

2015 ANNUAL REPORT
CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated Income Statements of SAP Group for the Years Ended December 31

€ millions, unless otherwise stated	Notes	2015	2014	2013
Cloud subscriptions and support		2,286	1,087	696
Software licenses		4,835	4,399	4,516
Software support		10,093	8,829	8,293
Software licenses and support		14,928	13,228	12,809
Cloud and software		17,214	14,315	13,505
Services		3,579	3,245	3,310
Total revenue	(5)	20,793	17,560	16,815
Cost of cloud subscriptions and support		-1,022	-481	-314
Cost of software licenses and support		-2,291	-2,076	-2,056
Cost of cloud and software		-3,313	-2,557	-2,370
Cost of services		-3,313	-2,716	-2,660
Total cost of revenue		-6,626	-5,272	-5,031
Gross profit		14,167	12,288	11,784
Research and development		-2,845	-2,331	-2,282
Sales and marketing		-5,401	-4,304	-4,131
General and administration		-1,048	-892	-866
Restructuring	(6)	-621	-126	-70
TomorrowNow and Versata litigation	(23)	0	-309	31
Other operating income/expense, net		1	4	12
Total operating expenses		-16,541	-13,230	-12,336
Operating profit		4,252	4,331	4,479
Other non-operating income/expense, net	(8)	-256	49	-17
Finance income		241	127	115
Finance costs		-246	-152	-181
Financial income, net	(9)	-5	-25	-66
Profit before tax		3,991	4,355	4,396
Income tax TomorrowNow and Versata litigation		0	86	-8
Other income tax expense		-935	-1,161	-1,063
Income tax expense	(10)	-935	-1,075	-1,071
Profit after tax		3,056	3,280	3,325
Attributable to owners of parent		3,064	3,280	3,326
Attributable to non-controlling interests		-8	0	-1
Earnings per share, basic (in €)	(11)	2.56	2.75	2.79
Earnings per share, diluted (in €)	(11)	2.56	2.74	2.78

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Statements of Comprehensive Income of SAP Group for the Years Ended December 31

€ millions	Notes	2015	2014	2013
Profit after tax		3,056	3,280	3,325
Items that will not be reclassified to profit or loss				
Remeasurements on defined benefit pension plans	(18)	-19	-30	16
Income tax relating to items that will not be reclassified	(10)	2	7	-3
Other comprehensive income after tax for items that will not be reclassified to profit or loss		-17	-23	13
Items that will be reclassified subsequently to profit or loss	(20)			
Exchange differences		1,845	1,161	-576
Available-for-sale financial assets	(26)	128	128	60
Cash flow hedges	(25)	15	-38	0
Income tax relating to items that will be reclassified	(10)	10	31	-8
Other comprehensive income after tax for items that will be reclassified to profit or loss		1,997	1,282	-524
Other comprehensive income net of tax		1,980	1,259	-511
Total comprehensive income		5,036	4,539	2,814
Attributable to owners of parent		5,044	4,539	2,815
Attributable to non-controlling interests		-8	0	-1

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Consolidated Statements of Financial Position of SAP Group as at December 31

€ millions	Notes	2015	2014
Cash and cash equivalents		3,411	3,328
Other financial assets	(12)	351	678
Trade and other receivables	(13)	5,275	4,342
Other non-financial assets	(14)	468	435
Tax assets		235	215
Total current assets		9,739	8,999
Goodwill	(15)	22,689	21,000
Intangible assets	(15)	4,280	4,604
Property, plant, and equipment	(16)	2,192	2,102
Other financial assets	(12)	1,336	1,021
Trade and other receivables	(13)	87	100
Other non-financial assets	(14)	332	164
Tax assets		282	231
Deferred tax assets	(10)	453	343
Total non-current assets		31,651	29,566
Total assets		41,390	38,565

Consolidated Statements of Financial Position of SAP Group as at December 31

€ millions	Notes	2015	2014
Trade and other payables	(17)	1,088	1,032
Tax liabilities		230	339
Financial liabilities	(17)	841	2,561
Other non-financial liabilities	(17)	3,407	2,811
Provisions	(18)	299	150
Deferred income	(19)	2,001	1,680
Total current liabilities		7,867	8,574
Trade and other payables	(17)	81	55
Tax liabilities		402	371
Financial liabilities	(17)	8,681	8,980
Other non-financial liabilities	(17)	331	219
Provisions	(18)	180	151
Deferred tax liabilities	(10)	448	603
Deferred income	(19)	106	78
Total non-current liabilities		10,228	10,457
Total liabilities		18,095	19,031
Issued capital		1,229	1,229
Share premium		558	614
Retained earnings		20,044	18,317
Other components of equity		2,561	564
Treasury shares		-1,124	-1,224
Equity attributable to owners of parent		23,267	19,499
Non-controlling interests		28	34
Total equity	(20)	23,295	19,534
Total equity and liabilities		41,390	38,565

