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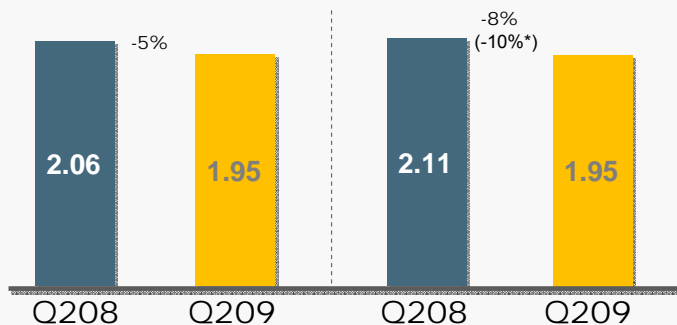
THE BEST-RUN BUSINESSES RUN SAP

SAP

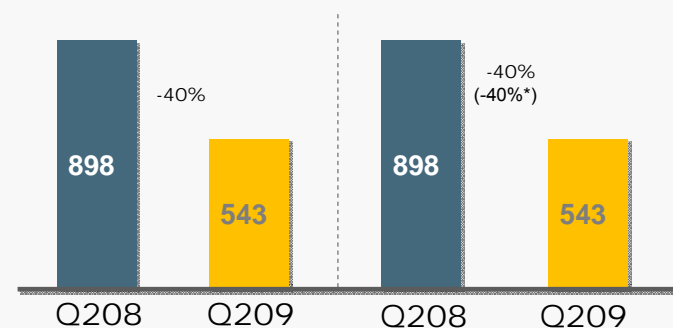
Key Figures

Second Quarter 2009

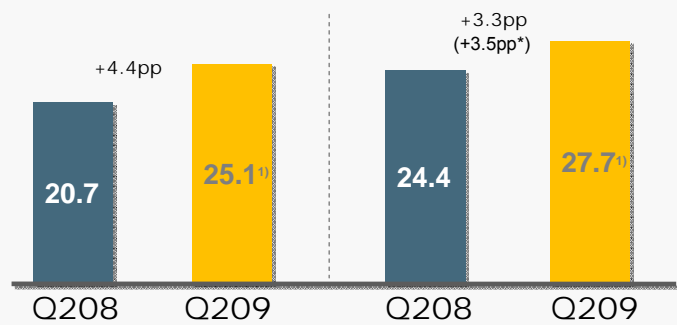
SW & SW-Related Serv. Revenue (€bn)
U.S. GAAP Non-GAAP



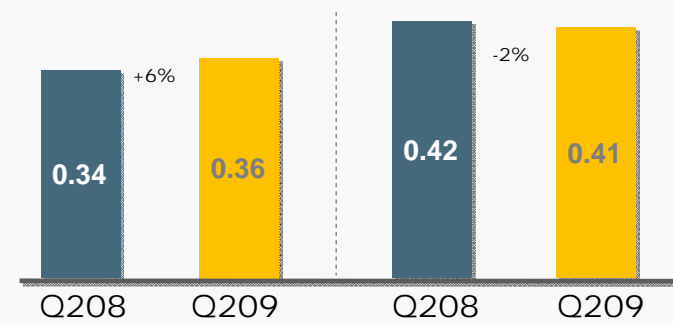
Software Revenue (€millions)
U.S. GAAP Non-GAAP



Operating Margin (%)
U.S. GAAP Non-GAAP



Basic EPS from Cont. Operations (€)
U.S. GAAP Non-GAAP



* at constant currencies

1) includes negative effect of 0.2pp from Q2 2009 restructuring charges of €5 million

Who is SAP?

SAP

The World's Leading Provider of Business Application Software

The world's leading provider of business application software

- ~89,000 customers in 120 countries
- Broad global reach provides regional balance and a greater addressable market
- Undisputed market leader
- Recognized global brand (31st most valuable brand on a global basis)

