



# Transforming Finance in a Digital World

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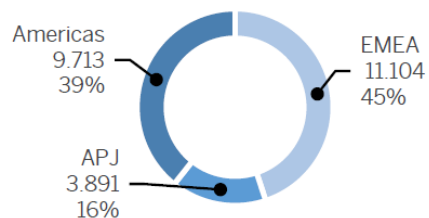
SAP Global Corporate Affairs (January 29, 2019)

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

## Basic Facts

- Headquarters: Walldorf, Germany
- Founded: April 1, 1972
- Listing: Frankfurt, New York
- 96,498 employees worldwide (12/31/2018)
  - >140 nationalities worldwide
  - High employee satisfaction: Employee Engagement Index at 84% in 2018
  - 69% of SAP employees are SAP shareholders

Revenue by region FY2018  
(€ m, non-IFRS / share of total rev. in %)



## Customers

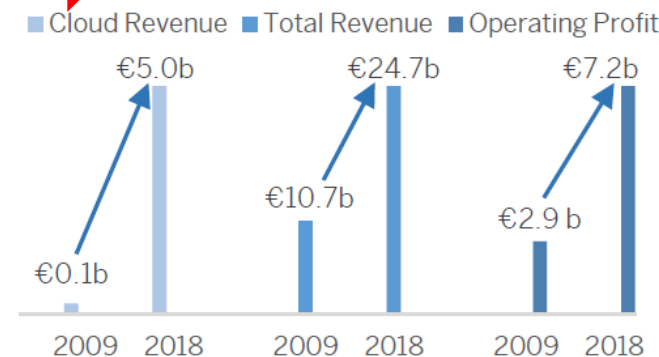
- SAP serves >425,000 customers in >180 countries
- SAP customers include:
  - 92% of the Forbes Global 2000 companies
  - 98% of the 100 most valued brands
  - 100% of the Dow Jones top scoring sustainability companies
- Our customers produce:
  - 78% of the world's food
  - 82% of the world's medical devices
- 77% of the world's transaction revenue touches an SAP system<sup>1</sup>

<sup>1</sup> Source: Oxford Economics/SAP analysis, Feb. 2018

## Financials

Revenue – FY2018 (non-IFRS, growth rates @cc)	
Cloud subscription and support	€5.03b (+ 38%)
Cloud and Software	€20.66b (+ 10%)
Total revenue	€24.74b (+ 11%)
Revenue – Q4/2018 (non-IFRS, growth rates @cc)	
Cloud subscription and support	€1.4b (+ 40%)
Cloud and Software	€6.3b (+ 11%)
Total revenue	€7.4b (+ 13%)