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Consolidated Statements of Changes in Equity of SAP Group for the Years Ended December 31

€ millions	Equity Attributable to Owners of Parent							Non-Controlling Interests	Total Equity	
	Issued Capital	Share Premium	Retained Earnings	Other Components of Equity			Treasury Shares			Total
Notes	(20)	(20)	(20)	Exchange Differences	Available-for-Sale Financial Assets	Cash Flow Hedges	(20)			
				Statement of Comprehensive Income						
January 1, 2013	1,229	492	13,934	-236	22	20	-1,337	14,125	8	14,133
Profit after tax			3,326					3,326	-1	3,325
Other comprehensive income			13	-584	60			-511		-511
Comprehensive income			3,339	-584	60			2,815	-1	2,814
Share-based payments		30						30		30
Dividends			-1,013					-1,013		-1,013
Reissuance of treasury shares under share-based payments		29					57	86		86
Other changes			-2					-2	1	-1
December 31, 2013	1,229	551	16,258	-820	82	20	-1,280	16,040	8	16,048
Profit after tax			3,280					3,280		3,280
Other comprehensive income			-23	1,182	128	-28		1,259		1,259
Comprehensive income			3,257	1,182	128	-28		4,539		4,539
Share-based payments		34						34		34
Dividends			-1,194					-1,194		-1,194
Reissuance of treasury shares under share-based payments		29					56	85		85
Additions from business combinations									26	26
Other changes			-4					-4		-4
December 31, 2014	1,229	614	18,317	362	211	-8	-1,224	19,499	34	19,534
Profit after tax			3,064					3,064	-8	3,056
Other comprehensive income			-17	1,861	125	11		1,980		1,980
Comprehensive income			3,047	1,861	125	11		5,044	-8	5,036
Share-based payments		-136						-136		-136
Dividends			-1,316					-1,316		-1,316
Reissuance of treasury shares under share-based payments		80					100	180		180
Other changes			-4					-4	2	-2
December 31, 2015	1,229	558	20,044	2,223	336	3	-1,124	23,267	28	23,295

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Consolidated Statements of Cash Flows of SAP Group for the Years Ended December 31

€ millions	Note	2015	2014	2013
Profit after tax		3,056	3,280	3,325
Adjustments to reconcile profit after taxes to net cash provided by operating activities:				
Depreciation and amortization	(15), (16)	1,289	1,010	951
Income tax expense	(10)	935	1,075	1,071
Financial income, net	(9)	5	25	66
Decrease/increase in sales and bad debt allowances on trade receivables		45	47	42
Other adjustments for non-cash items		-2	70	62
Decrease/increase in trade and other receivables		-844	-286	-110
Decrease/increase in other assets		-313	-329	-136
Decrease/increase in trade payables, provisions, and other liabilities		757	573	-176
Decrease/increase in deferred income		218	16	125
Cash outflows due to TomorrowNow and Versata litigation	(23)	0	-555	-1
Interest paid		-172	-130	-159
Interest received		82	59	67
Income taxes paid, net of refunds		-1,420	-1,356	-1,295
Net cash flows from operating activities		3,638	3,499	3,832
Business combinations, net of cash and cash equivalents acquired		-39	-6,360	-1,160
Cash receipts from derivative financial instruments related to business combinations		266	-111	0
Total cash flows for business combinations, net of cash and cash equivalents acquired	(4)	226	-6,472	-1,160
Purchase of intangible assets and property, plant, and equipment		-636	-737	-566
Proceeds from sales of intangible assets or property, plant, and equipment		68	46	55
Purchase of equity or debt instruments of other entities		-1,871	-910	-1,531
Proceeds from sales of equity or debt instruments of other entities		1,880	833	1,421
Net cash flows from investing activities		-334	-7,240	-1,781
Dividends paid	(20)	-1,316	-1,194	-1,013
Proceeds from reissuance of treasury shares		64	51	49
Proceeds from borrowings		1,748	7,503	1,000
Repayments of borrowings		-3,852	-2,062	-1,625
Net cash flows from financing activities		-3,356	4,298	-1,589
Effect of foreign currency rates on cash and cash equivalents		135	23	-191
Net decrease/increase in cash and cash equivalents		83	580	271
Cash and cash equivalents at the beginning of the period	(20)	3,328	2,748	2,477
Cash and cash equivalents at the end of the period	(20)	3,411	3,328	2,748

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