



**Financial Information**  
**for the First Quarter 2009**  
– Condensed, Preliminary and Unaudited –

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## CONSOLIDATED STATEMENTS OF INCOME

(U.S. GAAP)

Preliminary and unaudited

€ millions, unless otherwise stated	Three months ended March 31		
	2009	2008	% change
Software revenue	418	622	-33
Support revenue	1,252	1,058	18
Subscription and other software-related service revenue	71	56	27
<b>Software and software-related service revenue</b>	<b>1,741</b>	<b>1,736</b>	<b>0</b>
Consulting revenue	553	587	-6
Training revenue	72	104	-31
Other service revenue	24	25	-4
<b>Professional services and other service revenue</b>	<b>649</b>	<b>716</b>	<b>-9</b>
<b>Other revenue</b>	<b>7</b>	<b>8</b>	<b>-13</b>
<b>Total revenue</b>	<b>2,397</b>	<b>2,460</b>	<b>-3</b>
Cost of software and software-related services	-381	-367	4
Cost of professional services and other services	-516	-567	-9
Research and development	-364	-417	-13
Sales and marketing	-513	-597	-14
General and administration	-131	-152	-14
Restructuring	-160	0	N/A
Other operating income/expense, net	0	-1	-100
<b>Total operating expenses</b>	<b>-2,065</b>	<b>-2,101</b>	<b>-2</b>
<b>Operating income</b>	<b>332</b>	<b>359</b>	<b>-8</b>
Other non-operating income/expense, net	-3	-1	200
Financial income/expense, net	-21	-2	950
<b>Income from continuing operations before income taxes</b>	<b>308</b>	<b>356</b>	<b>-13</b>
Income taxes	-98	-109	-10
<b>Income from continuing operations</b>	<b>210</b>	<b>247</b>	<b>-15</b>
Loss from discontinued operations, net of tax	-6	-5	20
<b>Net income</b>	<b>204</b>	<b>242</b>	<b>-16</b>
- Net income attributable to noncontrolling interests*	0	0	N/A
- Net income attributable to shareholders of SAP AG	204	242	-16
<b>Earnings per Share (EPS)</b>			
EPS from continuing operations – basic in €	0.18	0.21	-14
EPS from continuing operations – diluted in €	0.18	0.21	-14
EPS from net income attributable to shareholders of SAP AG– basic in €	0.17	0.20	-15
EPS from net income attributable to shareholders of SAP AG– diluted in €	0.17	0.20	-15
Weighted average number of shares**	1,187	1,196	
<b>Key Ratios</b>			
Operating margin	13.9%	14.6%	-0.7pp
Effective tax rate from continuing operations	31.8%	30.6%	

\*Due to the first-time application of SFAS 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51* the term 'Minority Interest' has been replaced with 'Noncontrolling Interests' and the categorization of Noncontrolling Interests is now shown below Net Income. The prior year figures have also been changed as a result of the adoption of this standard.

\*\* in millions, treasury stock excluded



**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(U.S. GAAP)**

Preliminary and unaudited

€ millions	March 31, 2009	December 31, 2008
<b>Assets</b>		
Cash and cash equivalents	2,020	1,277
Restricted cash	1	3
Short-term investments	932	382
Accounts receivable, net	3,250	3,128
Other assets	520	705
Deferred income taxes	238	203
Prepaid expenses/deferred charges	116	84
<b>Current assets</b>	<b>7,077</b>	<b>5,782</b>
Goodwill	5,050	5,009
Intangible assets, net	1,069	1,127
Property, plant, and equipment, net	1,403	1,405
Investments	93	95
Accounts receivable, net	1	2
Other assets	611	566
Deferred income taxes	192	187
Prepaid expenses/deferred charges	24	24
<b>Noncurrent assets</b>	<b>8,443</b>	<b>8,415</b>
<b>Total assets</b>	<b>15,520</b>	<b>14,197</b>
<b>Liabilities and total equity</b>		
<b>Liabilities and total equity</b>		
Accounts payable	519	538
Income tax obligations	315	363
Financial liabilities	2,543	2,574
Other liabilities	1,080	1,486
Provisions	320	214
Deferred income taxes	31	48
Deferred income	2,070	611
<b>Current liabilities</b>	<b>6,878</b>	<b>5,834</b>
Accounts payable	2	5
Income tax obligations	301	278
Financial liabilities	29	36
Other liabilities	99	94
Provisions	522	497
Deferred income taxes	150	157
Deferred income	57	61
<b>Noncurrent liabilities</b>	<b>1,160</b>	<b>1,128</b>
<b>Total liabilities</b>	<b>8,038</b>	<b>6,962</b>
Common stock, no par value	1,226	1,226
Treasury stock	-1,353	-1,362
Additional paid-in capital	318	320
Retained earnings	7,913	7,709
Accumulated other comprehensive loss	-624	-660
<b>Total equity attributable to shareholders of SAP AG</b>	<b>7,480</b>	<b>7,233</b>
<b>Noncontrolling interests*</b>	<b>2</b>	<b>2</b>
<b>Total equity</b>	<b>7,482</b>	<b>7,235</b>
<b>Total liabilities and total equity</b>	<b>15,520</b>	<b>14,197</b>

\* Reclassification of Noncontrolling interests (previously Minority Interests) is based on the first-time application of SFAS 160.



