

## Strategy

Our strategy is to help every business run as an intelligent enterprise. SAP helps give people and organizations deep business insight and fosters collaboration that helps them stay ahead of their competition. We simplify technology for companies so they can consume our software the way they want – without disruption.

## 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 market leader in enterprise application software, we help companies of all sizes and in all industries run at their best: **77% of the world's transaction revenue touches an SAP® system**, and our Intelligent Spend Group is the world's largest commerce platform with over US\$3.8 trillion annual commerce transacted.

## Product Offering and Market

Our end-to-end suite of applications and services enables business and public customers across **25 industries** globally to operate profitably, adapt continuously, and make a difference. With a global network of customers, partners, employees, and thought leaders, SAP helps the world run better and improve people's lives. **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 **14,600 customers, up 22% year over year, of which 7,400 are live**. In Q2 2020, approx. 37% of the additional S/4HANA customers were net new.

## Successful Transition of Business Model

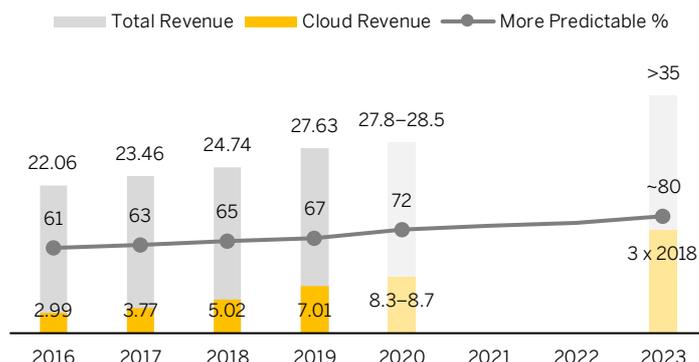
We have a powerful combination of a **fast-growing cloud business** and a solid core. SAP anticipates that the fast-growing cloud business along with growth in support revenue will drive a **higher share of more predictable revenue**. SAP expects the total of cloud revenue and software support revenue approaching 80% in 2023. The share of more predictable revenue grew by five percentage points year-over-year to 73% in the second quarter.

## COVID-19 Response

SAP remains focused on supporting its customers, employees and communities during the COVID-19 pandemic. SAP continues to operate with a virtual sales and remote implementation strategy to enable the large majority of its employees to work productively from home while continuing to serve customers effectively.

## Revenue Development & Ambition

(€ billions, Non-IFRS)



## Key Figures

€ millions	non-IFRS, if not otherwise stated			
	6M 2020	FY 2019	FY 2018	Δ19/18
Total revenue	13,266	27,634	24,741	+8%
Current Cloud Backlog	6,655			
Cloud revenue	4,057	7,014	5,027	+35%
Cloud and software	11,107	23,094	20,655	+8%
Operating profit	3,446	8,211	7,165	+12%
Profit after tax (IFRS)	2,409	6,154	4,089	+22%
Free cash flow	3,120	2,276	2,843	-25%
EPS (IFRS, basic, €)	2.02	2.80	3.42	-22%
Dividend per share (€)	-	1.58	1.50	+5%
Headcount (FTE, quarter end)	101,379	100,330	96,498	+4%
Employee engagement (%)	-	83	84	-1
Customer Net Promoter Score (pts)	-	-6.0	-5.0	-1.0

Further information about actual financial and non-financial performance can be found in the SAP Half-Year Report 2020 and the Q2 2020 Quarterly Statement at [www.sap.com/investor](http://www.sap.com/investor).

## Outlook 2020 and Mid-Term Ambition\*

### Outlook 2020 – confirmed Non-IFRS at constant currencies

Cloud revenue	€8.3B to €8.7B (18% to 24%)
Cloud and software	€23.4B to €24B (1% to 4%)
Total Revenue	€27.8B to €28.5B (1% to 3%)
Operating profit	€8.1B to €8.7B (-1% to +6%)
Share of more predictable revenue	72%

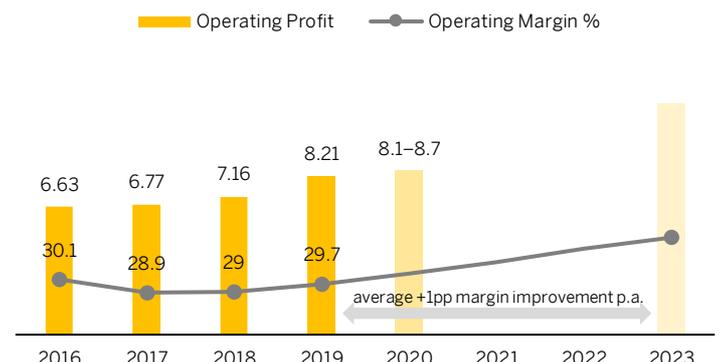
### Mid-Term Ambition – confirmed Non-IFRS 2023

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](http://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%
52-week high / low (June 30, 2020 XETRA)	€129.44/€87.63
Market capitalization (June 30, 2020)	€152.8B

## Relative Share Price Performance (last 12 months)



## Total Shareholder Return

1 year	1.68%
5 years	106.97%
10 years	293.58%

Effective date: June 30, 2020, SAP ordinary shares, dividends reinvested

## Share Buy Back

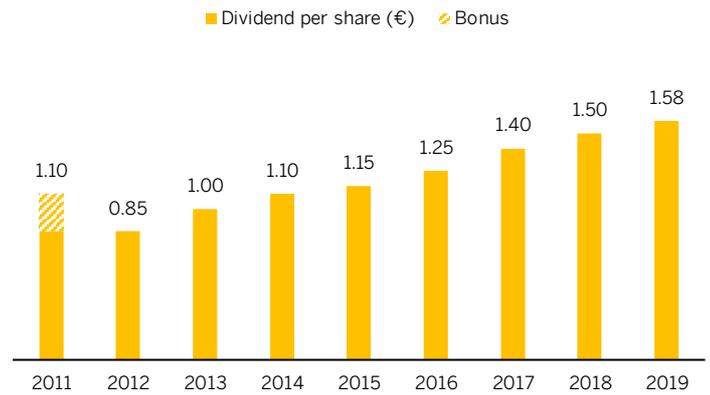
The share buy back program of €1.5bn for 2020 has been completed by mid-March, 2020. No further buy backs are planned in 2020.

## Financial Calendar

Q3 2020 Results	October 26, 2020
Q4 and FY 2020 Preliminary Results	January 29, 2021
Annual General Meeting	May 12, 2021

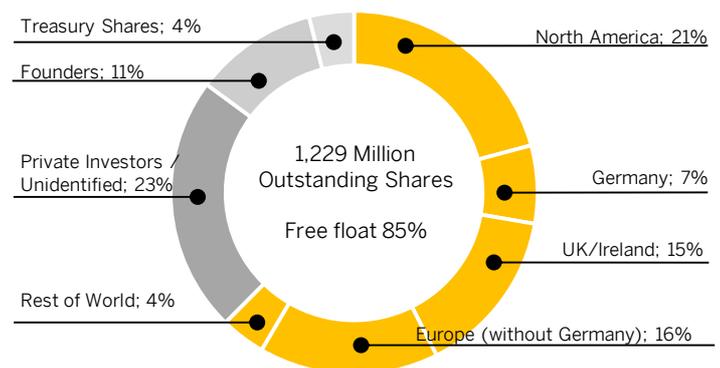
Please note that these dates could be subject to modifications

## 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 2019 was €1.58 per share (+5%).

## Balanced Shareholder Structure (June 2020)



# 26.4%

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

# 300 kt

FY 2019  
**CO<sub>2</sub>-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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