## Significant, sustainable Growth



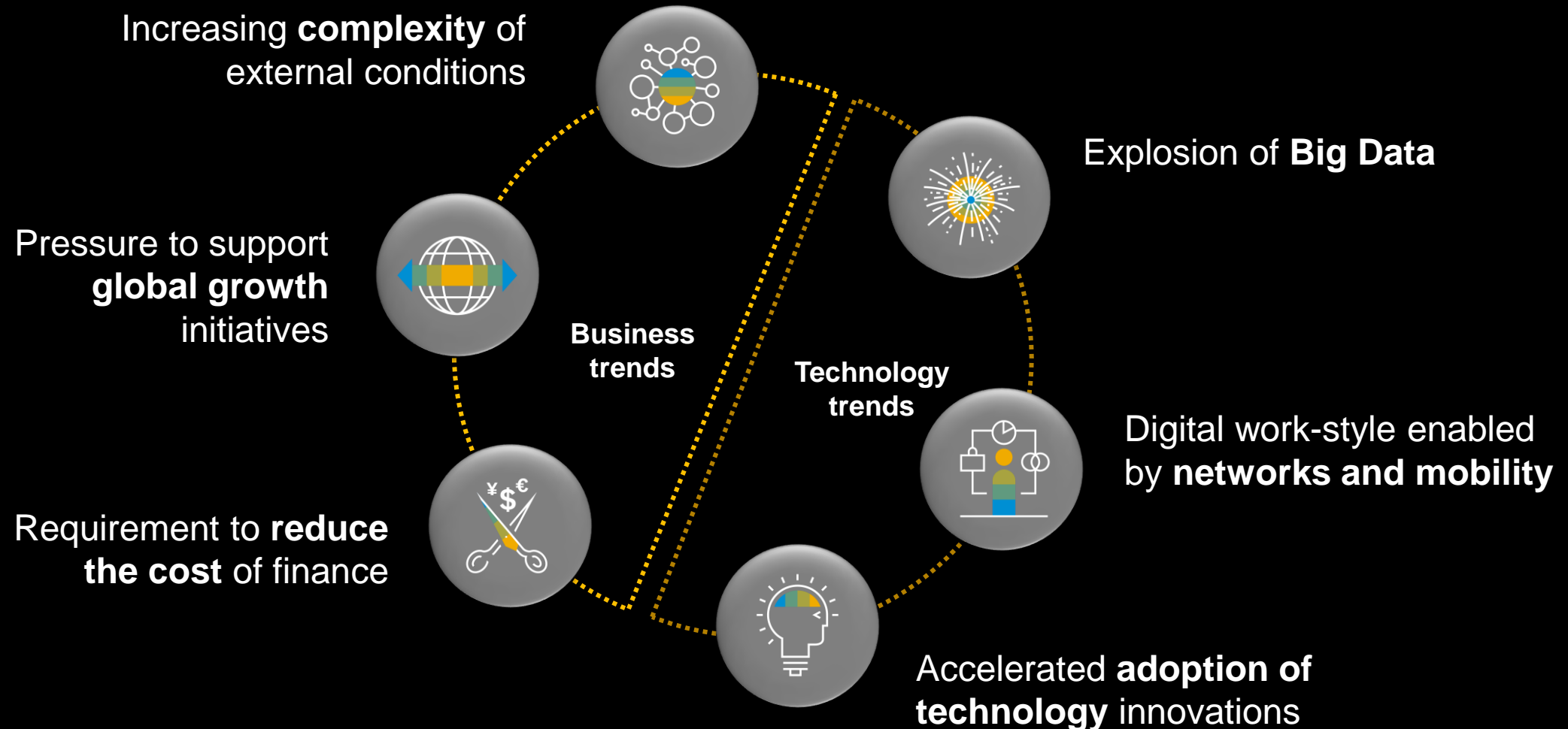
- Applications – e.g. SAP S/4 HANA / Package solutions for 25 industries / On premise, Cloud or Hybrid
- Business Networks: Ariba [~3.8M business], Concur [>53M travelers] & Fieldglass [5.7M contingent workers in >180 countries]
