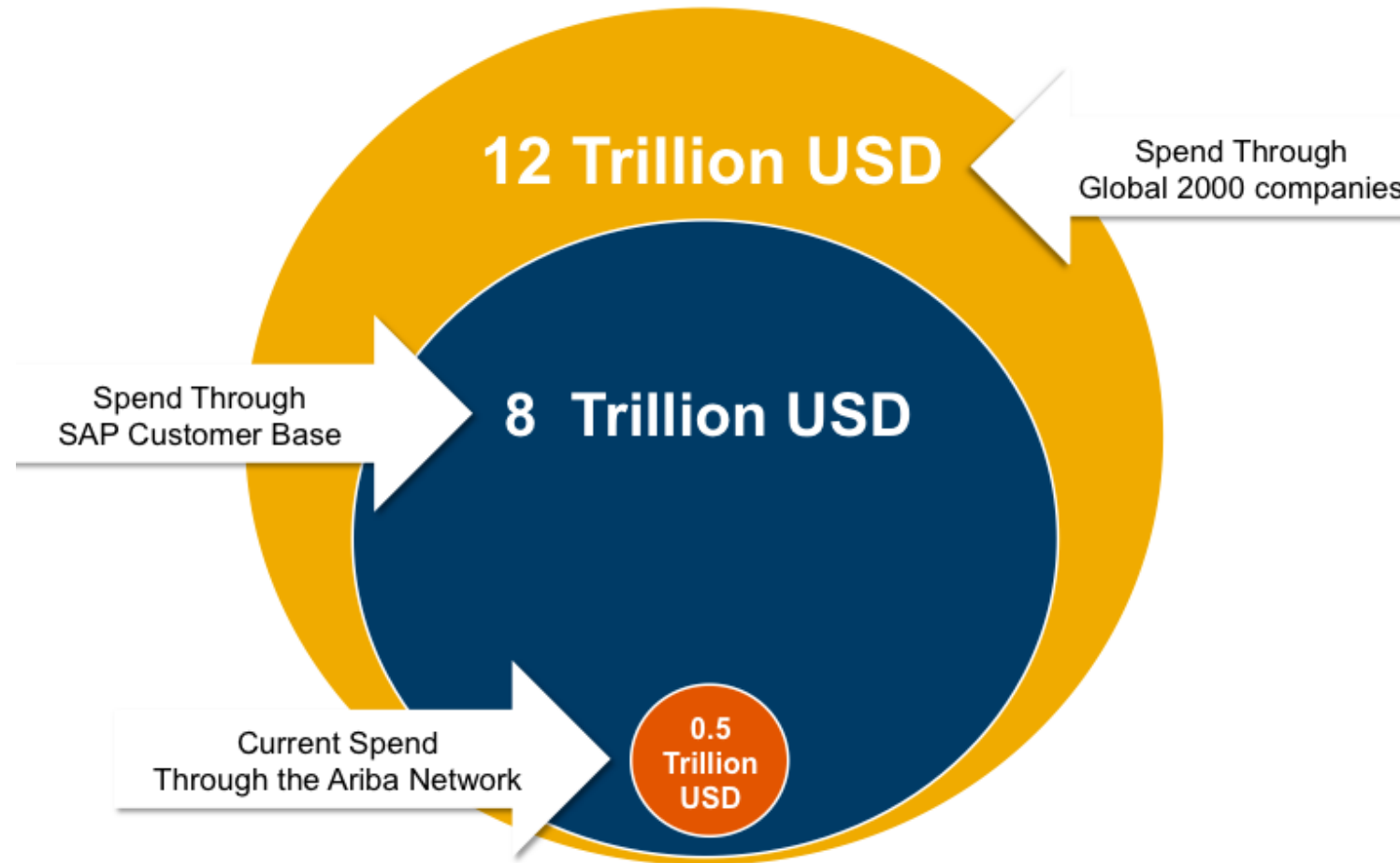
Expanded geographic support and datacenter coverage

New collaboration types – supply chain, logistics, planning, etc.

