April 22, 2021

First Quarter 2021
Results Presentation

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PUBLIC

THE BEST RUN SAP


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Christian Klein
CEO

Fastest Growth in New Cloud Business in Five Years

Current Cloud Backlog growth reaccelerates to 19%

All figures in € millions

Current Cloud Backlog

Non-IFRS

7,628

+19% @cc

Cloud Revenue

IFRS	Non-IFRS
2,145	**2,147**
+7%	**+13% @cc**

SaaS/PaaS excl. Intelligent Spend

IFRS	Non-IFRS
1,270	**1,273**
+17%	**+24% @cc**

SaaS/PaaS Intelligent Spend

IFRS	Non-IFRS
661	**661**
-8%	**-2% @cc**

IaaS

IFRS	Non-IFRS
214	**214**
+5%	**+11% @cc**

SaaS/PaaS Intelligent Spend includes Concur, Ariba and Fieldglass.

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Q1 customer highlights

Relentless focus on customer value

Q1 Competitive Wins / Go-lives



Customer metrics

~4,800

Net new customers

>6,000

Go-lives

>16,400 (+16%)

S/4HANA Customers

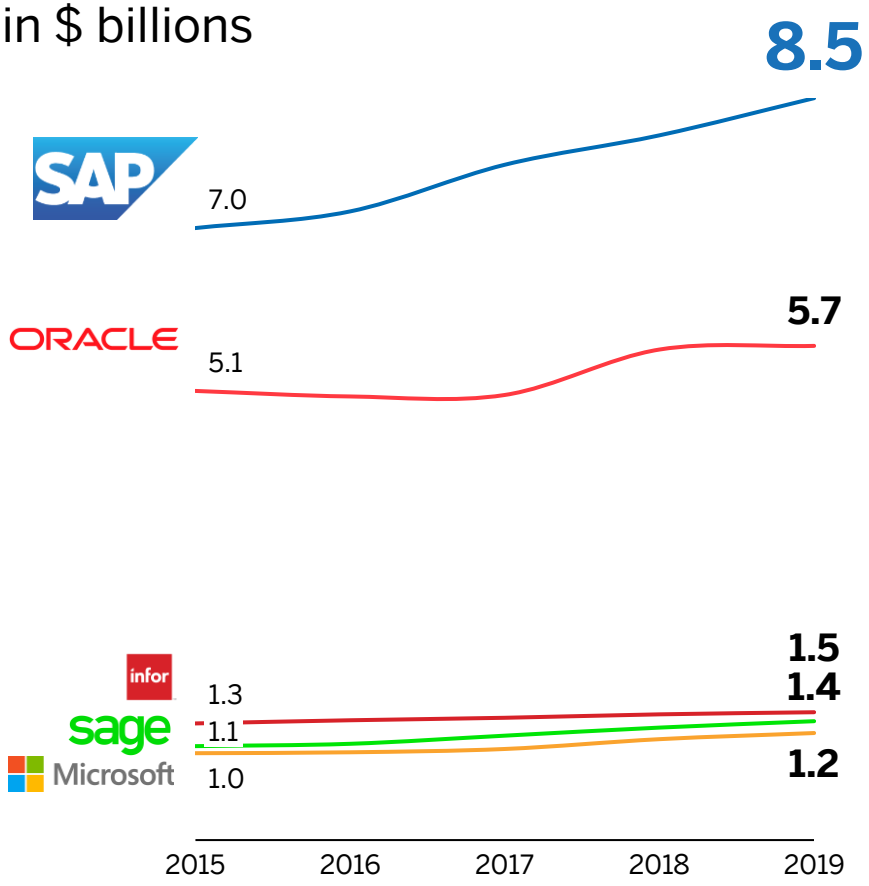
Net new customers include customers with an active contract that did not have an active contract in the preceding period.

