

Investor Relations Fact Sheet 01.20

Strategy

SAP's strategy is to be "The Experience Company powered by the Intelligent Enterprise." This updated strategy includes a new category, called **Experience Management**. It focuses on obtaining and tapping into the value of outside-in customer, employee, product, and brand feedback in real time to continuously improve the experiences businesses deliver.

Our Purpose and Promise

At SAP, our purpose is to help the world run better and improve people's lives. Our promise is to innovate to help our customers run at their best. SAP is committed to helping every customer become a best-run business. We engineer solutions to fuel innovation, foster equality, and spread opportunity across borders and cultures. SAP is improving lives on a global scale through our support of the **17 United Nations Sustainable Development Goals**.

Vision

In the digital era, **data is the "new currency"** in an enterprise. Businesses that can harness their data faster and more effectively will be the ones that succeed through disruption.

As the world's largest enterprise software company, SAP offers perspective on the massive scale and power of data. Our enterprise resource planning applications touch **77% of global transaction revenue**, and our Intelligent Spend Group is the world's largest commerce platform with over US\$3.6 trillion annual commerce transacted.

Product Offering and Market

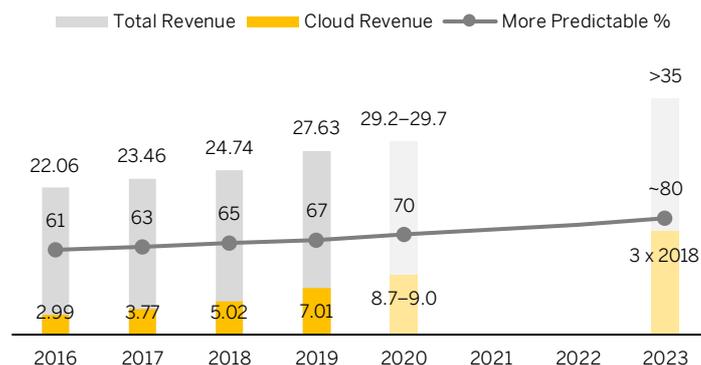
Our integrated end-to-end portfolio enables an intelligent enterprise by offering business value, data-driven innovation, rich customer experience insights, and embedded intelligence. Our software, technologies, and services address the three core elements of the intelligent enterprise – digital platform, intelligent suite, and intelligent technologies – for the **25 industries** we serve. **SAP S/4HANA** is at the core of the Intelligent Enterprise and empowers companies across all industries to reinvent their business models for the digital economy. S/4HANA adoption grew to more than **13,800 customers, up 24% year over year**. In Q4 2019, approx. 40% of the additional S/4HANA customers were net new.

Successful Transition of Business Model

The SAP Group has a global presence and our end-to-end suite of applications and services enable more than **440,000 business and public customers** to operate profitably, adapt continuously, and make a difference. We have a powerful combination of a **fast-growing cloud business** and a solid core. SAP anticipates that the fast-growing cloud business along with growth in support revenue will drive a **higher share of more predictable revenue**. SAP expects the total of cloud revenue and software support revenue to be approximately 70% of total revenue in 2020 and approaching 80% in 2023.

Revenue Development & Ambition

(€ billions, Non-IFRS)



Key Figures

€ millions	non-IFRS, if not otherwise stated		
	FY 2019*	FY 2018	Δ19/18
Total revenue	27,634	24,741	+8%
New Cloud Bookings	2,268	1,814	+19%
Cloud revenue	7,014	5,027	+35%
Cloud and software	23,094	20,655	+8%
Operating profit	8,211	7,165	+12%
Profit after tax (IFRS)	6,154	4,089	+22%
Free cash flow	2,276	2,843	-25%
EPS (IFRS, basic, €)	2.80	3.42	-22%
Dividend per share (€)	-	1.50	-
Headcount (FTE, at quarter end)	100,330	96,498	+4%
Employee engagement (%)	-	83	-
Customer Net Promoter Score (pts)	-	-5	-

* Not all figures available upon preliminary disclosure. Full disclosure and further information about financial and non-financial performance will be published in the SAP Integrated Report 2019 on February 27, 2020 at www.sapintegratedreport.com

Outlook 2020 and Mid-Term Ambition*

Outlook 2020 (updated) Non-IFRS at constant currencies

Cloud revenue	€8.7B to €9.0B (24% to 28%)
Cloud and software	€24.7B to €25.1B (7% to 9%)
Total Revenue	€29.2B to €29.7B (6% to 8%)
Operating profit	€8.9B to €9.3B (8% to 13%)
Share of more predictable revenue	70%

Mid-Term Ambition Non-IFRS

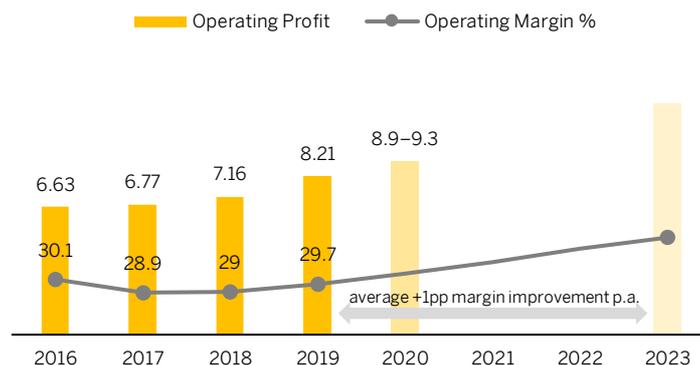
2023

Total revenue	> €35.0B
Cloud revenue	> 3x 2018 result
Share of more predictable revenue	~80%
Cloud gross margin	75%
Operating profit / margin	~500bp margin increase

*) While SAP's full-year 2020 business outlook is at constant currencies, actual currency reported figures are expected to be impacted by currency exchange rate fluctuations as the company progresses through the year. Find details on expected 2020 currency impacts in the most recent quarterly statement at www.sap.com/investor.