New Intelligence offerings – Recommendations, predictive supply risk (Infonet), benchmarks, Network on HANA.

New Network services – payment; contingent workforce mgmt.

Native Network within ECC, CRM, HEC, etc.



Financial Model – Shift to the Cloud

Luka Mucic, Member of the Global Managing Board

Agenda

Shift to cloud subscription model

Impact of the shift to cloud on mid-term outlook

How we will drive a stable and profitable core business

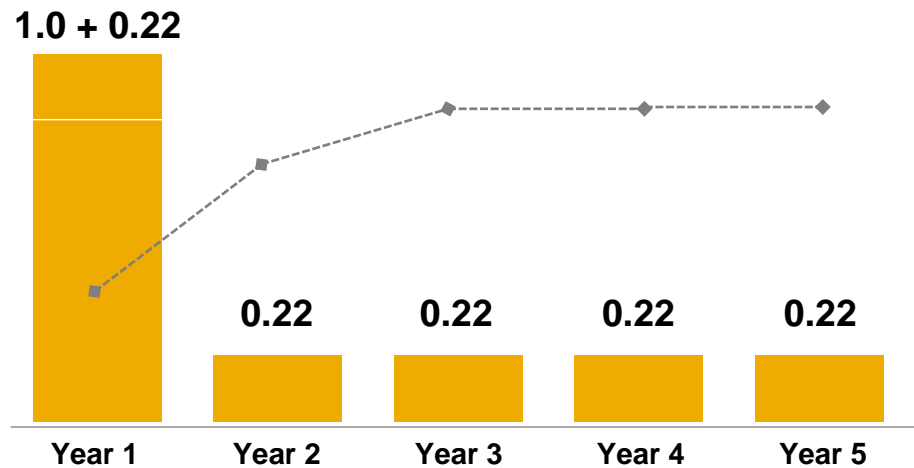
How we will drive a profitable, fast growing cloud business

Shift to cloud subscription model

What it looks like for a typical deal

OnPremise model simulation

Typical software contract value €1m, 22% maintenance (Enterprise Support)