- Platform – SAP HANA [>28.000 customers], SAP Cloud Platform & SAP HANA Enterprise Cloud

# A Digital Day@SAP



# The New Reality

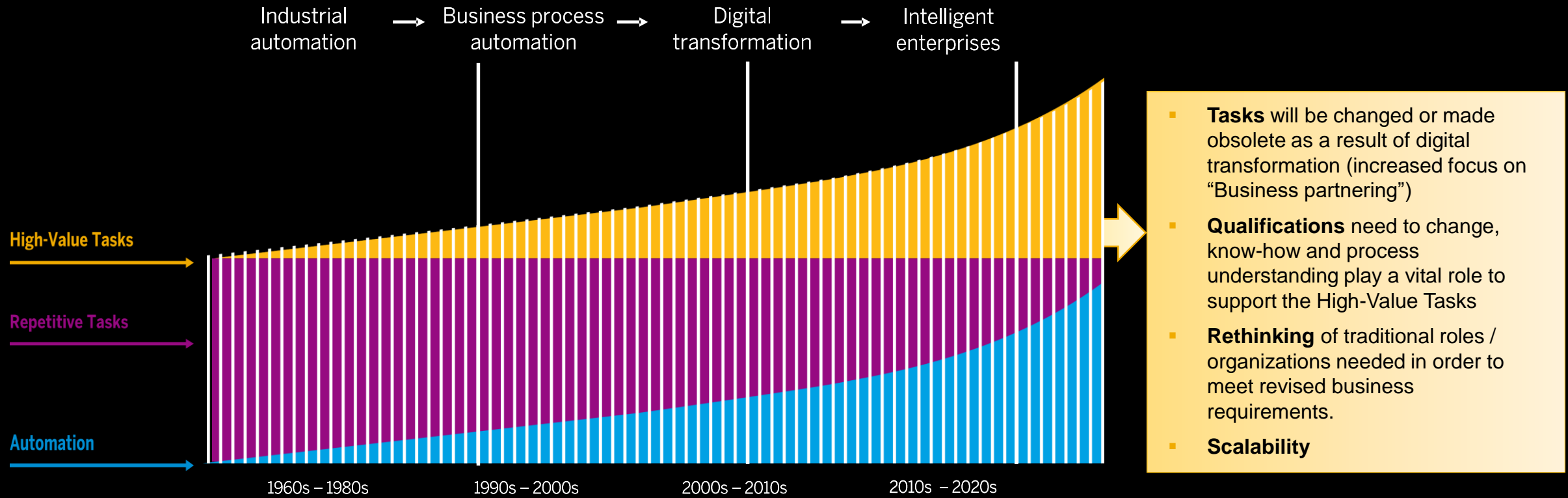
**Business and technology trends are heavily influencing on how to act in the future**