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SAP #1 in ERP

Expanding market share since launching S/4HANA in 2015

IDC Global ERP Revenue
in $ billions



SAP & Google further strengthened their relationship over the last year, including migrating Google's financial systems onto SAP S/4HANA

Google

SAP is critical to Fujitsu's strategic ambitions and a trusted partner in digital transformation

FUJITSU

SAP is a trusted partner supporting our business transformation and we continue to closely collaborate

Deutsche Post DHL Group

SAP is an important partner for Olam's business transformation

Olam

With SAP as an important partner, Munich Re will be able to provide the relevant information for its reinsurance business on a global level to answer the questions of tomorrow quickly and in a targeted manner

Munich RE

SAP has been at the core of our digital transformation journey towards improving our operations, our customer experience and increasing business efficiencies

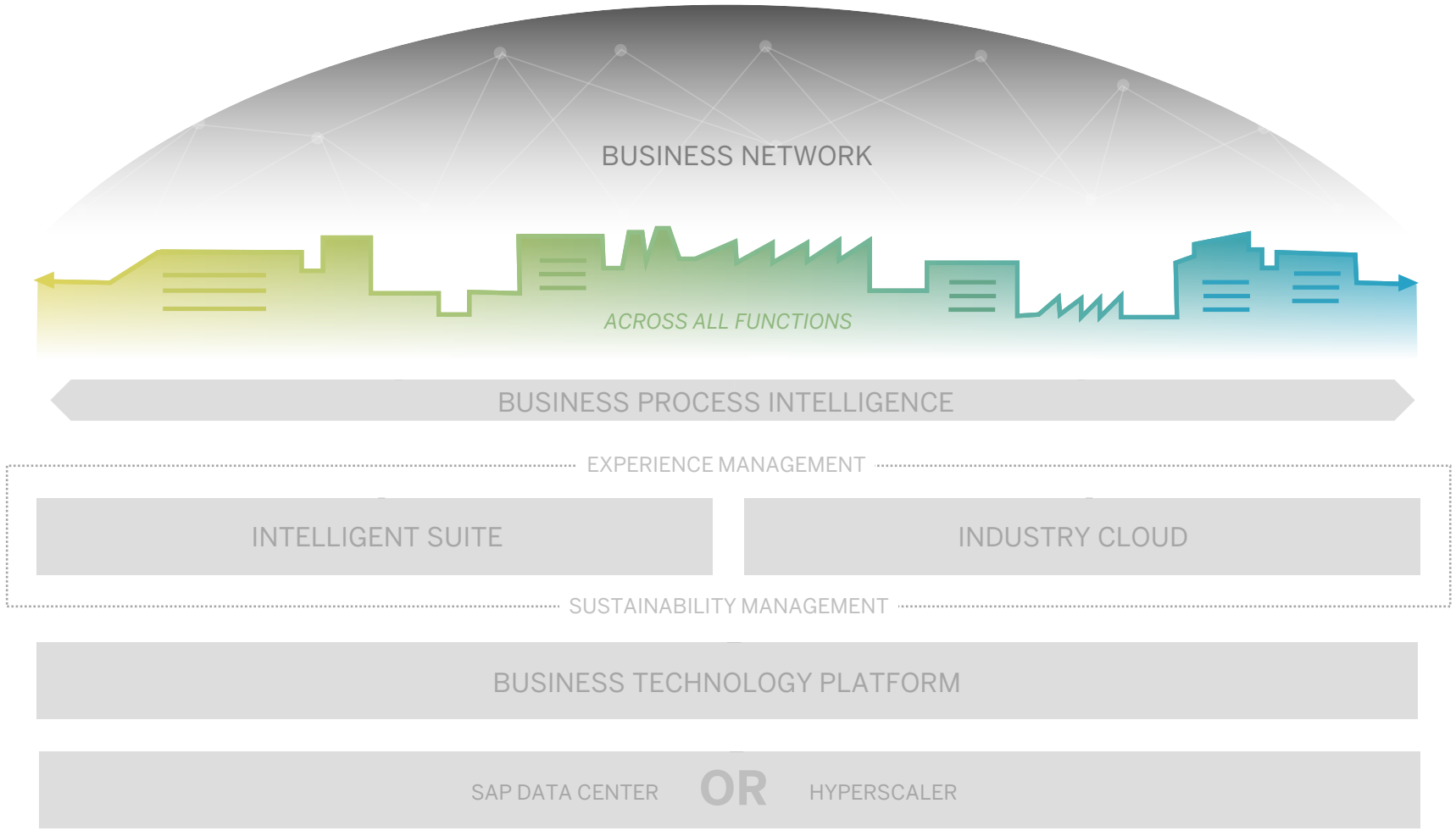
CEMEX

Source: IDC – Worldwide Enterprise Resource Planning Software Market Shares, 2019: Digital Has Arrived – Jun 2020

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Executing our strategy

Delivering the Intelligent Enterprise in the cloud



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Accelerated move of our ERP to the cloud