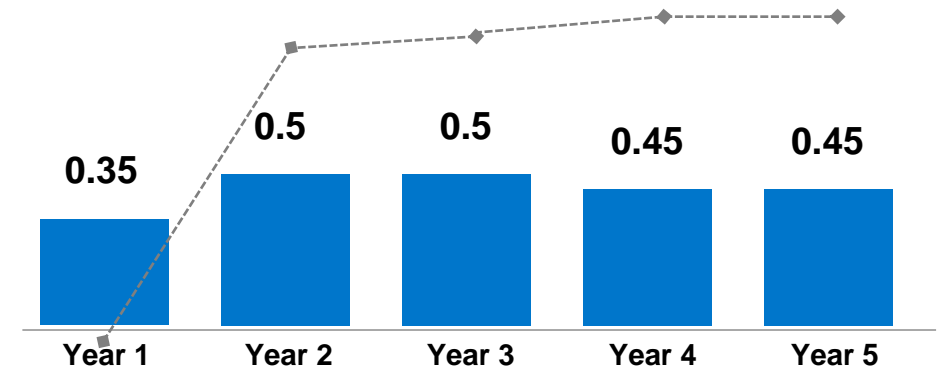


SSRS Revenue

Deal Margin

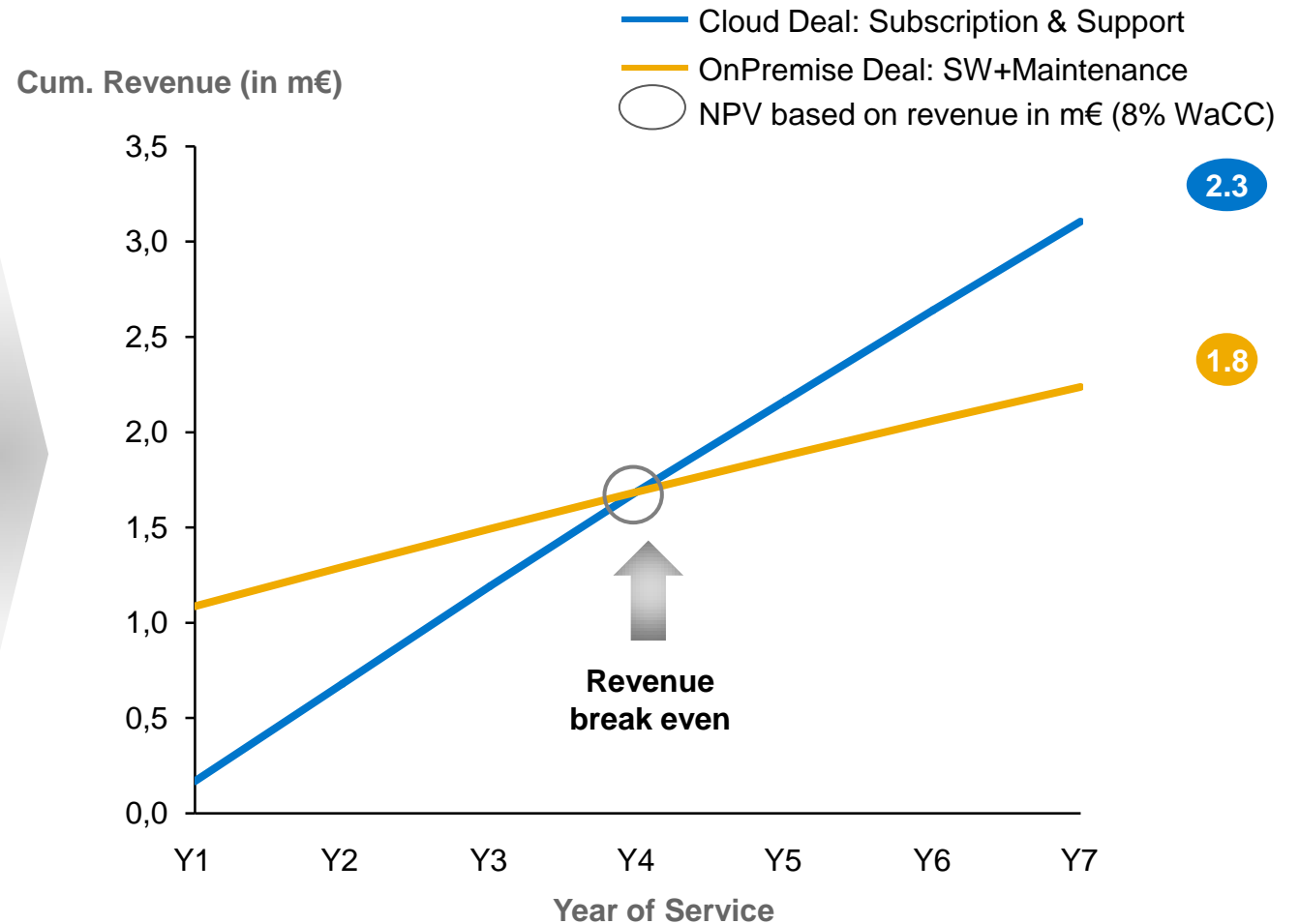