# The Changing Role of Finance

# Digital transformation and the Intelligent enterprises impacts the Future of Work



By applying intelligent technologies such as

🔍 Artificial Intelligence (AI), 🧠 Machine Learning (ML), 🗣️ Chatbot, 🌐 Internet of Things (IoT), 🤖 Robotics and 📊 Advanced Analytics we can transform into event-driven businesses which automate repetitive tasks and enable employees to focus on high-value tasks.

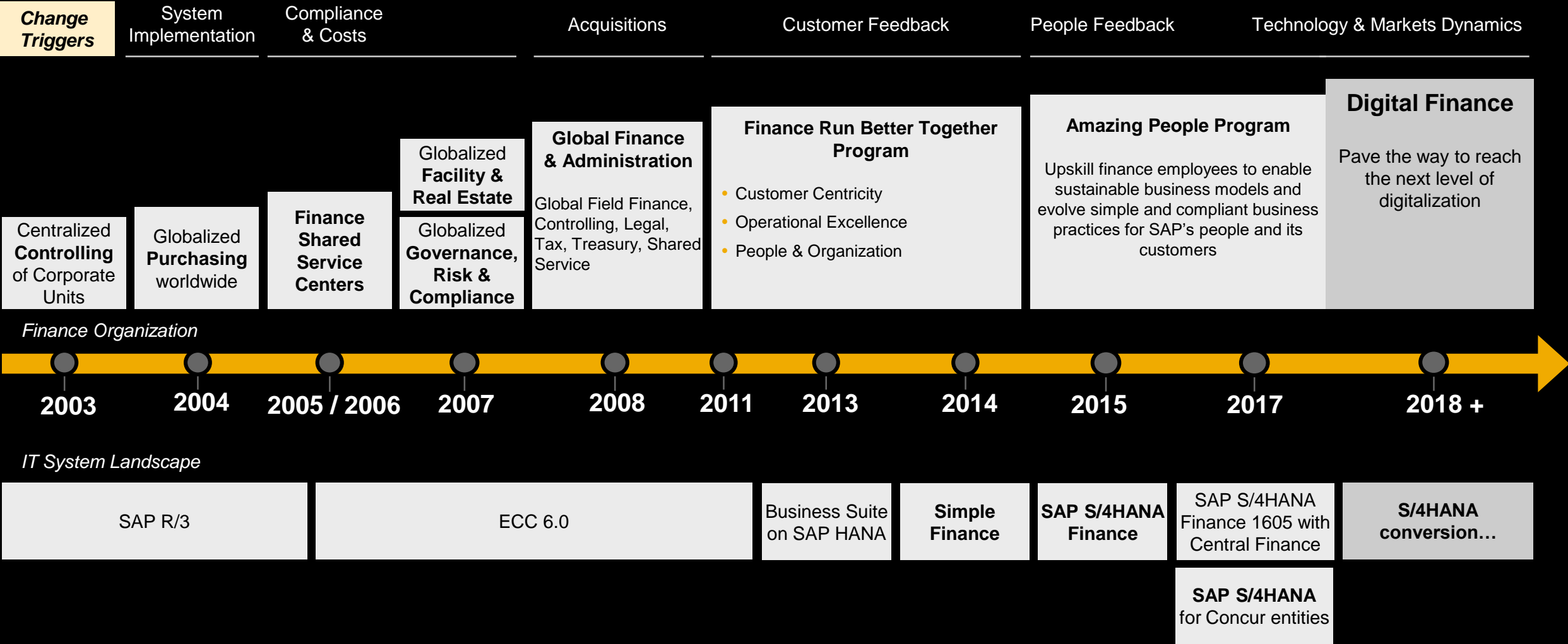