RISE with SAP modular offering with further expansion over time

Modular Cloud ERP

Intelligent Spend + Human Experience Management +

S/4HANA Cloud

Enterprise Management + Finance + Digital Supply Chain

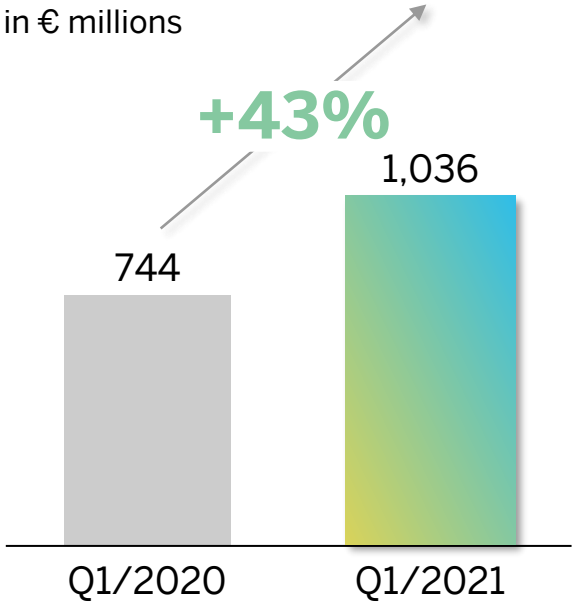
Revenue Run Rate

approaching

€6bn

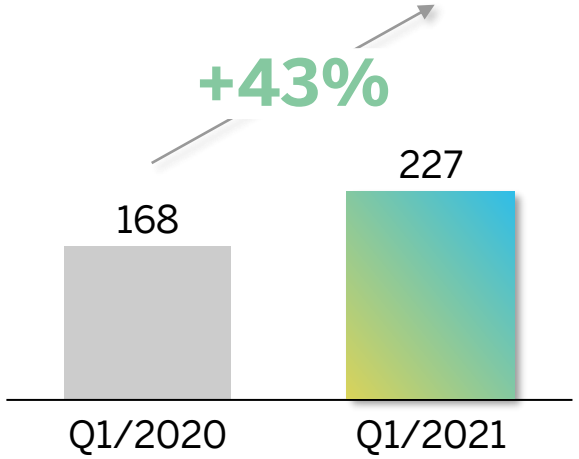
Current Cloud Backlog

in € millions



Cloud Revenue

in € millions

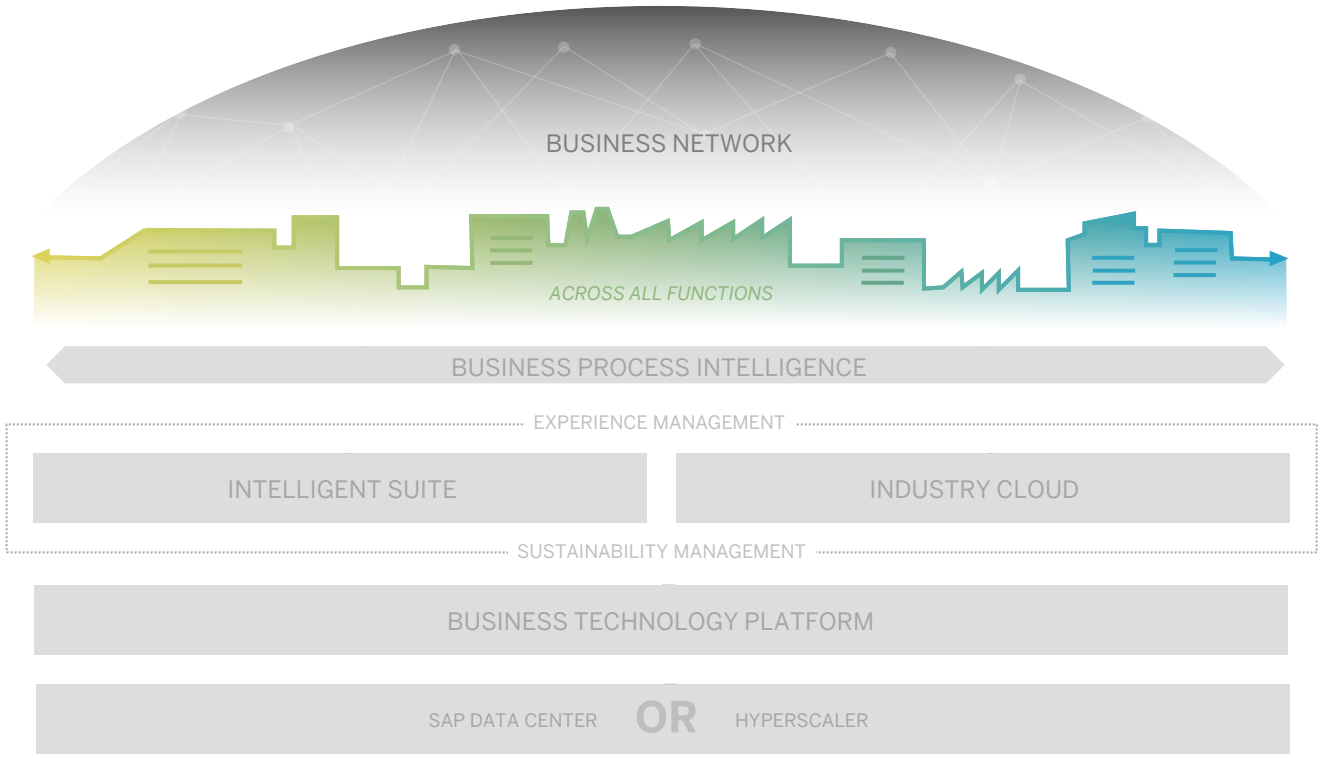


Revenue Run Rate defined as latest quarterly revenue multiplied by 4

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Executing our strategy

Delivering the Intelligent Enterprise in the cloud



- Accelerating our customers' **business transformation in the cloud** - RISE with SAP already a massive driver
- Building the **largest B2B platform** with innovations build by SAP and our >22,000 partners
- Expanding market share in our core applications with **accelerated pace of innovation**
