First Quarter 2020

Financial Highlights

SAP SE
April 21, 2020
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.
SOLID START TO 2020 AMIDST COVID-19 CRISIS
TOTAL REVENUE AND OPERATING PROFIT UP

<table>
<thead>
<tr>
<th></th>
<th>Cloud Revenue</th>
<th>Cloud and Software Revenue</th>
<th>Total Revenue</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IFRS</td>
<td>Non-IFRS</td>
<td>IFRS</td>
<td>Non-IFRS</td>
</tr>
<tr>
<td>Cloud Revenue in € millions</td>
<td>2,011</td>
<td>2,012</td>
<td>5,397</td>
<td>5,398</td>
</tr>
<tr>
<td>+29%</td>
<td>+27% (+25% cc)</td>
<td></td>
<td>+7%</td>
<td>+6% (+5% cc)</td>
</tr>
<tr>
<td>Cloud and Software Revenue in € millions</td>
<td>5,397</td>
<td>5,398</td>
<td>6,521</td>
<td>6,522</td>
</tr>
<tr>
<td>Total Revenue in € millions</td>
<td>6,521</td>
<td>6,522</td>
<td>1,210</td>
<td>1,482</td>
</tr>
<tr>
<td>Operating Profit in € millions</td>
<td>N/A</td>
<td>+1% (+0% cc)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The share of more predictable revenue reached **76%** in the first quarter of 2020 (+4 percentage points)
OTHER FINANCIAL AND NON-FINANCIAL HIGHLIGHTS
FIRST QUARTER 2020

- Cloud revenue exceeds €2.0bn for the first time in a quarter – +29% (IFRS), +27% (non-IFRS), +25% (non-IFRS cc)
- Current cloud backlog: +25% (+24% cc) to €6.65bn
- Cloud gross margin (non-IFRS): +3 pp to 69.3%
- Earnings per share (non-IFRS): -5% to €0.85
- Operating cash flow up 6% to €2.98bn | Free cash flow up 9% to €2.58bn
- Approximately 14,100 S/4HANA customers
- Greenhouse gas emissions at 65kt
- Overall employee retention rate remains high at 93.3%
- Women in management increased to 26.8%
## INCOME STATEMENT
### FIRST QUARTER 2020

<table>
<thead>
<tr>
<th>€ millions, unless otherwise stated</th>
<th>IFRS</th>
<th>Non-IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1/20</td>
<td>Q1/19</td>
</tr>
<tr>
<td>Cloud</td>
<td>2,011</td>
<td>1,555</td>
</tr>
<tr>
<td>Software licenses</td>
<td>451</td>
<td>650</td>
</tr>
<tr>
<td>Software support</td>
<td>2,934</td>
<td>2,838</td>
</tr>
<tr>
<td>Software licenses and support</td>
<td>3,386</td>
<td>3,489</td>
</tr>
<tr>
<td>Cloud and software</td>
<td>5,397</td>
<td>5,044</td>
</tr>
<tr>
<td>Services</td>
<td>1,124</td>
<td>1,048</td>
</tr>
<tr>
<td>Total revenue</td>
<td>6,521</td>
<td>6,091</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>-5,311</td>
<td>-6,228</td>
</tr>
<tr>
<td>Operating profit (loss)</td>
<td>1,210</td>
<td>-136</td>
</tr>
<tr>
<td>Financial income, net</td>
<td>-39</td>
<td>0</td>
</tr>
<tr>
<td>Profit (loss) before tax</td>
<td>1,122</td>
<td>-140</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-310</td>
<td>33</td>
</tr>
<tr>
<td>Profit (loss) after tax</td>
<td>811</td>
<td>-108</td>
</tr>
<tr>
<td>Operating margin (in %)</td>
<td>18.6</td>
<td>-2.2</td>
</tr>
<tr>
<td>Earnings per share, basic (in €)</td>
<td>0.68</td>
<td>-0.10</td>
</tr>
</tbody>
</table>
REGIONAL PERFORMANCE
FIRST QUARTER 2020

**AMERICAS**
- Cloud revenue: +24% +21% cc
- Cloud and software revenue: +9% +7% cc

Canada and Brazil were highlights in cloud revenue. Mexico and Brazil had a strong quarter in software licenses revenue.

**EMEA**
- Cloud revenue: +35% +34% cc
- Cloud and software revenue: +7% +6% cc

Germany and the Netherlands were highlights in cloud revenue. France, Italy and Switzerland had a strong quarter in software licenses revenue.

**APJ**
- Cloud revenue: +25% +24% cc
- Cloud and software revenue: +1% +0% cc

Japan and South Korea were highlights in cloud revenue. Japan and Australia had a solid quarter in software licenses revenue.