# Finance Transformation at SAP

## Evolution of SAP Finance



# SAP's Global Finance Evolution

## System, Organization and People transformation synchronized



# Process focus @ SAP

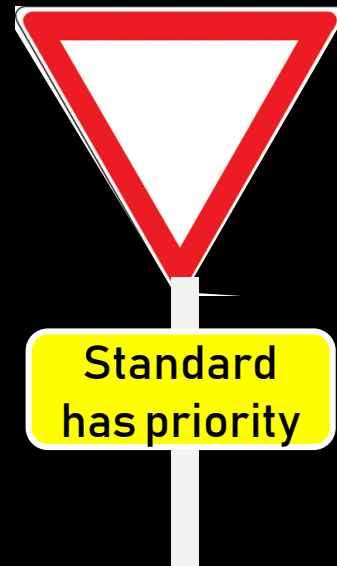
## Three elements of the focus

Defined  
responsibilities



+

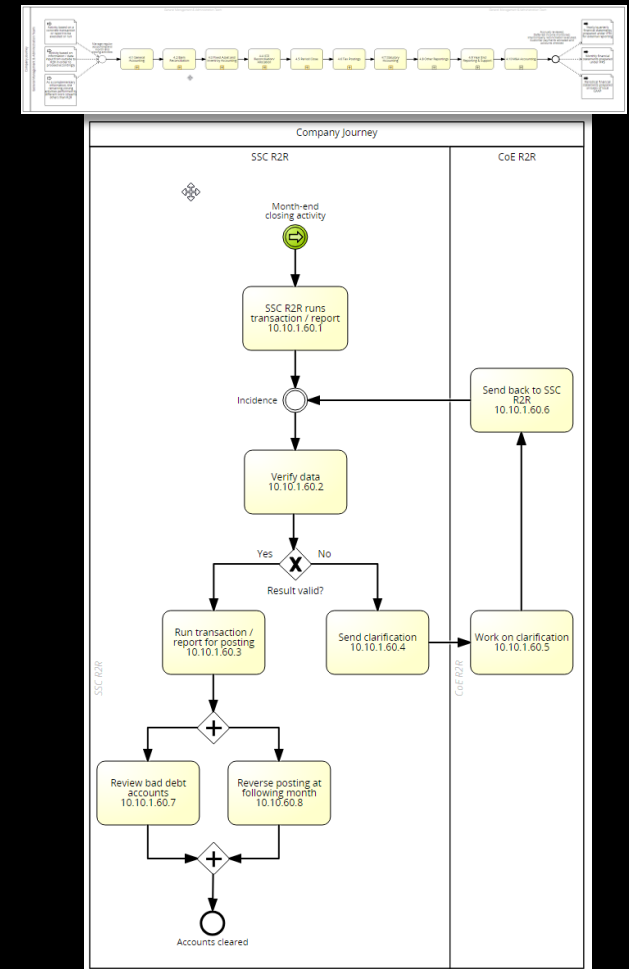
Process standardization  
commitment



*It is not  
the standardization  
but the non-standardization  
that needs to be justified*

