



SAP: The World's Largest Provider of Enterprise Application Software

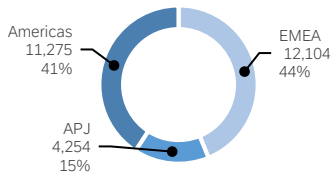
Customers

- Approx. 80% of SAP's customers are SME
- SAP customers include:
 - 92% of the Forbes Global 2000 companies
 - 98% of the 100 most valued brands
 - 97% of the greenest companies (Newsweek)
- Our customers distribute 78% of the world's food and 82% of the world's medical devices
- 77% of the world's transaction revenue touches an SAP system¹

Financials

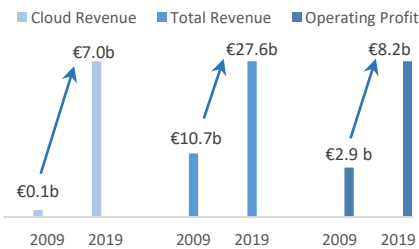
Revenue – FY2019 (non-IFRS, growth rates @cc)	
Cloud revenue	€7.01b (+ 35%)
Cloud and Software revenue	€23.09b (+ 9%)
Total revenue	€27.63b (+ 9%)
Revenue – Q2/2020 (non-IFRS, growth rates @cc)	
Cloud revenue	€2.04b (+18%)
Cloud and Software revenue	€5.70b (+ 3%)
Total revenue	€6.74b (+ 1%)

Revenue by region FY2019
(€ m, non-IFRS / share of total rev. in %)



Outlook 2020 (non-IFRS@cc, revised on April 8, 2020)	
Cloud revenue	€8.3b to €8.7b
Cloud and Software	€23.4b to €24.0b
Total revenue	€27.8b to €28.5b
Operating profit	€8.1b to €8.7b
Share of predictable revenue (total of cloud subs. & support rev. and software support rev.)	ca. 72%
Operating Cash Flow / Free Cash Flow	>€5.0b / ~€4.0b
Ambition 2023 (non-IFRS)	
Cloud revenue	More than triple 2018 figure (€5.03b)
Total revenue	>€35b
Operating margin	Expand by approx. 500 bp (1 pp /yr), compared to 2018
Cloud gross margin	75%
Share of more predictable revenue	to approach 80%

Strong, sustainable Growth
(non-IFRS)



- #1 software company in Dow Jones Sustainability Index for 13 years

Strategy

- SAP is committed to supporting every customer to become a best-run business. Together, we help the world run better and improve people's lives
- Best-run businesses are intelligent enterprises – applying advanced technologies and best practices within agile, integrated business processes to become more resilient, successful, and sustainable

Market Position

Enterprise Application Software

- SAP is market share leader in enterprise resource planning (ERP), analytics, supply chain management, human capital management as well as experience management and customer experience
- Recognized database leader
- Broadest portfolio of modular and suite solutions available on premise, in the cloud and hybrid

Top Cloud Vendor

- Cloud user base: ~221m users
- SAP Cloud Platform: choice across hyperscale cloud vendors (Alibaba, Amazon, Google, Microsoft)
- Largest cloud portfolio: >100 solutions for all lines-of-business (LoB) as well as business suites
- 160m users on SuccessFactors
- 66 datacenters in 33 locations in 15 countries
- SAP Digital Commerce for online SAP and partner offerings >185,000 orders from 168 countries

Innovation

- >€4.3b R&D expense in 2019. R&D expense ratio: 15.5% (IFRS; R&D expense as % of total revenue)
- R&D headcount (FTE): 28,214 at 6/30/2020, equaling 27.8% of total headcount
- >100 Development locations worldwide
- 20 Development centers (SAP Labs) worldwide
- 17 Co-Innovation Labs worldwide
- 5 SAP Innovation Center Network locations
- Partner network with >22,000 SAP partner companies
- Sapphire Ventures: Invested in >100 IT startups. >55 IPOs and M&A exits since 2011
 - Ca. \$4b capital under management
 - Operates independently from SAP
 - Provides SAP early access to trends & innovation
- >900 patents granted and validated in 2019
- openSAP: >4.4m enrollments on learning platform

Business Technology Platform (BTP)

- BTP helps build, extend and integrate applications
- Portfolio of solutions across Database & Data Management, Analytics, Application Development & Integration, and Intelligent Technologies, such as:
 - SAP HANA: >31,000 direct customers; >53.000 direct+ indirect customers. Leading in-memory database, on prem & cloud
 - Powerful data warehousing and analytics solutions like SAP Data Warehouse Cloud, SAP HANA, SAP BW/4HANA, and SAP Analytics Cloud
 - SAP Cloud Platform: >15,400 customers, >11,700 integration customers. SAP's integration & extension platform for business process outcomes
 - SAP Data Intelligence: combines AI and machine learning for data and information management

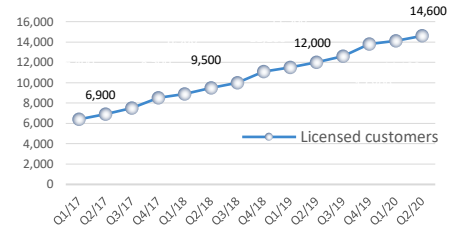
1) Source: Oxford Economics/SAP analysis, Feb. 2018
2) Definition of S/4HANA see p. 33 of SAP's [Q4/2019 statement](#)

SAP's End-to-End Solutions

Applications, Technology & Support

- Packaged solutions for 26 industries and 7 lines-of-business: on premise, cloud, hybrid
- SAP S/4HANA: The market-leading intelligent ERP, delivered with intelligent capabilities and best practices for every industry, available in the cloud or any-premise

SAP S/4HANA market performance²



- As part of SAP S/4HANA, SAP Digital Supply Chain solutions with embedded intelligence help companies of every size and industry manage their entire supply chains digitally, from design, throughout planning, manufacturing, delivery and operations
- Total workforce management solutions: SuccessFactors suite supports 42 languages. Employee Central localized for 99 countries, used by >3,900 customers, HXM Suite used by >6,900 customers
- AI and machine learning in SAP's solutions: >200 use cases
- Customer Experience: Leader in digital commerce and digital experience platforms
 - Commerce Cloud: 49m orders in Q2/2020
 - Customer Data Cloud: 6.2b consent records, 2.6b identities
 - Litmos: 24m learners & 93m current achievements
 - Marketing Cloud: >15b personalized interactions p.a.
 - Sales Cloud used by 7m sales people
 - Service Cloud: 600m customer interactions & tasks
- With a total commerce volume of >\$3.8tn p.a., SAP's Business Network provides leading solutions:
 - Goods and services: ~5.0m businesses on SAP Ariba
 - SAP Fieldglass: 764,000 new workers added in Q2

Services / Concur / Qualtrics

- SAP Services offerings simplify and accelerate digital transformation, enable the Intelligent Enterprise, drive value creation and automate delivery and support
- Concur (travel and expense) has ~68m end users
- Qualtrics' experience management software: drives customer loyalty, employee engagement, brand and product quality. >11,800 companies use Qualtrics

Basic and Employee Facts

- Headquarters: Walldorf, Germany
- Founded: April 1, 1972
- Listing: Frankfurt, New York
- 101,379 employees worldwide (6/30/2020)
 - 145 nationalities worldwide
 - Employee retention at 93.9%
 - Employee Engagement Index at 86% (May/2020)
 - 27.3% women in management
 - >73% of SAP employees are SAP shareholders

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