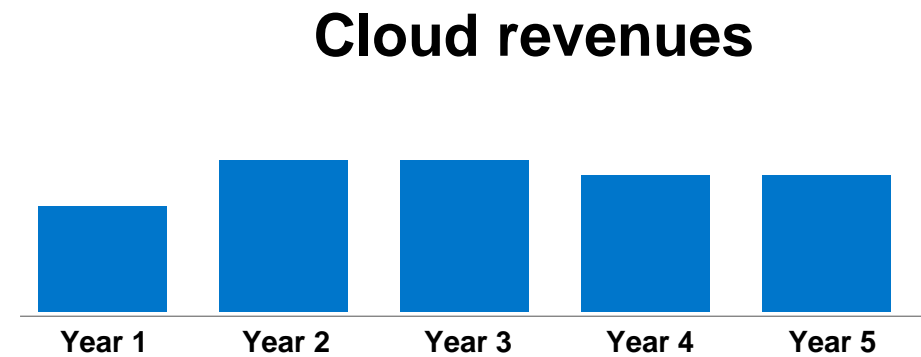
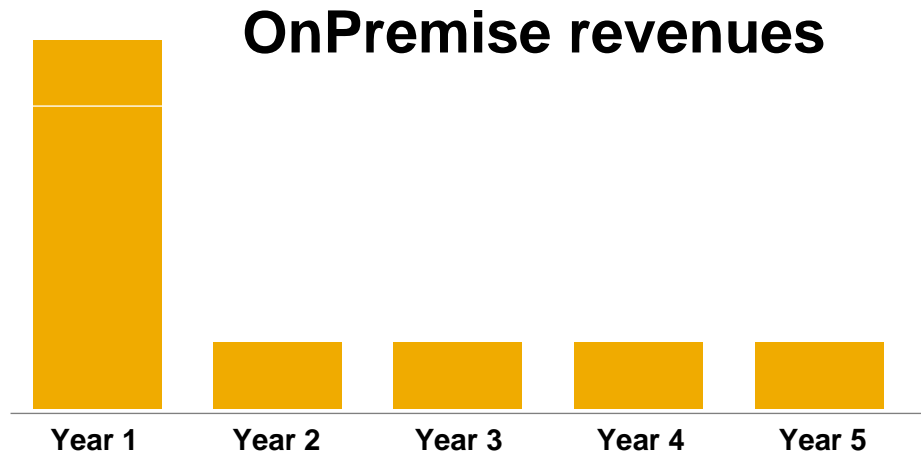
Cloud subscription model simulation