Strongest product portfolio based on an open technology platform

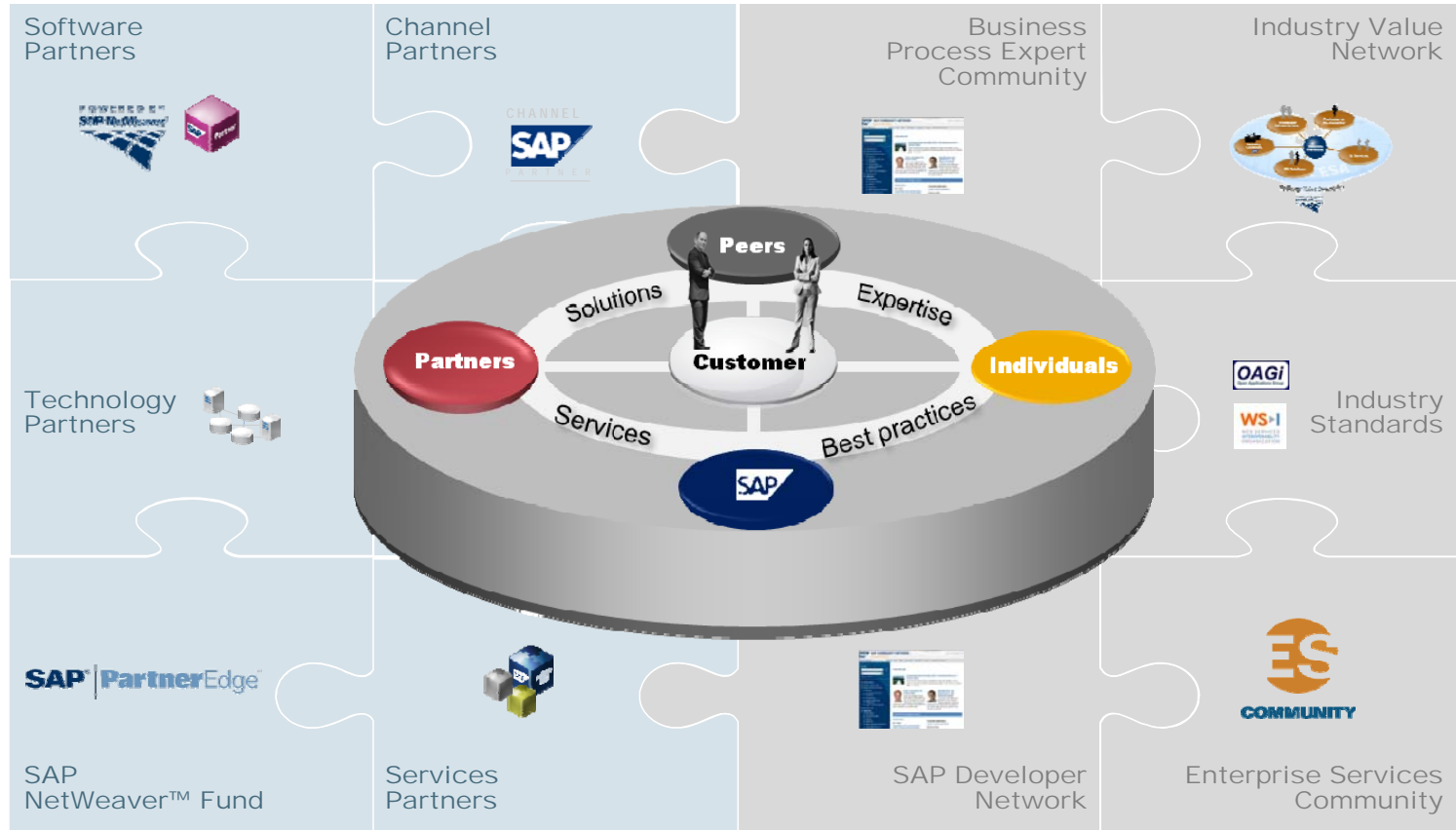
- Leading product and technology innovation with ~15,000 developers
- First to market with next generation enterprise SOA architecture
- Deepest industry functionality with 24 industry solutions