Profit & Margin Development & Ambition

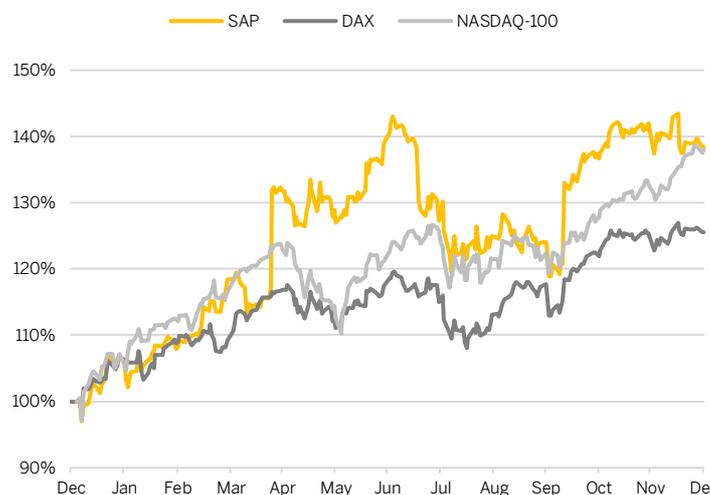
(€ billions, Non-IFRS)



SAP Stock and Financial Data

Ticker symbol	SAP
Main stock exchange listing	Frankfurt
U.S. stock exchange	New York (NYSE)
ISIN	DE0007164600
WKN	716460
ADR : Ordinary share ratio	1 : 1
Number of shares in millions	1.229
Free float	85.4%
52-week high / low (XETRA)	€124.72/€84.31
Market capitalization (December 31, 2019)	€147.8B

Relative Share Price Performance (2019)



Total Shareholder Return

1 year	38.4%
5 years	15.6%
10 years	13.9%

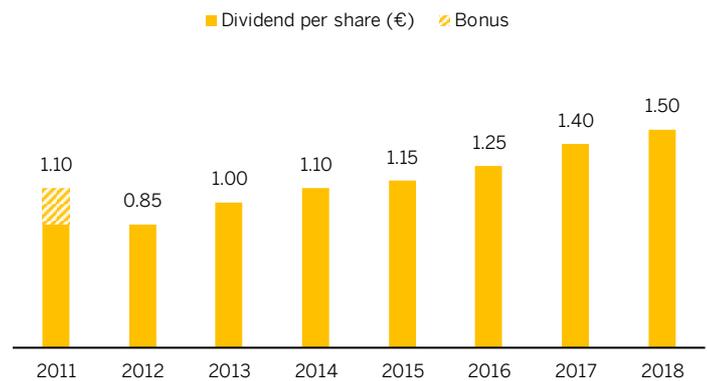
Effective date: December 31, 2019, SAP ordinary shares, dividends reinvested

Financial Calendar

Q1 2020 Results	April 21, 2020
Annual General Meeting 2020 / Dividend Record Date	May 20, 2020
Ex-Dividend	May 21, 2020
Dividend Payment	May 25, 2020
Q2 2020 Results	July 27, 2020
Q3 2020 Results	October 26, 2020
Q4 and FY 2020 Preliminary Results	January 29, 2021

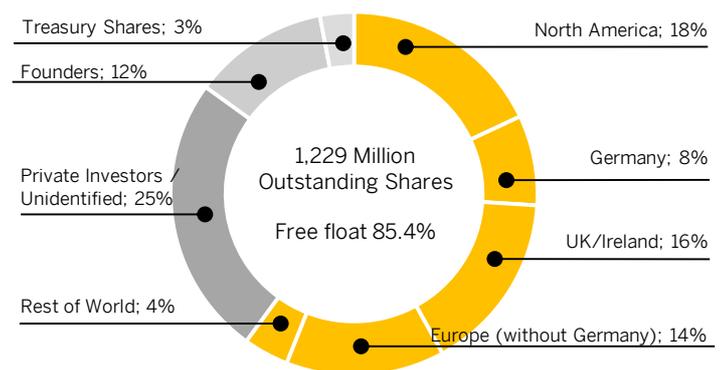
Please note that these dates could be subject to modifications

Dividends



Since going public in 1988, SAP has continually paid dividends annually. Our dividend policy is to pay 40% or more of IFRS profit after tax. The dividend for the fiscal year 2018 was €1.50 per share (+7%) which resulted in a 44% payout ratio. Dividend yield as of May 20, 2019 was 1.34% at a share price of €111.90.

Balanced Shareholder Structure (December 2019)



26.4%

Q4 2019
Women in Management
+0.7pp YoY
(Goal: 30% in 2022)

300 kt

FY 2019
CO₂-Emissions
-10kt YoY
(Goal: carbon neutral in 2025)

93.3%

FY 2019
Employee Retention
-0.6pp YoY

Looking for more Information?

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