Revenues calculated based on customer location; All numbers are Non-IFRS unless otherwise stated. Individual country highlights are based on Non-IFRS at constant currencies.
## GROSS MARGIN DEVELOPMENT

**CLOUD GROSS MARGIN UP 3 PERCENTAGE POINTS YOY**

<table>
<thead>
<tr>
<th>Non-IFRS, in percent as reported</th>
<th>FY/18</th>
<th>Q1/19</th>
<th>Q2/19</th>
<th>Q3/19</th>
<th>Q4/19</th>
<th>FY/19</th>
<th>Q1/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud</td>
<td>63.1</td>
<td>🟢66.2</td>
<td>🟢67.9</td>
<td>🟢69.0</td>
<td>🟢69.5</td>
<td>68.2</td>
<td>69.3</td>
</tr>
<tr>
<td>Intelligent Spend</td>
<td>77.8</td>
<td>🟢78.0</td>
<td>🟢78.2</td>
<td>🟢78.0</td>
<td>🟢78.0</td>
<td>78.1</td>
<td>78.8</td>
</tr>
<tr>
<td>Private Cloud (IaaS)</td>
<td>12.2</td>
<td>🟢31.8</td>
<td>🟢22.3</td>
<td>🟢25.3</td>
<td>🟢36.3</td>
<td>29.1</td>
<td>31.0</td>
</tr>
<tr>
<td>Public Cloud (SaaS/PaaS)</td>
<td>60.0</td>
<td>🟢68.6</td>
<td>🟢68.8</td>
<td>🟢70.4</td>
<td>🟢70.0</td>
<td>68.4</td>
<td>70.2</td>
</tr>
<tr>
<td>Software Licenses &amp; Support</td>
<td>87.4</td>
<td>🟢85.7</td>
<td>🟢87.1</td>
<td>🟢87.6</td>
<td>🟢88.8</td>
<td>87.5</td>
<td>85.7</td>
</tr>
<tr>
<td>Cloud &amp; Software</td>
<td>81.5</td>
<td>🟢79.6</td>
<td>🟢81.1</td>
<td>🟢81.7</td>
<td>🟢83.5</td>
<td>81.6</td>
<td>79.6</td>
</tr>
<tr>
<td>Services</td>
<td>22.9</td>
<td>🟢20.3</td>
<td>🟢23.9</td>
<td>🟢26.9</td>
<td>🟢28.0</td>
<td>24.9</td>
<td>22.8</td>
</tr>
<tr>
<td><strong>Total Gross Margin</strong></td>
<td><strong>71.8</strong></td>
<td>🟢69.5</td>
<td>🟢71.4</td>
<td>🟢72.3</td>
<td>🟢75.3</td>
<td><strong>72.3</strong></td>
<td><strong>69.8</strong></td>
</tr>
</tbody>
</table>

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7
## OPERATING PROFIT
### FIRST QUARTER 2020

**Non-IFRS**

<table>
<thead>
<tr>
<th>Q1/19</th>
<th>Total operating expenses</th>
<th>Operating profit (loss)</th>
<th>Total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,651</td>
<td>1,467</td>
<td>€6,118m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q1/20</th>
<th>Total operating expenses</th>
<th>Operating profit (loss)</th>
<th>Total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,040</td>
<td>1,482</td>
<td>€6,522m</td>
</tr>
</tbody>
</table>

- Non-IFRS operating profit (loss) +1% to €1,482m (Q1/19: €1,467m) +0% to €1,462m at cc
- Non-IFRS operating margin -1.3pp to 22.7% (Q1/19: 24.0%) -1.3pp to 22.7% at cc

**IFRS**

<table>
<thead>
<tr>
<th>Q1/19</th>
<th>Total operating expenses</th>
<th>Operating profit (loss)</th>
<th>Total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,228</td>
<td>-136</td>
<td>€6,091m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q1/20</th>
<th>Total operating expenses</th>
<th>Operating profit (loss)</th>
<th>Total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,311</td>
<td>1,210</td>
<td>€6,521m</td>
</tr>
</tbody>
</table>

- IFRS operating profit (loss) <-100% to €1,210m (Q1/19: €-136m)
- IFRS operating margin +20.8pp to 18.6% (Q1/19: -2.2%)
COST RATIOS
FIRST QUARTER 2020