SAPs Eco System

Customer-Focused
Eco System
Always
Connected,
Always On

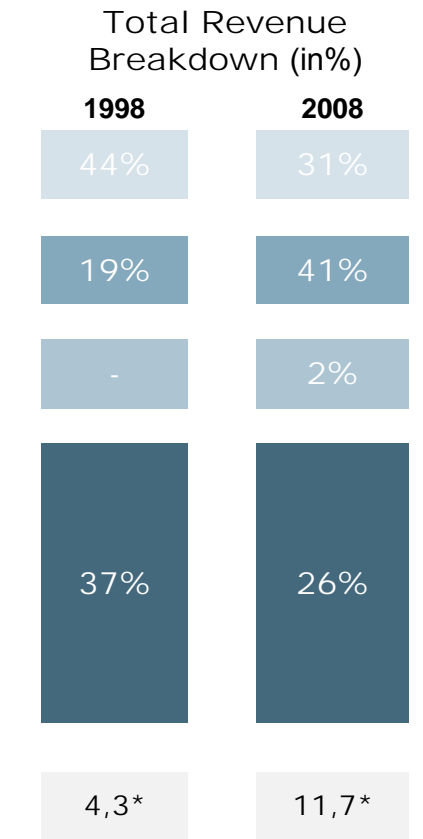
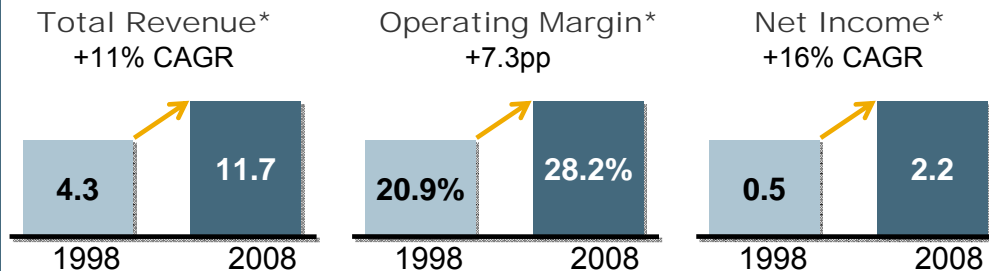
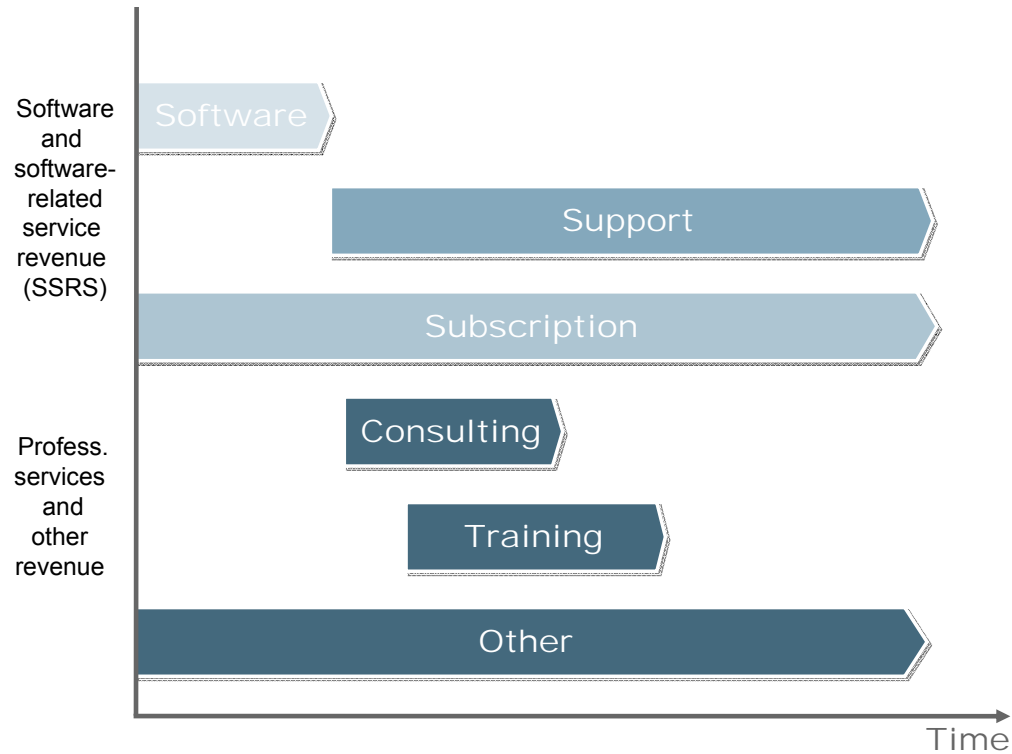
Trusted and Relevant Partner Solutions and Services

Communities of Innovation



What are key characteristics of the business model?

