Ladies and Gentlemen, thank you very much. Welcome to the 2011 SAP Annual Shareholder Meeting.

"Ich freue mich, heute wieder in Mannheim zu sein!" (I hope that came across!) It is truly an honor to be back here with you. Jim and I, together with the entire Board, are excited to give you an update on SAP’s return to growth.

Before I discuss our 2010 accomplishments, I want to take a few minutes to talk about the strategic direction of our company and the choices we made during the past year.

[Slide: A Clear Vision]
We stood before you 12 months ago and said that 2010 will be a year of returning to growth. Our market capitalization at that time was about 40 billion Euros. We decided to set a vision for SAP: “to make the world run better.”

With over 170,000 customers and 60% of the world’s business transactions running on SAP, the “why” we do what we do is just as important as the what. Our clear vision now answers this. We then announced our plan to grow SAP’s total revenue to at least 20 billion Euros by the middle of the current decade, with a non-IFRS 35% operating margin and one billion people using SAP software.

We took an in-depth look at market trends and what customers need to grow their businesses. Three trends stood out: Mobility, Cloud and real time computing through In-Memory technology.

[Slide: Major Trends are Converging]
The adoption of mobile devices in the consumer and business world is without precedent. In 2011, half of all people connecting regularly to the Internet will use mobile devices to do so. At the same time, the rate of information is exploding. The “digital universe” of information and content will expand by 50% this year. Disc-based database technologies can’t keep up, new InMemory based databases can. Technology infrastructure is moving to the Cloud. Eighty percent of new software offerings will be available as Cloud Services this year.

The convergence of these three trends provides companies new opportunities to stay ahead of the competition. To grow their businesses, companies need to get closer to their customers at the moment the consumer makes the decision to buy. Mobility, Cloud and real-time computing allow them to do so. Our significant differentiator is our core business of nearly 40 years - a solid and stable integrated business process platform. SAP is the only company in the market today with the technology, solutions and partners to execute on this vision—innovation on top of our consistent core. We do this all by offering Choice through an open partnering approach. Customers don’t want vendor lock-in. We co-innovate with our partners and sell our products through our partner channels. We are committed to an ever expanding ecosystem of partners and choice for our customers.

This is why rather than to consolidate the past, we decided to innovate the future. We accelerated this strategy with the Sybase acquisition.

[Slide: Sybase]
Sybase made SAP the market leader for enterprise mobility. Sybase has the most comprehensive portfolio in the industry with more than 60,000 customers. The core is the Sybase Unwired Platform, a platform to
develop mobile applications for any device. Afaria is a must-have solution for enterprises to manage access and security across devices. And Sybase 365 is a mobile messaging and mobile commerce infrastructure. Sybase 365 is the standard in the telecommunications industry for SMS. 1.5 billion messages are sent via Sybase every day.

Our decision to buy Sybase was not just based on Mobility. Sybase has a database business that is of strategic importance to SAP. As announced last week, SAP’s core solutions will now run on Sybase’s database, thus giving customers more choice. Their advanced columnar database Sybase IQ provides critical capabilities for our In-Memory solutions. And in growth markets like China, Sybase has an 18% market share and a robust channel. This is critical for SAP’s future growth in China. The same is true for the Financial Services industry where 46 of the top 50 Global Banks and Securities firms use Sybase for complex event processing. With the Sybase acquisition, we now have a total 170,000 customers which provide many opportunities to cross-and up-sell SAP and Sybase solutions.

We decided to harness the innovation across both companies. We created a Mobile Business Unit under the leadership of John Chen, CEO of Sybase. We are sharing intellectual property that accelerates our delivery of new solutions such as HANA and mobility, and our sales teams have been working closely together to increase market share.

Sybase made a substantial financial contribution in just five months of 2010. Remember, we acquired Sybase in July and only began including its business results in August. Sybase contributed 329 million Euros to software and software-related service revenues last year, and 434 million Euros to SAP’s total revenue. This is equal to 4 percentage points of SAP’s 20% software and software-related service growth in 2010. On the bottom line, Sybase contributed more than 150 million Euros to SAP’s operating income during the past year. Also, our cash position post-acquisition is formidable. We funded the acquisition with a mixture of existing liquidity, bank finance and capital market financing. Our corporate bonds and US Private Placements were substantially oversubscribed. The combination of strategic and financial value made Sybase a very good acquisition for SAP.

[Slide: SAPPHIRE NOW]

We showcased our strategy last year at SAPPHIRE NOW, our largest customer event of the year. And we are just back from this year’s event in Orlando, Florida, where we once again exceeded attendance goals and had the largest audience ever. Together with our sister events in Madrid and Beijing later this year, Sapphire will reach 100,000 customers and partners. The demand is higher than ever as not only customers and markets, but also employees, are inspired by our strategy and innovation.

Here is an example of a customer that is already using SAP’s real time and mobile technologies to gain competitive advantage.

[Customer Video: BSH]

This is the power of choice and innovation for our customers and for SAP.