Contract value €1.35m (due to less discounts), three years contract duration, provisioning and revenue recognition starts 3 months later



Shift to cloud subscription model

What it looks like for a typical deal

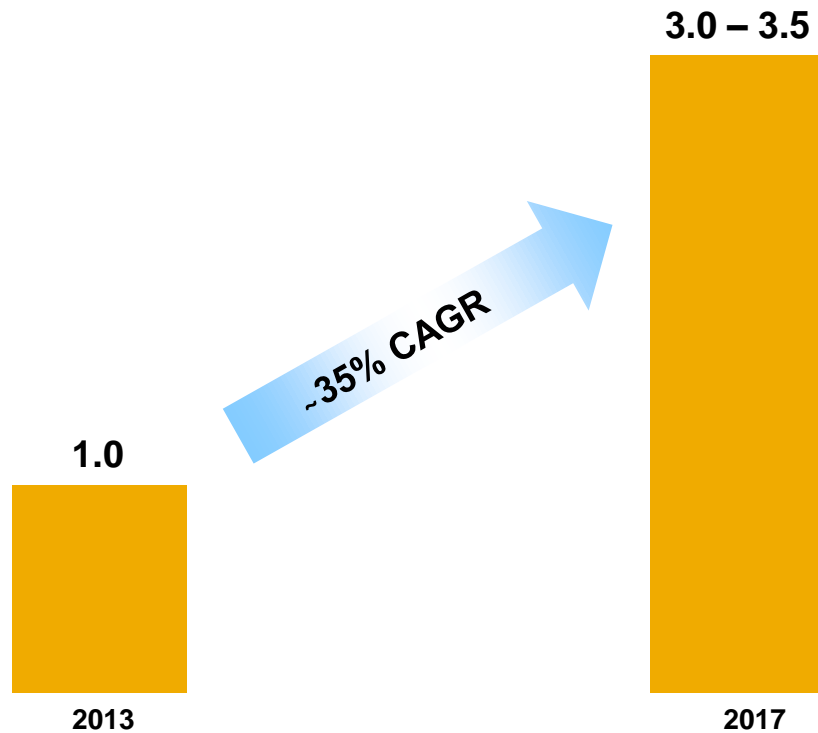


Impact of the shift to cloud on mid-term outlook

Powerful mix shift to high growth, high margin predictable recurring revenue

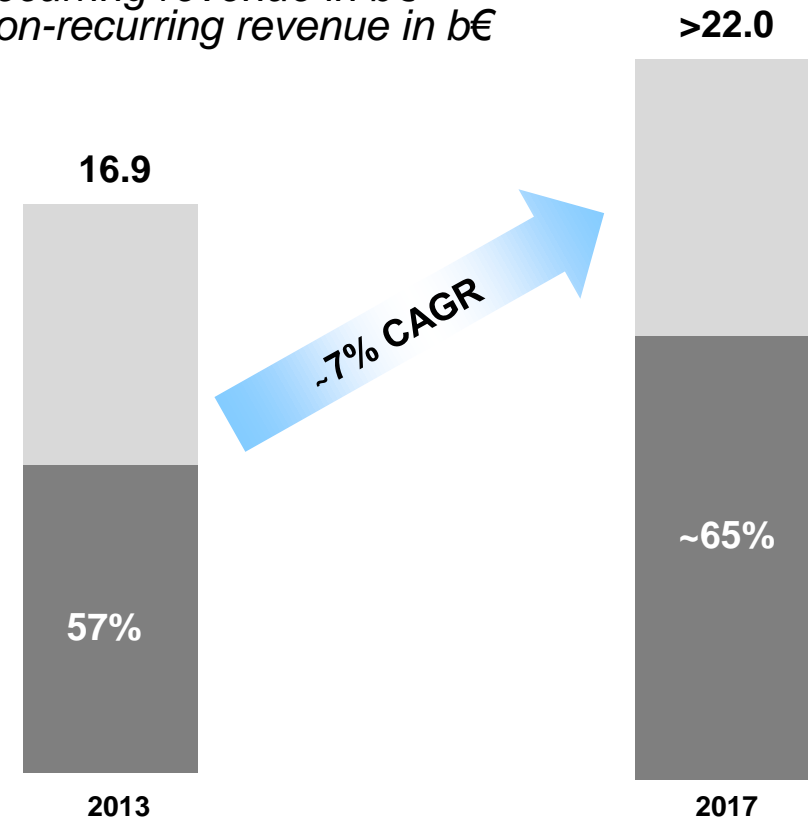
Cloud revenue ambition

Total Cloud revenue (b€)



Combined total revenue ambition

■ Recurring revenue in b€
■ Non-recurring revenue in b€



Note: non-IFRS at constant currencies

How we will drive a stable and profitable core business

Research and Development

- Simplify our product portfolio with SAP HANA as the ONE real-time business platform for our industry.
- Use SAP HANA as the integration platform across all our products.
- Leverage SAP HANA as the extension platform for customers and partners to build new apps.
- Drive an intuitive user experience through Fiori design principles and offering a mobile first user experience across our entire solutions.

Sales and Marketing

- Renew our industry focus – as the trusted innovator of business outcomes (Retail, Financial Services, Telco/ Public Sector).
- Continued strong growth opportunities in emerging markets such as Africa, Brazil, China, India, Middle East and Russia
- Expand reach through our open and vibrant ecosystem

Service and Support

- Solid growing base of support revenue with high renewal rate.
- Increasing success with Premium support offerings.
- Growth in Custom Development offering to improve the overall customer engagement.
- Expand our Rapid Deployment Solutions to drive down implementation costs and speed up time to value

How we will drive a profitable, fast growing cloud business

Research and Development

- ONE platform for all applications
- Focus on development capacity allocation acc. to bookings growth
- Beautify the user interface and usability experience
- Shorten our innovation cycles
- Create extension capabilities
- Enable OnPremise and OnDemand architectural integration
- Work on further country localization

Sales and Marketing

- ONE go-to-Market
- Drive consistent volume discount behavior
- New subscription pricing option for SAP Cloud powered by HANA
- Offer flexible conversion options from OnPremise to the Cloud
- Engage the large partner ecosystem to drive the Cloud business

Service and Support

- ONE support model and world class service for all customers across all SAP solutions and deployment models
- Standardized and scalable system infrastructure, high server utilization and low touch application management
- Drive high system performance and availability

SAP Investor Symposium

Q&A

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New York City, Feb 4, 2014

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