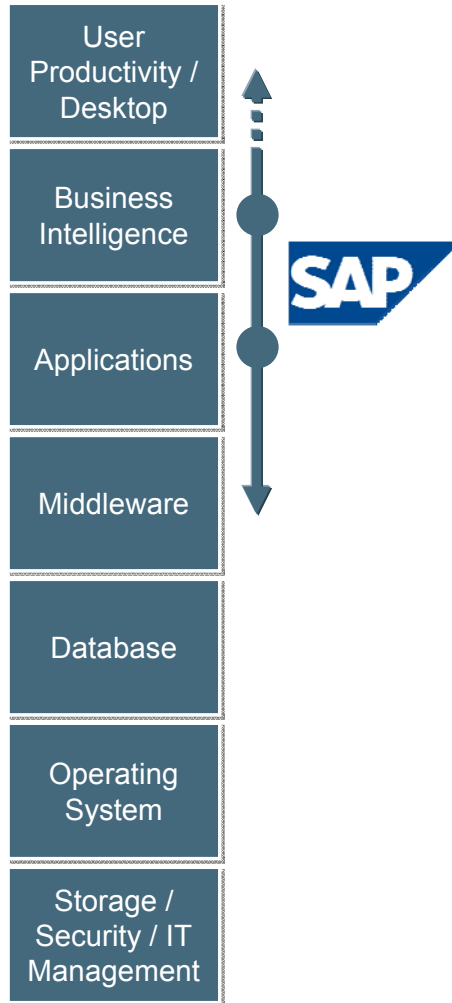
SAP's business model – steadily increasing streams of recurring, stable and profitable revenue



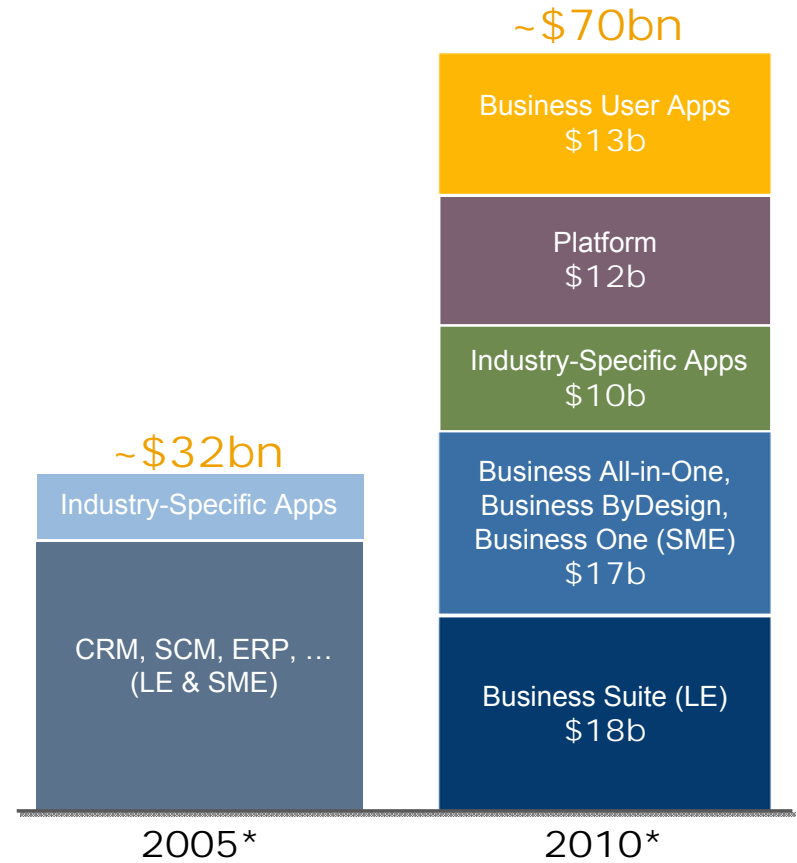
* Non-GAAP, in € billion, unless stated otherwise

Which market does SAP operate in and how will it grow?

New products drive the expansion of SAP's addressable market



The enterprise software stack

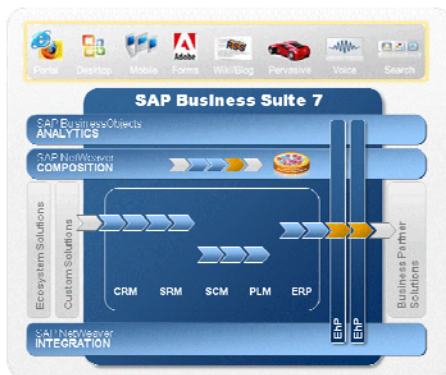
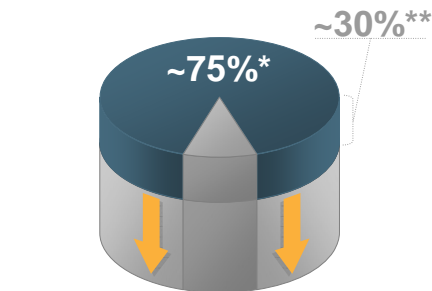


