



SAP AG

Sector: IT software & Services
 Bloomberg ticker: SAP GY

COMPANY INTRODUCTION

SAP AG is a multinational software company that develops business software, including e-business and enterprise management software, consults on organizational usage of its application software, and provides training services. SAP markets its products and services worldwide.

SHARES:

TICKER: SAP

NUMBER OF SHARES:

Common (mn): 1,267.556

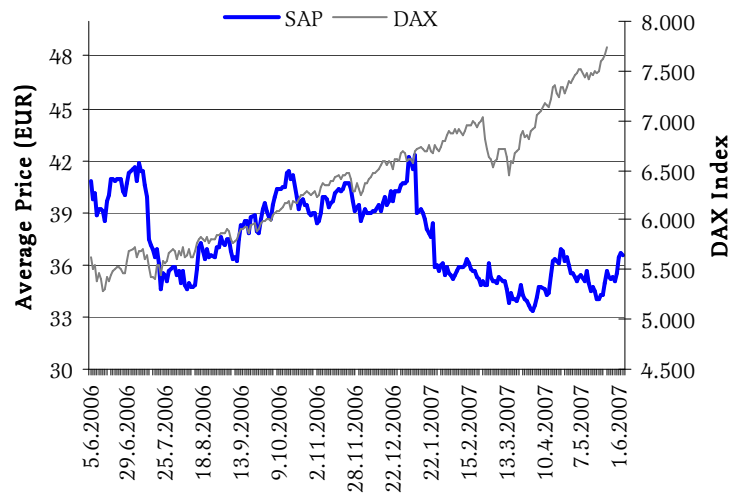
Preferred: 0

All (mn): 1,267.556

PRICE EUR (04.06.2007): 36.65

BV (31.03.2006): 4.84

MARKET CAP. mn EUR: 46,379.87



COMPANY RESULTS Q1 2007

SAP is the world's largest ERP software vendor with nearly 80,000 installations and 12 million users. Since 1999 SAP has developed a much broader family of business solutions than ERP, including areas such as SCM, CRM, BI and Portals which are united in the mySAP Business Suite. Having initially lost market share to best of breed players with stand-alone solutions, SAP has won back significant market share during the downturn.

In Q1 2007 SAP created EUR 2.16 bn of net sales revenues, which is an increase of 6% in comparison to Q1 2006. Operating income increased 10% to EUR 433 mn and the net income amounted to EUR 310 mn, which is 10% higher compared to the total net income of Q1 2006. Revenue growth in the Americas at 22% constant currency is a positive sign and the performance was undermined by currency weakness.

BUSINESS OUTLOOK

The company expects full-year 2007 software and software related services revenue to increase in a range of 12% - 14%. In order to address additional EUR 300 mn - 400 mn over eight quarters to build up a new business. Depending on the exact timing of these accelerated investments, this is equivalent to SAP approximately one to two percentage points of margin in 2007 into additional future growth opportunities. SAP expects the full year 2007 operating margin to be in the range of 26% - 27%.

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KEY FINANCIAL DATA

EUR (mn)	SAP		
	Q1 2007	Q1 2006	07/06
INCOME STATEMENT			
Sales Revenues	2,166	2,041	106
Net Income	310	282	110
Operating income	433	409	106
Income before inc. taxes	466	428	109
BALANCE SHEET			
Total Assets	9,944	9,503	105
Total Equity	6,073	6,136	99

OWNERSHIP STRUCTURE

SHAREHOLDERS (4.6.2007)	No. of shares	% stake	Cumulative % stake
TSCHIRA KLAUS	129,416 mn	10.21	10.21
PLATTNER HASSO	129,289 mn	10.20	20.41
HOPP DIETMAR	118,261 mn	9.33	29.95
GOLFPLATZ ST LEO	14,600 mn	1.15	31.10
VANGUARD INTERNATIONAL	6,382 mn	0.50	31.60
FIDELITY FUNDS	5,870 mn	0.46	32.06
UNIFONDS	4,000 mn	0.32	32.38
DAX EX	3,780 mn	0.30	32.68
OPPENHEIMER GLOBAL FUND	3,555 mn	0.28	32.96
ADIG FONDAK	3,096 mn	0.24	33.20

RATIO ANALYSIS

KEY RATIOS	CURRENT
BASIC RATIOS	
P/E	23.59
P/B	7.58
P/S	4.71
EV/EBITDA	17.22
PROFITABILITY RATIOS	
ROE	31.40
ROA	20.16
OPERATING MARGIN	27.29
PROFIT MARGIN	14.31
DEBT RATIOS	
TOTAL DEBT/TOTAL ASSETS	0.28
TOTAL DEBT/COMMON EQUITY	0.43
LIQUIDITY RATIOS	
CURRENT RATIO	2.42
QUICK RATIO	2.12

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PEER COMPARISON

PEER/RATIO	P/E	P/B	P/S	EV/EBITDA
ORACLE	21.38	6.40	6.02	12.39
MICROSOFT CORP	21.63	8.41	6.13	12.09
SAGE GROUP PLC	21.18	3.31	3.45	14.37
DASSAULT SYSTEMES SA	28.34	5.74	4.28	19.66
CAP GEMINI SA	25.42	2.19	0.97	1.95
XANSA	38.11	53.28	0.78	11.62
PEERS AVERAGE	26.01	13.22	3.60	12.01
SAP AG	23.59	7.58	4.71	17.22

CONTACT

Matjaz Bernik
Head of Trading Department
Ilirika Brokerage House PLC, Trdinova 3, 1000 Ljubljana, Slovenia
Tel: +386 1 300 22 55
Fax: +386 1 234 33 59
e-mail: matjaz.bernik@ilirika.si

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