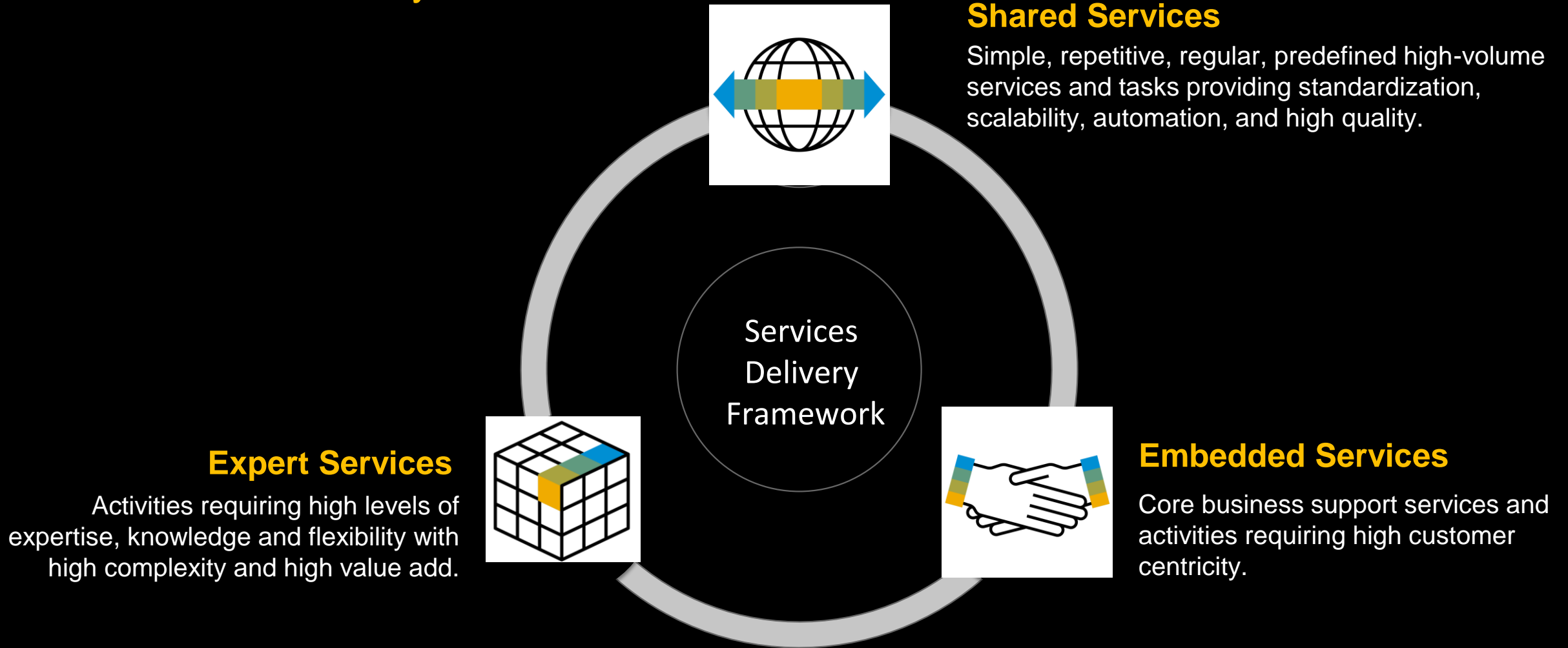
+

Detailed  
process documentation



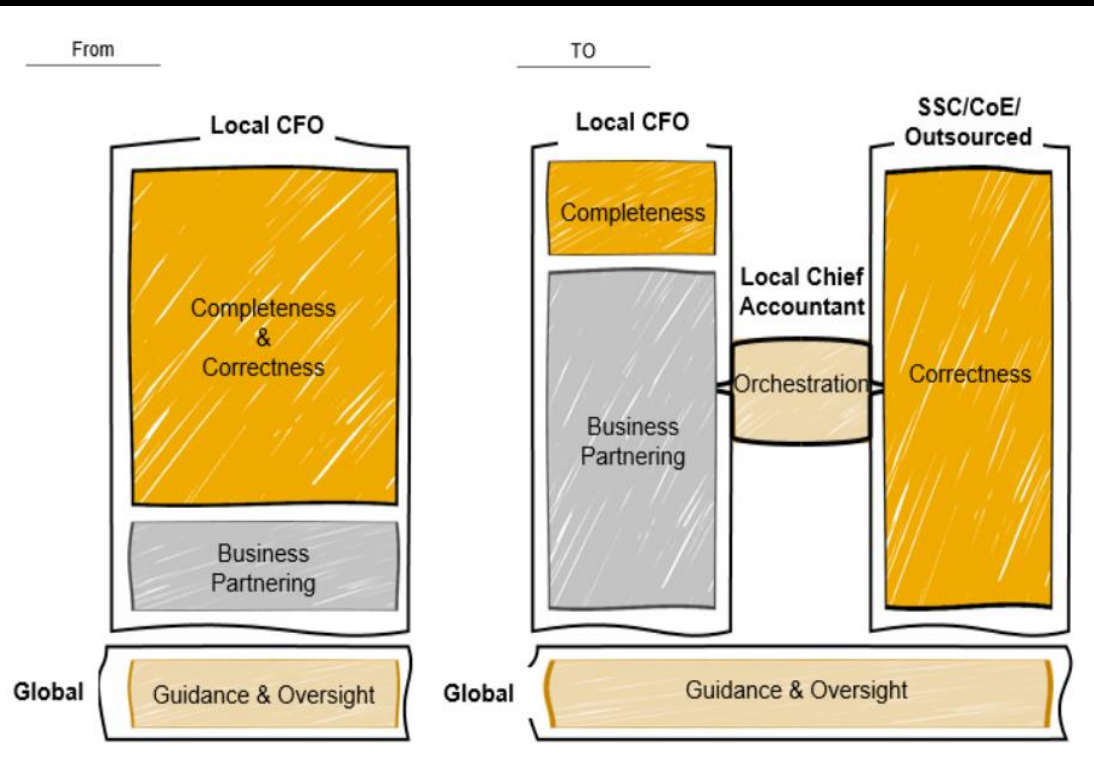
# From Transaction Support to Business Enablement