* Addressable market, based on software and software-related service revenue. Source: SAP, IDC

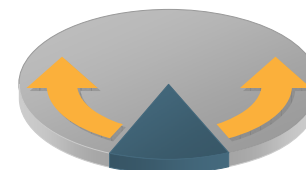
Product portfolio

SAP's Solutions Offerings By Customer Segment

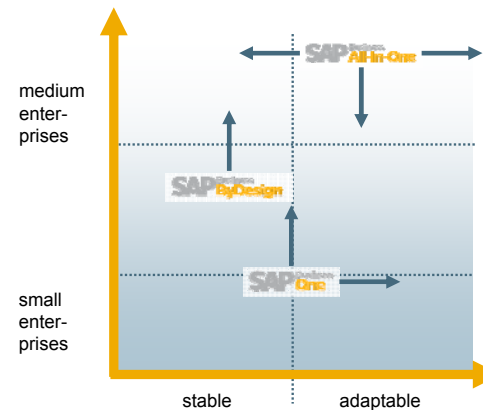
LARGE ENTERPRISES



SMALL AND MEDIUM ENTERPRISES



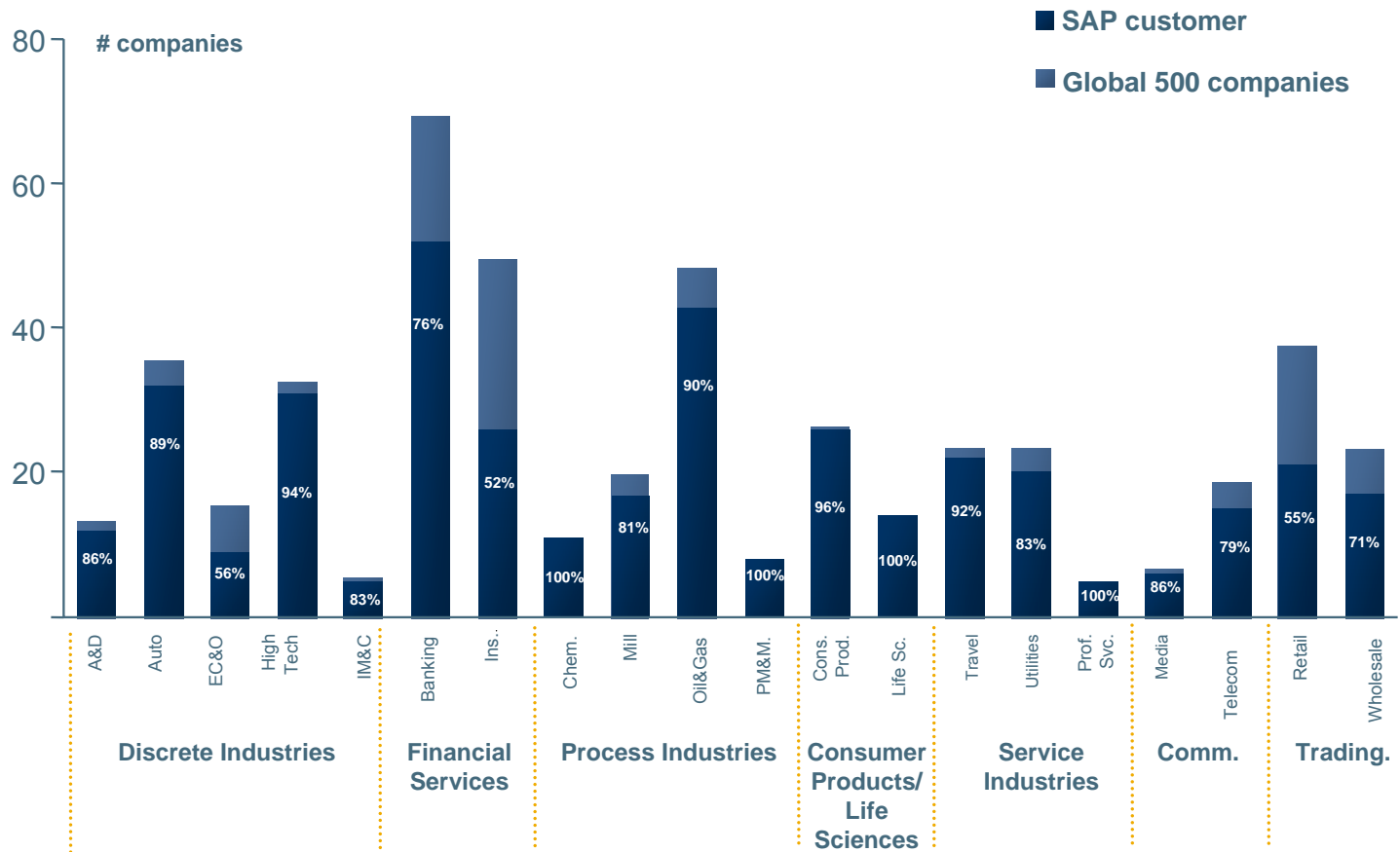
10-15%*



* Market penetration in Germany
** Average share of wallet per customer in Germany
Source: Based on IDC's Mega model, SAP Germany

Market share

Constantly Increased The Number of Accounts Within the Fortune 500 Companies



Note: Public Services accounts are not considered in the Global 500 analysis, Source: *Fortune Magazine*, Global 500 2007; SAP internal analysis

Whom does SAP
compete against?
How?

**SAP has
competitive
advantages**
versus every
category of
competitors

In-house development & custom development

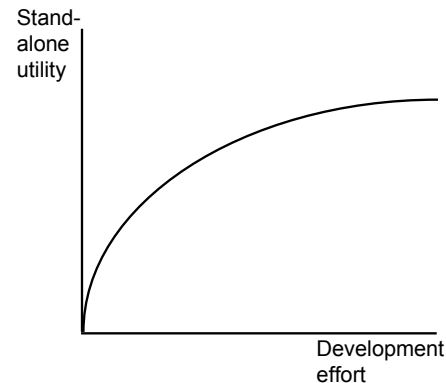
- Cost
- Long-term support and continuous improvement
- Best practices

'Best of breed' vendors

- Integration
- 'One throat to choke'
- Stability and reliability of vendor
- Customer access
- Global standards