€6.5bn Total revenue, Non-IFRS

R&D
as % of total revenue

15.7%
+0.4pp
+0.5pp*

S&M
as % of total revenue

26.4%
+0.2pp
+0.2pp*

G&A
as % of total revenue

4.7%
+0.2pp
+0.2pp*

*Non-IFRS at constant currencies
# Balance Sheet Condensed

**March 31, 2020 - IFRS**

**Assets**

<table>
<thead>
<tr>
<th></th>
<th>€ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents and other financial assets</td>
<td>8,174</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>7,280</td>
</tr>
<tr>
<td>Other current assets</td>
<td>1,879</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>17,333</td>
</tr>
<tr>
<td>Goodwill</td>
<td>29,731</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>4,400</td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>5,383</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>6,100</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>45,614</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>62,947</td>
</tr>
</tbody>
</table>

**Equity and liabilities**

<table>
<thead>
<tr>
<th></th>
<th>€ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>1,458</td>
</tr>
<tr>
<td>Provisions</td>
<td>162</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>9,121</td>
</tr>
<tr>
<td>Contract liabilities, current</td>
<td>6,726</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>17,467</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>12,507</td>
</tr>
<tr>
<td>Provisions</td>
<td>636</td>
</tr>
<tr>
<td>Contract liabilities, non-current</td>
<td>81</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>1,486</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>14,710</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>32,177</td>
</tr>
<tr>
<td>Total equity</td>
<td>30,770</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>62,947</td>
</tr>
</tbody>
</table>

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### OPERATING CASH FLOW AND FREE CASH FLOW

<table>
<thead>
<tr>
<th>€ millions, unless otherwise stated</th>
<th>Q1/20</th>
<th>Q1/19</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>2,984</td>
<td>2,802</td>
<td>+6%</td>
</tr>
<tr>
<td>- Capital expenditure</td>
<td>-333</td>
<td>-359</td>
<td>-7%</td>
</tr>
<tr>
<td>- Payments of lease liabilities</td>
<td>-72</td>
<td>-78</td>
<td>-8%</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>2,580</td>
<td>2,365</td>
<td>+9%</td>
</tr>
<tr>
<td>Free cash flow in percent of total revenue</td>
<td>40</td>
<td>39</td>
<td>+1pp</td>
</tr>
<tr>
<td>Free cash flow conversion rate</td>
<td>3.18</td>
<td>-21.98</td>
<td>+25.16</td>
</tr>
<tr>
<td>Days sales outstanding (DSO in days, March 31)</td>
<td>73</td>
<td>69</td>
<td>4</td>
</tr>
</tbody>
</table>
**NET DEBT**

Net Liquidity = cash and cash equivalent plus current time deposits and debt securities minus financial debt

Other = mainly purchase and sales of equity or debt instruments of other entities, proceeds from sales of non-current assets, and effects of foreign currency rates on cash and cash equivalents – for more information see our 2019 integrated report

<table>
<thead>
<tr>
<th></th>
<th>€ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>+2.580</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td>+2.984</td>
</tr>
<tr>
<td><strong>Capital Expenditure</strong></td>
<td>-333</td>
</tr>
<tr>
<td><strong>Lease Payments</strong></td>
<td>-72</td>
</tr>
<tr>
<td><strong>Business Combinations</strong></td>
<td>-28</td>
</tr>
<tr>
<td><strong>Treasury Shares</strong></td>
<td>-150</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>+57</td>
</tr>
<tr>
<td><strong>Net Debt 12/31/2019</strong></td>
<td>-8.286</td>
</tr>
<tr>
<td><strong>Net Debt 3/31/2020</strong></td>
<td>-5.827</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PY:</th>
<th>€ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt 12/31/2019</td>
<td>-2.493</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>+2.802</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>-359</td>
</tr>
<tr>
<td>Lease Payments</td>
<td>-78</td>
</tr>
<tr>
<td>Business Combinations</td>
<td>-6.043</td>
</tr>
<tr>
<td>Treasury Shares</td>
<td>+0</td>
</tr>
<tr>
<td>Other</td>
<td>-23</td>
</tr>
<tr>
<td>Net Debt 3/31/2020</td>
<td>-6.193</td>
</tr>
</tbody>
</table>
### ADDITIONAL OUTLOOK INFORMATION AND NON-IFRS ADJUSTMENTS

The Company continues to expect a full-year 2020 effective tax rate (IFRS) of 27.0% to 28.0% (2019: 26.7%) and an effective tax rate (non-IFRS) of 26.5% to 27.5% (2019: 26.2%).