- Increasing focus continuously with **strong innovation partners** like DEDIQ for the Financial Service Industry

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Luka Mucic
CFO

Stellar start into the year
Financial highlights

Cloud Revenue
in € millions

IFRS	Non-IFRS
2,145	2,147
+7%	+7% (+13% @cc)

Cloud and Software Revenue
in € millions

IFRS	Non-IFRS
5,428	5,431
+1%	+1% (+6% @cc)

Total Revenue
in € millions

IFRS	Non-IFRS
6,348	6,350
-3%	-3% (+2% @cc)

Operating Profit
in € millions

IFRS	Non-IFRS
960	1,741
-21%	+17% (+24% @cc)

Q1 Other Financial Highlights*

- Current Cloud Backlog: **+19% @cc to €7.6bn**
- SAP S/4HANA Current Cloud Backlog: **+43% @cc to €1.0bn**
- SAP S/4HANA Cloud Revenue: **+43% @cc to €0.2bn**
- SaaS/PaaS Revenue excl. Intelligent Spend: **+24% @cc**
- Share of more predictable revenue now at **78%**
- Cloud Gross Margin: **+0.3pp to 69.6%**
- Earnings per Share: **+63% to €1.40**
- Earnings per Share (IFRS): **+29% to €0.88**

* All numbers are Non-IFRS unless otherwise stated.