Other 'suite' vendors

- Consistent technology and semantics
- Non-overlapping solution portfolio
- Investment protection
- Reputation
- Largest customer base
- Unmatched industry expertise
- Strongest 'ecosystem' of partners





The current situation

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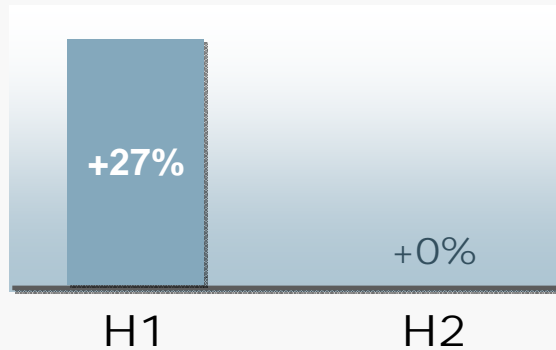


How has the economic environment impacted SAP?

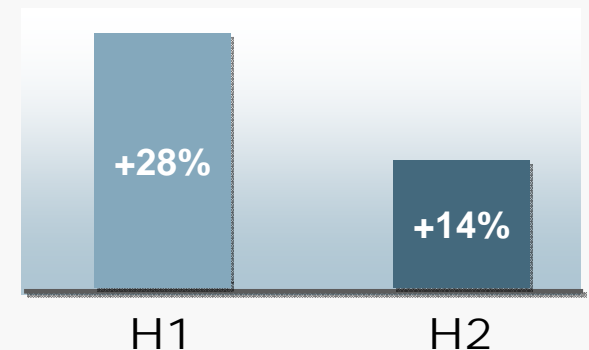
2008

A year with two faces

Software revenue*



SSRS revenue*



- SAP started with a very strong H1 2008, with strong organic growth and excellent contribution from SAP Business Objects
- Following the acceleration of the financial crisis in mid-September the economic environment deteriorated significantly
- SAP's H2 2008 was severely impacted with an H2 SSRS growth rate 50% below the H1 level
- Customer buying patterns changed
 - High share of order entry from existing customers in H2
 - Reduced average transaction volumes

* year-on-year, Non-GAAP, constant currency; SSRS = Software- and software-related service

How does SAP react to this environment? What are the expectations?

