

Strategy

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. 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.

RISE with SAP

SAP launched "RISE with SAP" on January 27, 2021, a simplified pathway for customers to transform their business in the cloud. Together with our unique ecosystem, we are bundling what companies need to holistically transform their business. It simplifies our customers' journey in three simple steps. 1: Redesigning Business Processes, 2: Technical Migration to the Cloud, 3: Building an Intelligent Enterprise. Learn more at www.sap.com/riase.

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.

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. 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. In the first quarter 2022 S/4HANA adoption grew more than 19,300 customers, of which more than 13,900 are live. Approx. 60% of the additional S/4HANA customers were net new.

Successful Transition of Business Model

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 grow to approximately 85% by 2025. The share of more predictable revenue grew up 3 percentage points to 81% for the first quarter 2022.

Expanded Financial Disclosure – SAP's Accelerated Cloud Transition

Beginning in 2021, SAP expanded its financial disclosure to provide investors with transparency on the transition of its core ERP business to the cloud. Specifically, the Company discloses current cloud backlog and cloud revenue contributed by SAP S/4HANA Cloud, along with nominal and constant currencies year-over-year growth rates.

Total Revenue
€ millions
Q1 2022

7,077

+11% / +7% @cc

Cloud Revenue
€ millions
Q1 2022

2,820

+31% / +25% @cc

Current Cloud Backlog
€ millions
Q1 2022

9,731

+28% / +23% @cc

S/4HANA Customers
as of Q1 2022

>19,300

+500 in Q1 2022

Operating Profit
€ millions, non-IFRS
Q1 2022

1,677

-4% / -7% @cc

Earnings per share
€, IFRS basic
Q1 2022

0.63

-29%

Financial Results at a Glance non-IFRS, if not otherwise stated

€ billions	Q1 2022	Δ in %	FY 2021	FY 2020	Δ in %	Δ in % cc
Current cloud backlog	9.73	28	9.45	7.15	32	26
Thereof S/4HANA Cloud	1.93	86	1.71	0.93	84	76
Cloud revenue	2.82	31	9.42	8.09	17	19
Thereof S/4HANA Cloud	0.40	78	1.09	0.75	46	47
Software licenses and support	3.24	-1	14.66	15.15	-3	-2
Cloud and software revenue	6.06	12	24.08	23.23	4	5
Total revenue	7.08	11	27.84	27.34	2	3
Share of more predictable revenue	81	3pp	75	72	3pp	
Operating profit (loss)	1.68	-4	8.23	8.29	-1	1
Profit (loss) after tax	1.17	-32	8.34	6.53	28	
Free cash flow	2.17	-24	5.05	6.00	-18	
Earnings per share (IFRS, basic, €)	0.63	-29	6.74	5.41	25	
Headcount (FTE, March 31)	109,798	6				

Further information about actual financial and non-financial performance can be found in the most recent Quarterly Statement.

Outlook 2022 and Mid-Term Ambition*

For 2022, SAP expects its cloud growth to continue to accelerate. The pace and scale of SAP's cloud momentum places the Company well on track towards its mid-term ambition.

Outlook Non-IFRS @cc	2022
Cloud revenue	€11.55B to 11.85B (up 23% to 26% @cc)
Cloud and software	€25.0B to 25.5B (up 4% to 6% @cc)
Operating profit	€7.8B to 8.25B (flat to down 5% @cc)
Share of more predictable revenue	78%
Free Cash Flow	> €4.50B
Effective Tax Rate (IFRS / non-IFRS)	28.0 to 32.0% / 23.0 to 27.0%

Mid-Term Ambition Non-IFRS	2025
Cloud revenue	> €22.0B
Total revenue	> €36.0B
Operating profit	> €11.5B
Cloud gross margin	~80%
Share of more predictable revenue	~ 85%
Free Cash Flow	Approx. €8.0B
Employee Engagement Index	84% to 86%
Customer Net Promotor Score	steadily increasing (2021: 10)

Achieving net carbon emissions of 0 kt by 2023 and maintaining net carbon emissions in our own operations of 0 kt from that point onward. Further, SAP has also committed to achieve net-zero along our value chain in line with a 1.5°C future in 2030 – 20 years earlier than originally targeted.

*) While SAP's full-year 2022 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 2022 currency impacts in the most recent quarterly statement at www.sap.com/investor.

Share Buy-Back program 2022

The program, with a volume of up to €1 billion, is planned to be executed in the period between February 01 and December 31, 2022. It will be implemented based on the authorization granted by the Annual General Meeting of SAP SE on May 17, 2018, and in compliance with the restrictions set forth therein.

Repurchased shares will primarily be used to service future awards granted under the 'Move SAP' share-based compensation plan.

By April 15, 2022, more than 7 million shares with a volume of € 711,9 million have been repurchased.