<table>
<thead>
<tr>
<th>Non-IFRS adjustments</th>
<th>Actual Amounts Q1/19</th>
<th>Actual Amounts Q1/20</th>
<th>Est. Amounts for FY/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue adjustments</td>
<td>€26m</td>
<td>€1m</td>
<td>€0m to €30m</td>
</tr>
<tr>
<td>Acquisition-related charges</td>
<td>€174m</td>
<td>€162m</td>
<td>€580m to €690m</td>
</tr>
<tr>
<td>Share-based payment expenses</td>
<td>€517m</td>
<td>€93m</td>
<td>€1,200m to €1,600m</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>€886m</td>
<td>€15m</td>
<td>€20m to €40m</td>
</tr>
<tr>
<td><strong>Sum of all adjustments</strong></td>
<td><strong>€1,603m</strong></td>
<td><strong>€272m</strong></td>
<td><strong>€1,800m to €2,360m</strong></td>
</tr>
</tbody>
</table>

Due to rounding, numbers may not add precisely.
2020 OUTLOOK UPDATED TO REFLECT THE ESTIMATED IMPACT OF THE COVID-19 CRISIS

### 2019 Actuals (Non-IFRS)
- **Cloud Revenue**: €7.01bn
- **Cloud & Software Revenue**: €23.09bn
- **Total Revenue**: €27.63bn
- **Operating Profit**: €8.21bn

### 2020 Outlook (Non-IFRS @cc)
- **Cloud Revenue** in a range of €8.3 – 8.7bn
  - Growth: **18.0% to 24.0%**
- **Cloud and Software Revenue** in a range of €23.4 – 24.0bn
  - Growth: **1.0% to 4.0%**
- **Total Revenue** in a range of €27.8 – 28.5bn
  - Growth: **1.0% to 3.0%**
- **Operating Profit** in a range of €8.1 – 8.7bn
  - Growth: **-1.0% – 6.0%**
- **Share of more predictable revenue to reach approx. 72%**

### 2023 Ambition (Non-IFRS)
- **More than triple Cloud Revenue**
- **More than €35.0bn Total Revenue**
- **Reach a Cloud gross margin of 75%**
- **Increase Operating margin by 1pp per year on average*, representing a total expansion of approx. 500bp**
- **Share of more predictable revenue approaching 80%**

* from 2018 through 2023
## Expected Currency Impact 2020

**Q2 AND REST OF THE YEAR**

<table>
<thead>
<tr>
<th>Item</th>
<th>Q2</th>
<th>FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud Revenue</td>
<td>+2pp to +4pp</td>
<td>-1pp to +1pp</td>
</tr>
<tr>
<td>Cloud and software</td>
<td>+1pp to +3pp</td>
<td>-1pp to +1pp</td>
</tr>
<tr>
<td>Operating profit</td>
<td>+1pp to +3pp</td>
<td>-1pp to +1pp</td>
</tr>
</tbody>
</table>
Appendix
Main categories added include Digital Supply Chain Management and Finance and Risk Management. This change affected the S/4HANA customer count as the customers of the added categories (as far as not also S/4HANA customer) have been included in the S/4HANA customer number. Prior period customer count numbers have been adjusted to conform with the updated definition.
# Q1 2020 – KEY CLOUD METRICS

All figures are Non-IFRS and growth rates at constant currencies unless otherwise stated.

<table>
<thead>
<tr>
<th>Cloud Revenue</th>
<th>Current Cloud Backlog(^1)</th>
<th>Global Commerce(^2)</th>
<th>Cloud Applications Total Subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>+25%</td>
<td>+24%</td>
<td>&gt;$3.7 trillion</td>
<td>~218m</td>
</tr>
<tr>
<td>€2,012m</td>
<td>€6.65bn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Concur – Segment Revenue</th>
<th>Qualtrics – Segment Revenue</th>
<th>Number of end users book travel and/or process expense with SAP Concur</th>
<th>Flexible workers managed with SAP Fieldglass platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>+11%</td>
<td>+76%</td>
<td>&gt;66m</td>
<td>6.8m</td>
</tr>
<tr>
<td>€428m</td>
<td>€161m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Current Cloud Backlog replaces our previous disclosure of ‘New Cloud Bookings’. The ‘Current Cloud Backlog’ – or CCB for short gives you the contractually committed cloud revenue we expect to recognize over the upcoming twelve months. The CCB is thus a subset of our Remaining Performance Obligations: Cloud only and 12 months only. Its expansion between two key dates reflects our success in both, contracting new cloud business as well as renewing existing business. So compared to New Cloud Bookings, it is a better, more holistic indicator of our cloud progress.

2) Global commerce is the total commerce volume transacted on the SAP Ariba, SAP Concur and SAP Fieldglass Networks in the trailing 12 months. SAP Ariba commerce includes procurement and sourcing spend.