The economic downturn shows the strength of SAP's Business Model – Again

Growing stream of stable, recurring revenues in H1 2009

- Support revenue increased 20% yoy
- Subscription revenue increased 20% yoy

+ Flexible cost base

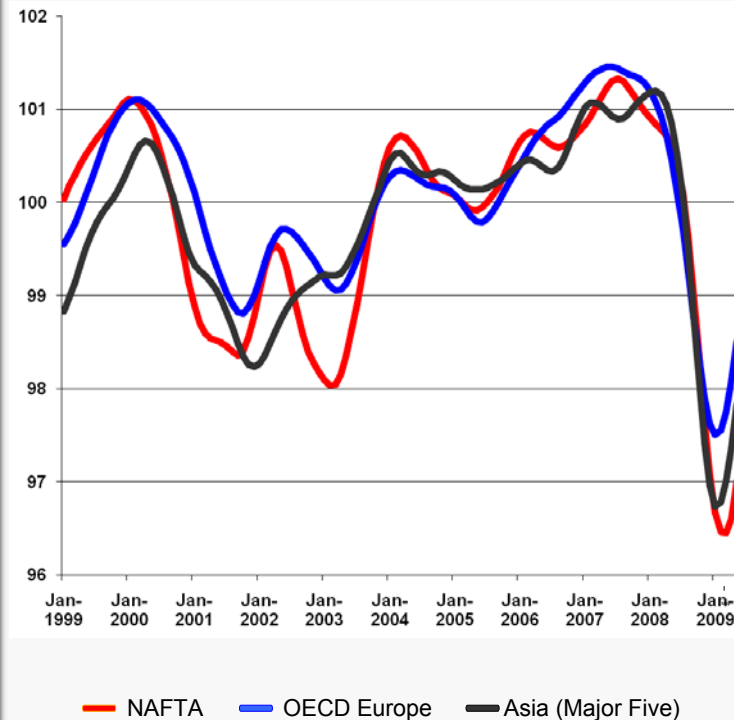
- Cost containment measures in place
- Workforce reduction well on track

= Earnings protection

But:

- Operating environment will remain difficult, but SAP is beginning to have better visibility into H2 2009
- Closure rates still hard to predict
- SAP will continue to very carefully manage its cost base
- Customers consider upgrades stronger
- Smaller projects with concrete ROI are preferred

OECD Composite Leading Indicators
Jan 1999 – May 2009



Source: OECD CLI as published on July 10, 2009



Outlook

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What are the top three trends in the industry?

SAP is a driver of industry trends

CONSOLIDATION

- SAP has been the most active consolidator – in an organic fashion
 - M&A activity has increased in recent years and can be expected to continue
-

SERVICE-ORIENTED ARCHITECTURES

- Breaking down ‘monolithic’ code into smaller, standardized, re-usable building blocks – Enterprise Services
 - Over the last years, SAP has transformed its solution portfolio to service-oriented architecture
 - SAP Business Suite already contains more than 2,200 Enterprise Services
-

SOFTWARE ON-DEMAND / SOFTWARE AS A SERVICE (SAAS)

- Solution delivery: Companies do not run the application on premise but access a hosted application remotely, sharing elements of the stack with other customers
- Licensing: Customers ‘rent’ the software license rather than buying perpetual licenses
- SAP expects a co-existence of both models and is in a unique position to support hybrid yet integrated landscapes going forward