SAP Stock and Financial Data

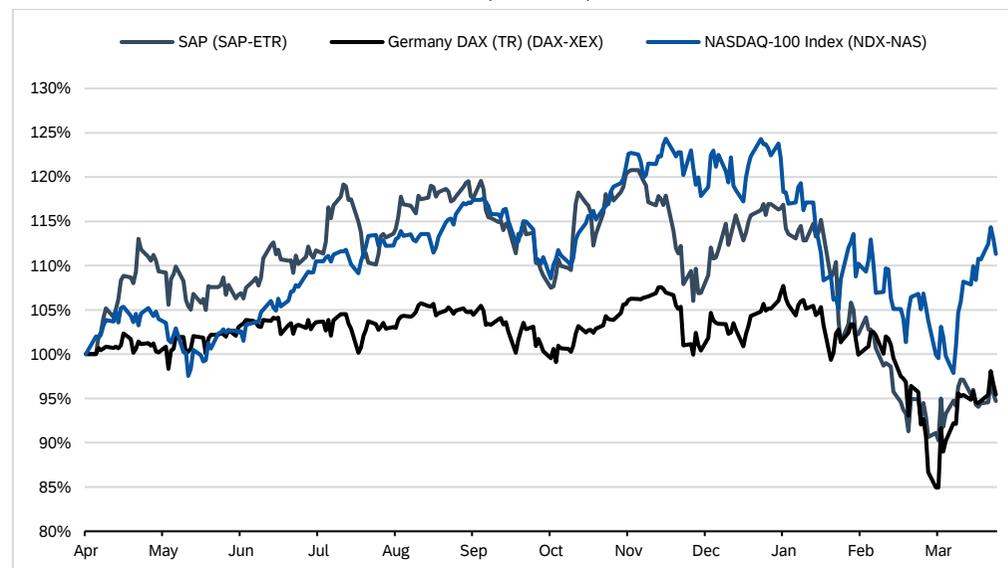
Ticker symbol	SAP
Main stock exchange listing	Frankfurt
U.S. stock exchange	New York (NYSE)
ISIN	DE0007164600
WKN	716460
ADR : Ordinary share ratio	1 : 1
Number of shares in millions	1,229
Share class	Bearer shares
Free float	84.5%
52-week high / low (March 31, 2022, XETRA)	€120.79/€90.27
Market capitalization (March 31, 2022)	€124.2B

Annualized Total Return

Effective date: March 31, 2022, SAP ordinary shares, dividends reinvested

1 year	5 years	10 years
-5.30%	3.06%	8.16%

Relative Share Price Performance (last 12 months)

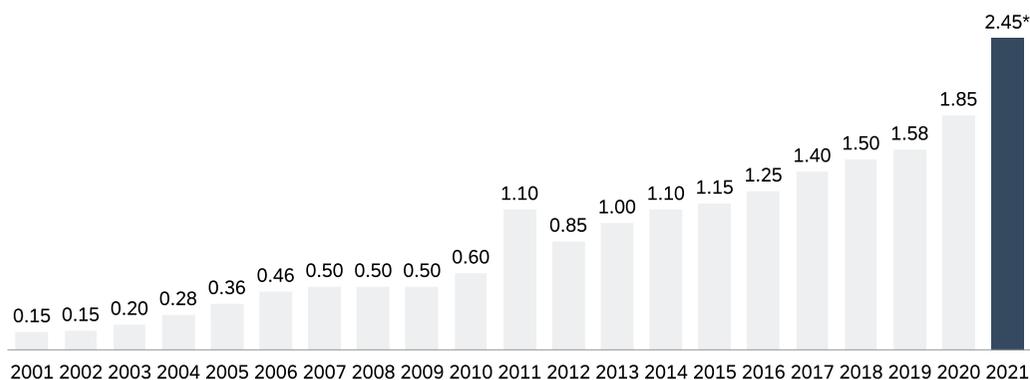


Dividends

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 proposal for fiscal year 2021 is €2.45 per share (+32%). Decision is expected at the Annual General Meeting on May 18, 2022. Dividend payment will take place from May 23, 2022.

Dividend history SAP SE

Fiscal year | € per share



Balanced Shareholder Structure (March 2022)

SAP Freefloat at 84.5%



SAP's capital stock as of December 31, 2021, was €1,228,504,232 (2020: €1,228,504,232). It is issued as 1,228,504,232 no-par shares, each with an attribute value of €1 in relation to capital stock.

Applying the definition accepted on the Frankfurt Stock Exchange, which excludes treasury stock from the free float, as of March 31, 2022, the free float stood at 84.5%.

Non-Financial Key Metrics

CO₂ Emissions Carbon neutral by 2023 Q1 2022 20kt Goal 2022: 70kt	Women in Management Q1 2022 28.6% Goal 2022: 30%	Employee Engagement FY 2021 83% Goal 2022: 84 – 86%
Employee Retention Q1 2022 92.1%	Dow-Jones-Sustainability Index Sector: Software #1	MSCI ESG Rating FY 2021 AAA

Over the past five years, we have seen a significant increase in investors who apply ESG criteria investing in SAP. 40% of our institutional investors can be classified in this category. This signals clear support for our activities across all three dimensions of ESG - environment, social and governance. Find out more about our activities in environmental, social, and governance matters at <https://www.sap.com/investors/en/investment-story/esg.html>

Financial Calendar

Sapphire Financial Analyst Conference	May 11, 2022
Annual General Meeting of Shareholders	May 18, 2022
Q2 and Half-Year 2022 Financial Results	July 21, 2022

Please note that these dates could be subject to modifications

Looking for more Information?

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