## SAP's services delivery framework

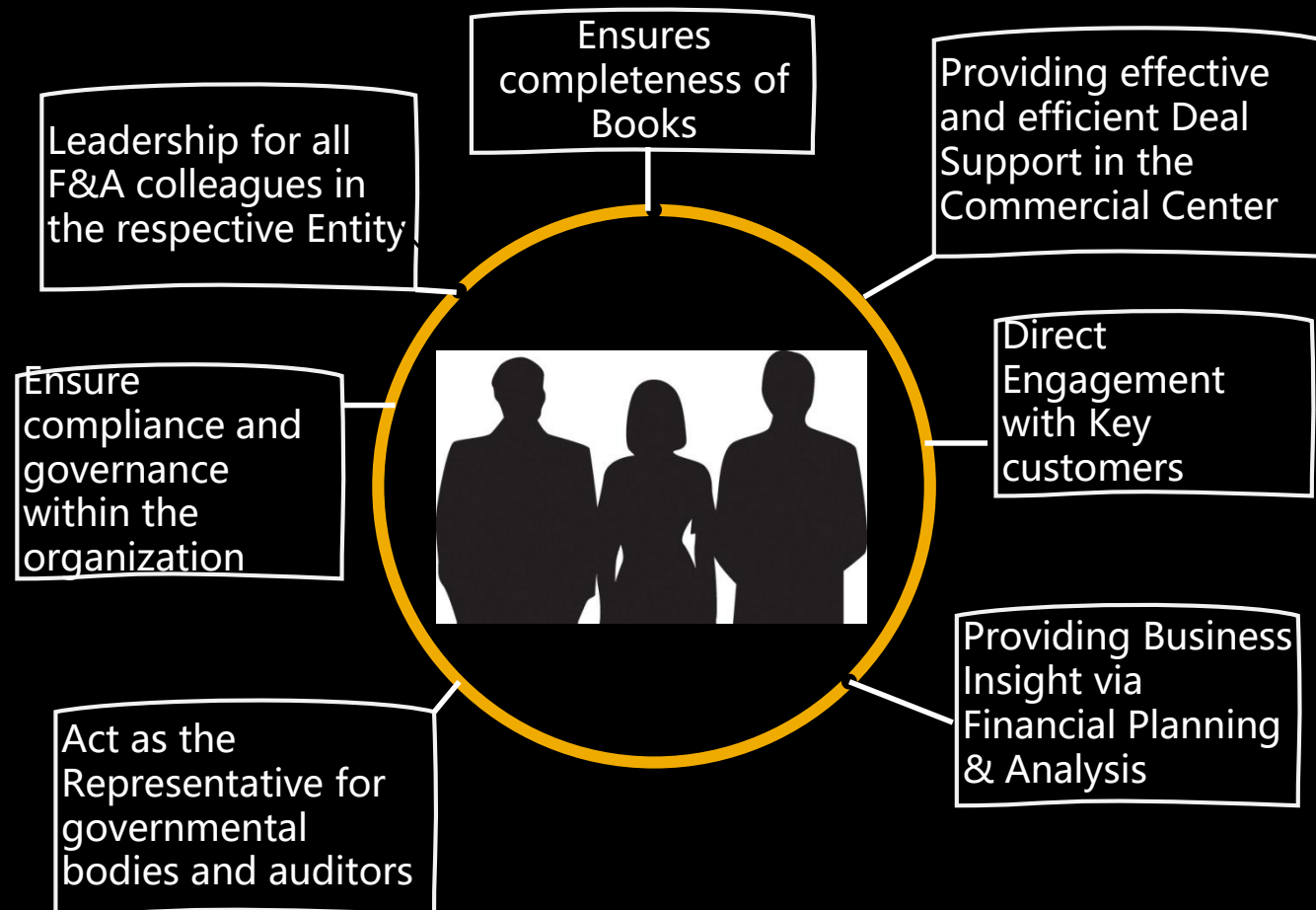


# Shift in responsibilities between Local subsidiary & Global functions (SSC)

## Chief Financial Officer



## The responsibilities of the Chief Financial Officer



# Digital Finance @SAP

- Real time data
- One source of truth
- Transparency
- Friendly user interface/easy to use
- Flexibility & fast
- Compliance and Governance
- Employee self service
- Efficiency & scalability
- Machine learning, Chatbot and Advanced Analytics etc.
- Reduced cost



# Sales Digital Boardroom v2.0

INTERNAL

Dear Colleagues,

We are taking a significant step in the direction of self-service reporting with the availability of new **flexible** functionality for the **Sales Digital Boardroom**. Now YOU are in control of your dashboarding experience and analysis.

Check it out...



Also included in this release are exciting new insights driven by [Predictive Modeling](#) as well as a highly interactive Route to Close dashboard to gain transparency on the deals expecting to come in over various periods within the quarter. Leverage these tools and gain better control over your linearity!

We will keep the v1.0 dashboards live until April 8 to allow you time to fully transition to this upgrade. In the meantime, get started on [Sales Digital Boardroom v2.0](#) now with these quick learning bites that are each about 3 minutes or less!

# Centralized roll out of the Sales Digital Boardroom v2.0

Related Media

**SALES DIGITAL BOARDROOM  
ENABLEMENT**

02:45  
Sales Digital Boardroom - #1 -  
Redesign Intro

**SALES DIGITAL BOARDROOM  
ENABLEMENT**

03:18  
Sales Digital Boardroom - #2 -  
Flexible Design...

**SALES DIGITAL BOARDROOM  
ENABLEMENT**

01:24  
Sales Digital Boardroom - #3 -  
Using Story Mode...

**SALES DIGITAL BOARDROOM  
ENABLEMENT**

02:59  
Sales Digital Boardroom - # 4 -  
Using the Context...

## Sales Digital Boardroom

From [Charles Reed](#) 3 Weeks ago

Details

Attachments

Share

ACTIONS

Run your business in real-time using the [Sales Digital Boardroom](#)