Consolidation

Innovation
is a core
strength of
SAP
and SAP will
continue to
invest

Close integration across
ERP, CRM, SCM, SRM, PLM

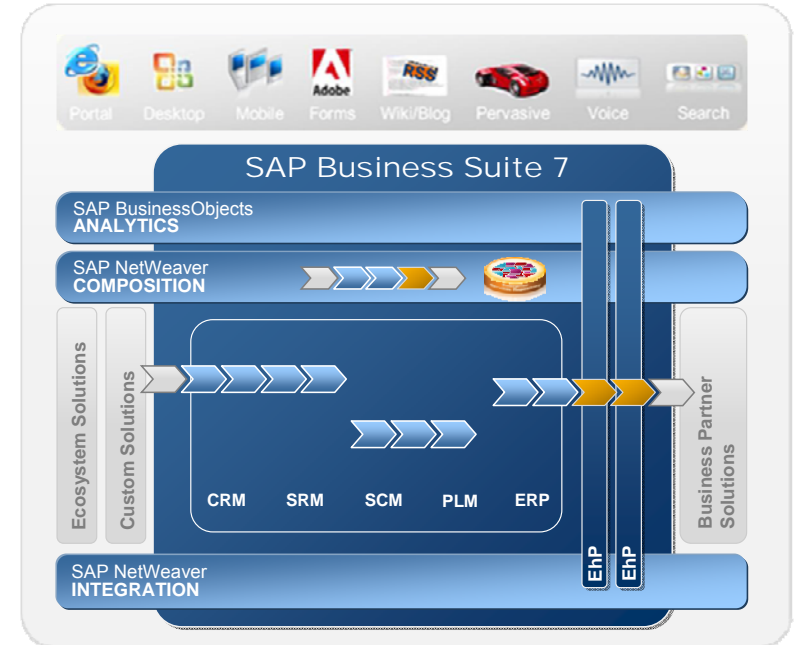
New upgrade concept
with enhancement packs

Service-based for cross
company processes

Industry add-ons
for 24 industries

A common and integrated
analytics platform

Business Objects Explorer
built on In-memory DB



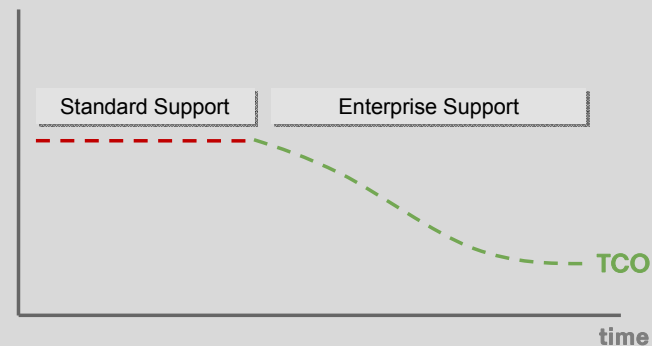
Innovation is a core strength of SAP and SAP will continue to invest



SUGEN KPI for SAP Enterprise Support

Four KPI categories have been identified and agreed on:

- Total Cost of Operations
- Business Continuity
- Business Process Improvement
- Protection of Investment



SAP is
committed
to the on-
demand
software
space

On-Premise	On-Demand
Key characteristics	
<ul style="list-style-type: none">■ Perpetual license or subscription■ At customer site■ Individual software stack	<ul style="list-style-type: none">■ Subscription■ Hosted by vendor or 3rd party■ Shared software stack
Key advantages	
<ul style="list-style-type: none">■ Flexibility and differentiation■ Security	<ul style="list-style-type: none">■ Cost of ownership■ Speed of deployment
Service-oriented architecture	

Large Enterprises

- On-premise and on-demand solutions will co-exist in customer environments
- On-demand solutions will be primarily used as integrated extensions of an on-premise core
- SAP has the ability to deliver hybrid, yet integrated solution landscapes as a competitive differentiator
- SAP offers a growing set of on-demand solutions for large enterprises

Small and Midsized Enterprises

- SAP Business ByDesign is SAP's on-demand solution for the midmarket

Clear Enterprise

SAP's "clear enterprise" - more than just a marketing campaign



IT'S TIME FOR A CLEAR NEW WORLD

Opportunity. It might not be the first word that springs to mind when we describe the world today. But the reality is, opportunities are out there. New customers, new efficiencies, new revenue streams. True, finding them is not easy. But by embracing greater clarity in your organization, you can seize the moment.

Clarity gets the right information to the right people at the right time. Clarity forges powerful partnerships, allowing everyone to speak a common language and act in concert. Clarity helps drive fast and meaningful innovation. And clarity

enables companies to anticipate and respond nimbly to a constantly shifting global environment. Transparency, visibility, accountability. These are the cornerstones of a clearer business. And only SAP® business software helps bring it all together.

Start the journey. Visit sap.com/clearworld

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Clear Enterprise

A best-run business requires to be a “clear enterprise”



SAP

A summary

- **Market leader in the business applications industry**
- **Rare combination of defensive characteristics and significant growth potential**
- **Using product innovation and targeted acquisitions to leverage competitive advantages**
- **Advantages against every category of competitors**
- **Strong focus on earnings protection**
- **SAP continuously invests in innovations**





Q&A

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