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Regional revenue

Strong performance across all regions

AMERICAS

Q1/21

Cloud Revenue

-2%
+7% cc

Cloud and Software Revenue

-6%
+3% cc

Canada and Mexico had a robust performance in cloud revenue.

EMEA

Q1/21

Cloud Revenue

+21%
+24% cc

Cloud and Software Revenue

+5%
+7% cc

Germany and Switzerland were highlights in cloud revenue.

APJ

Q1/21

Cloud Revenue

+14%
+18% cc

Cloud and Software Revenue

+7%
+11% cc

For cloud revenue, Japan, Australia and Singapore were highlights.

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

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Margin development

Gross margins of all business models up in the first quarter

Non-IFRS at constant currencies as reported	FY/19	Q1/20	Q2/20	Q3/20	Q4/20	FY/20	Q1/21
Cloud	**68.2**	69.3	69.3	69.7	70.1	**69.6**	69.5
SaaS/PaaS – Intelligent Spend Group	78.1	78.7	79.7	78.3	78.9	78.9	79.1
SaaS/PaaS – Other	68.5	70.3	69.5	71.4	71.4	70.7	70.7
IaaS	28.9	30.7	35.6	33.0	35.9	33.8	32.8
Software Licenses & Support	87.4	85.9	87.4	88.2	88.9	87.7	86.5
Cloud & Software	81.6	79.7	81.0	81.6	83.0	81.4	79.7
Services	25.0	22.3	25.6	31.4	28.2	26.8	28.8
Total Gross Margin	**72.3**	69.9	72.5	74.0	76.0	**73.3**	72.4

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Tax rate, EPS, Cash Flow & CapEx

First Quarter 2021

Effective Tax Rate

- IFRS: **20.0% | -7.7pp**
- Non-IFRS: **18.7% | -8.5pp**

Decrease mainly resulted from tax effects related to changes in tax exempt income and a one-time change in deferred tax liabilities for taxable temporary differences associated with investments in subsidiaries

EPS

- IFRS: **€0.88 | +29%**
- Non-IFRS: **€1.40 | +63%**

Reflecting a strong contribution from Sapphire Ventures

Cash Flow

Operating Cash Flow	Free Cash Flow
€3.09bn | +3%	**€2.85bn | +10%**

Cash flow positively impacted by lower share-based and restructuring payments as well as lower CapEx

CapEx

- **€0.15bn | -54%**

More of SAP's cloud assets run on hyperscalers' infrastructure

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Updated Outlook 2021

Raising revenue metrics to reflect strong new cloud business performance

2020 Actuals (Non-IFRS)

Cloud Revenue
€8.09bn

Cloud and Software Revenue
€23.23bn

Total Revenue
€27.34bn

Operating Profit
€8.28bn

2021 Outlook (Non-IFRS @cc)

Cloud Revenue
in a range of **€9.2 – 9.5bn** [prev. €9.1 – 9.5bn]
Growth: **14.0% to 18.0%**

Cloud and Software Revenue
in a range of **€23.4 – 23.8bn** [prev. €23.3 – 23.8bn]
Growth: **1% to 2%**

Operating Profit
in a range of **€7.8 – 8.2bn**
Growth: **-1.0% to -6.0%**

Share of more predictable revenue
to reach approx. **75%**

Operating Cash Flow
approx. **€6.0bn**

Free Cash Flow
above **€4.5bn**

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Q & A