sales

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idsa

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digital boardroom

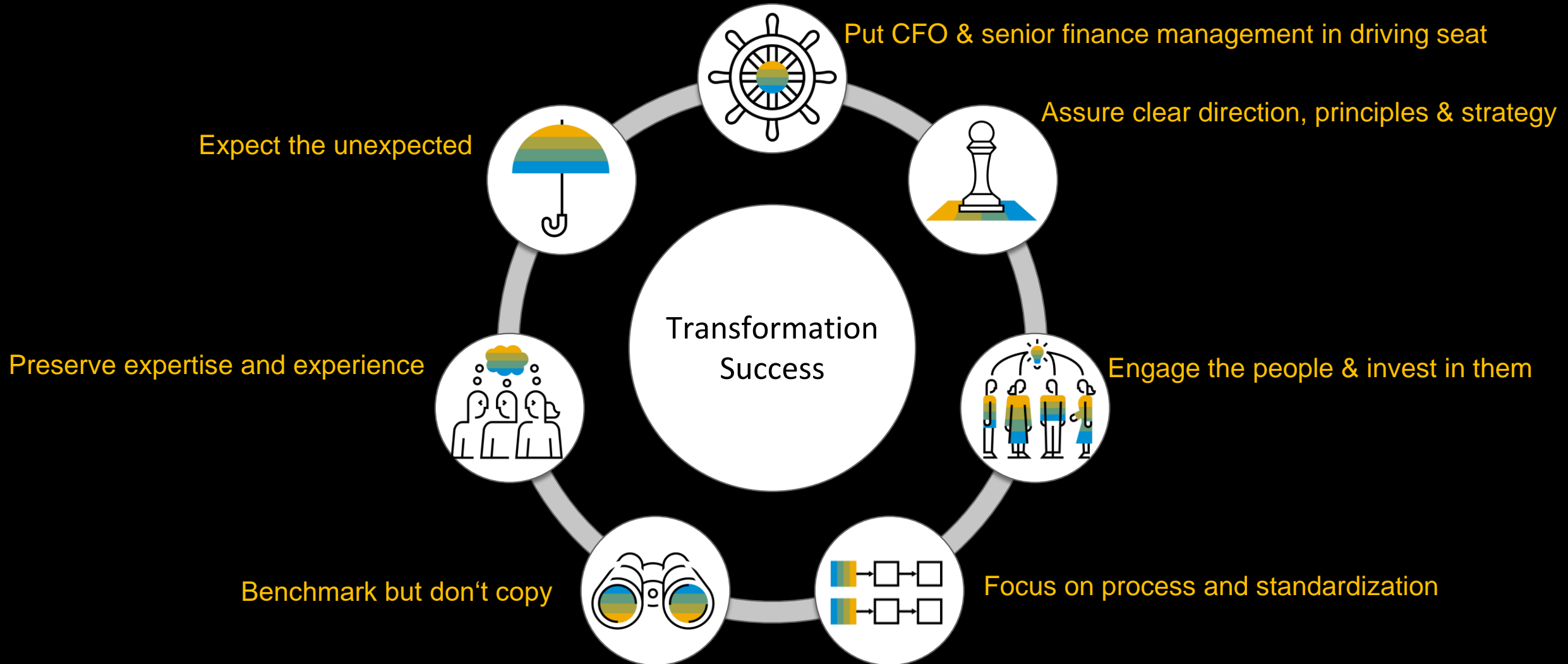
saprunssap

Appears in [Cloud Business Group](#) | [Global Customer Operations](#) | [Intelligent Enterprise Group](#)

Comments

# Critical Success Factors in SAP's Finance Transformation

## Learnings



# The Most Important Lesson Learned

Communicate change and invest in amazing people

Always keep **people**  
and **processes** in mind

### SAP LoB Performance



#### Sales & Marketing

##### Cloud

In mEUR (YoY Growth)

213 (+34%)

Δ To Bud

##### Software

In mEUR (YoY Growth)

818 (+8%)

Δ To Bud



#### Customer

##### Total Customer

In # (YoY Growth)

361,150

(+12%)

##### New Customer

In # (YoY Growth)

17,527

(+42%)



#### Finance

##### Total Revenue

In mEUR; 2018-Q1

5,317 (+12%)

##### Operating Profit

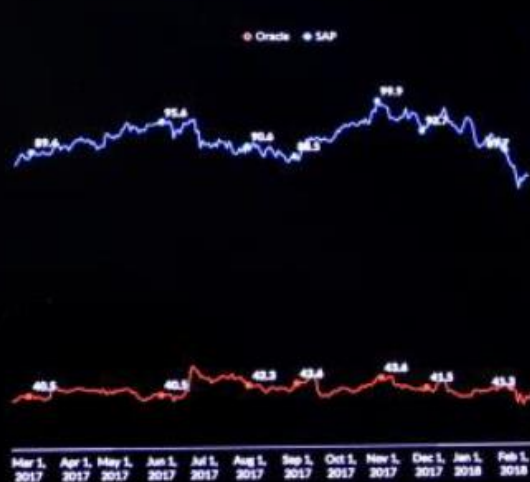
In mEUR; 2018-Q1

1,214 (+10%)



#### Human Resources

### Capital Market Performance (Frankfurt Stock Exchange)



#### Competitor 1

128.24

Market Cap in Billion \$

209.63

Market Cap in Billion \$

#### Stock Exchange

Frankfurt Stock Exchange

New York Stock Exchange

Nasdaq

#### Competitor

SAP

Oracle

Microsoft

Salesforce

Tableau

Workday

#### Reference

3 Months

6 Months

1 Year

3 Year

#### Measure

Price

Performance

### SAP Addressable Market

#### Cloud

In mUSD; 2017

67,636

#### Software

In mUSD; 2017

77,839

### Market News

100 Results

100 Results

100 Results

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