[Slide: Our Brand Value at an All-Time High]

While others cut back last year, we invested more than 2009 in our sales capacity, channels, and our brand. We launched a global, multi-channel campaign with the “Run Better” theme. Twenty-six iconic brands joined SAP for this campaign. Over the past ten years, we doubled our brand value and became the third most recognized German brand in the world. In fact, our brand value is at an all-time high. We challenged ourselves to re-invent how customers experience SAP. If you were here last year, you might notice a difference too.
Our double-digit revenue and operating profit growth in 2010 is an outcome of executing on our strategy. We are pleased to report that total revenues increased 17% to €12.54 billion in 2010. We grew our software and software-related service revenue 20% to €9.9 billion (13% on a constant currency basis). This was mainly driven by increased software revenue up 25% to €3.27 billion (16% at constant currency) and increased support revenue of 17% to €6.2 billion, (11% at constant currency). Revenue growth and our effective cost management enabled us to widen our non-IFRS operating margin by 3.1 percentage points to 30.5% at constant currencies, confirming our expectations for 2010. At €2.7 billion, we posted the highest non-IFRS profit after tax in the company’s history.

The performance of our business across all solutions, industries and regions was impressive. High growth markets, the BRIC countries in particular, saw 70% year-over-year gains in software revenue. In the last quarter of 2010, we delivered the largest Q4 in the history of SAP AG with €1.5 billion in software sales, an increase of 35% over the same quarter in 2009. The number of deals increased nearly 40% year-over-year by using all channels, direct, inside sales and our partner channels.

Our market capitalization is 10 Billion Euro higher than at the last Annual Shareholder meeting. The SAP stock gained more than 30% since January 1 2010. We outperformed the DAX by more than 10 percentage points and EURO STOXX 50 by more than 30 percentage points. All good news for you.

All financial data we provide today is non-IFRS numbers. We focus on non-IFRS figures for internal management purposes, the communication of our guidance, and the reporting of our actual performance against competitors.

As you know, Oracle sued SAP AG, SAP America and its subsidiary TomorrowNow in March 2007. Despite efforts to bring the case to resolution earlier, it went to trial in November 2010 and the jury returned a damages verdict amounting to US$1.3 billion in favor of Oracle.

As stated in court, we regret the actions of TomorrowNow, have shut down the company, accepted liability, and been willing to fairly compensate Oracle. However, we believe this compensation must be reasonable and connected to reality and the law.

As a result, SAP filed post trial motions, arguing that the jury’s verdict based on the license theory should be set aside and that damages should be based on lost profits and infringer’s profits, in a range between $28 million US to $408 million US. These are the profit damage calculations offered by each side’s expert witness. The court has set a hearing on the post trial motions for July 13.

Following IFRS reporting rules, we had to make an accrual of €981 million for the TomorrowNow lawsuit. After taking finance costs and tax deductibility into account, the net impact was €616 million. Nevertheless, we were able to increase our full-year 2010 IFRS profit after tax by 4% to over €1.8 billion. In addition, the price of our share performed extraordinarily well. Given these solid results and our strong liquidity, the costs from the TomorrowNow litigation will not affect the dividend. Instead we recommend the dividend be increased by 20% to €0.60. You will be asked to vote on this later in the shareholder meeting.

The members of the Executive Board understand that our shareholders have an increased need for information about this case – especially in light of the verdict.

We perceive the countermotions submitted by Deutsche Schutzvereinigung für Wertpapierbesitz (DSW) to postpone the formal approval of the actions of the members of the Executive and Supervisory Board – items 3 and 4 on today's agenda – to be an expression of this need for information.
From the beginning of the litigation the Executive Board sought comprehensive legal representation through a leading U.S. law firm. The retention of the lawyers followed a thoroughly prepared selection process. The litigation was conducted by our lawyers on the basis of regular and close consultation with the Executive Board. This is also true with regard to SAP’s acceptance of vicarious and contributory liability for the actions of TomorrowNow. The Executive Board acknowledges that for at least some of our shareholders this stipulation may have caused confusion. We chose this route to limit the litigation to the question of damages, which we hoped would result in a lower amount of damages. Even though some progress was made in lowering the damages exposure to SAP, the jury’s verdict was both disappointing and on its merits hard to understand.

Some of you may have asked yourself why our original accrual was not as high as the jury’s verdict. One of the main reasons is the nature of U.S. procedural law. As most of you know, the trial in the U.S. was decided by a jury constituted of laypeople. It is always difficult to predict the outcome of a jury trial, even for experts. In our case this was even more difficult, as the jury was permitted to award damages on the basis of a license which in a case such as this was unprecedented. This aspect and the many deficiencies with Oracle’s damages claim explained in our motions were often, not reflected in media coverage. Against this background and until the jury’s surprising verdict the Executive Board, in consultation with the company’s financial auditors, considered SAP’s moderate accruals to be justified at that time and still does so in retrospect.

Given that this is pending litigation, and out of respect for the court’s consideration of our pending motions, we will not be able to comment further on the lawsuit at this time.

[Slide: Run Better]

Let me conclude my comments by looking forward. SAP’s momentum continues this year. We are on track to continue double digit growth in 2011. We firmly believe SAP has a unique value proposition for our customers. This is why SAP has returned to growth and will continue to grow. This is our promise to you, our shareholders, to our customers and partners, and to our employees.

We are achieving our purpose to make the world run better, and our mission to make every customer a best run business. Now, Jim will share with you how we will continue to grow in 2011 based on our breakthrough innovations.

Thank you.