**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(U.S. GAAP)**

Preliminary and unaudited

€ millions	Three months ended March 31	
	2009	2008
Net income	204	242
Net loss from discontinued operations	6	5
<b>Income from continuing operations</b>	<b>210</b>	<b>247</b>
<i>Adjustments to reconcile income from continuing operations to net cash provided by operating activities:</i>		
Depreciation and amortization	126	141
Losses from equity investees	0	1
Losses on disposal of intangible assets and property, plant, and equipment	1	1
Gains on disposal of investments	0	-8
Writedowns of financial assets	4	0
Allowances for doubtful accounts	87	19
Impacts of hedging for cash-settled share-based payment plans	6	9
Stock-based compensation including income tax benefits	-2	17
Excess tax benefit from share-based compensation	0	-8
Deferred income taxes	-68	-58
Change in accounts receivable	-182	242
Change in other assets	102	32
Change in accrued and other liabilities	-387	-764
Change in deferred income	1,490	1,201
<b>Net cash provided by operating activities from continuing operations</b>	<b>1,387</b>	<b>1,072</b>
Business combinations, net of cash and cash equivalents acquired	-3	-3,687
Repayment of acquirees' debt in business combinations	0	-450
Purchase of intangible assets and property, plant, and equipment	-50	-61
Proceeds from disposal of intangible assets and property, plant, and equipment	6	7
Cash transferred to restricted cash	0	-451
Reduction of restricted cash	3	1,000
Purchase of investments	-545	-5
Sales of investments	0	422
Purchase of other financial assets	-3	-4
Sales of other financial assets	4	17
<b>Net cash used in investing activities from continuing operations</b>	<b>-588</b>	<b>-3,212</b>
Purchase of treasury stock	0	-258
Proceeds from reissuance of treasury stock	8	41
Proceeds from issuance of common stock (share-based compensation)	1	7
Excess tax benefit from share-based compensation	0	7
Proceeds from short-term and long-term debt	0	3,859
Repayments of short-term and long-term debt	0	-911
Proceeds from the exercise of equity-based derivative instruments (STAR hedge)	4	66
Purchase of equity-based derivative instruments (hedge for cash-settled share-based payment plans)	0	-46
<b>Net cash provided by / used in financing activities from continuing operations</b>	<b>13</b>	<b>2,765</b>
<b>Effect of foreign exchange rates on cash and cash equivalents</b>	<b>-67</b>	<b>8</b>
<b>Net cash used in operating activities from discontinued operations</b>	<b>-2</b>	<b>-4</b>
<b>Net change in cash and cash equivalents</b>	<b>743</b>	<b>629</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,277</b>	<b>1,608</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,020</b>	<b>2,237</b>



## Reconciliations from Non-GAAP Numbers to U.S. GAAP Numbers

Preliminary and unaudited

The following table presents a reconciliation from our 'Non-GAAP' numbers (including our 'Non-GAAP at Constant Currency' numbers) to the respective most comparable U.S. GAAP numbers. Note: Our non-GAAP numbers are not prepared under a comprehensive set of accounting rules or principles. Please see explanation of non-GAAP measures for more information on our non-GAAP numbers.

€ millions, unless otherwise stated	Three months ended March 31										
	2009					2008			% change		
	U.S. GAAP	Adj.*	Non-GAAP*	Currency impact**	Non-GAAP constant currency**	U.S. GAAP	Adj.*	Non-GAAP*	U.S. GAAP	Non-GAAP*	Non-GAAP constant currency**
<b>Non-GAAP Revenue Numbers</b>											
Software revenue	418	0	418	-7	411	622	0	622	-33	-33	-34
Support revenue	1,252	11	1,263	-23	1,240	1,058	47	1,105	18	14	12
Subscription and other software-related service revenue	71	0	72	-4	68	56	0	56	27	29	21
<b>Software and software-related service revenue</b>	<b>1,741</b>	<b>11</b>	<b>1,753</b>	<b>-34</b>	<b>1,719</b>	<b>1,736</b>	<b>47</b>	<b>1,783</b>	<b>0</b>	<b>-2</b>	<b>-4</b>
Consulting revenue	553	0	553	-11	542	587	0	587	-6	-6	-8
Training revenue	72	0	72	-1	71	104	0	104	-31	-31	-32
Other service revenue	24	0	24	0	24	25	0	25	-4	-4	-4
<b>Professional services and other service revenue</b>	<b>649</b>	<b>0</b>	<b>649</b>	<b>-12</b>	<b>637</b>	<b>716</b>	<b>0</b>	<b>716</b>	<b>-9</b>	<b>-9</b>	<b>-11</b>
Other revenue	7	0	7	0	7	8	0	8	-13	-13	-13
<b>Total revenue</b>	<b>2,397</b>	<b>11</b>	<b>2,409</b>	<b>-46</b>	<b>2,362</b>	<b>2,460</b>	<b>47</b>	<b>2,507</b>	<b>-3</b>	<b>-4</b>	<b>-6</b>
<b>Non-GAAP Operating Expense Numbers</b>											
Cost of software and software-related services	-381	47	-334			-367	48	-319	4	5	
Cost of professional services and other services	-516	0	-516			-567	0	-567	-9	-9	
Research and development	-364	0	-364			-417	14	-403	-13	-10	
Sales and marketing	-513	19	-495			-597	21	-576	-14	-14	
General and administration	-131	0	-131			-152	0	-152	-14	-14	
Restructuring	-160	0	-160			0	0	0	100	100	
Other operating income/expense, net	0	0	0			-1	0	-1	-100	-100	
<b>Total operating expenses</b>	<b>-2,065</b>	<b>66</b>	<b>-1,999</b>	<b>44</b>	<b>-1,955</b>	<b>-2,101</b>	<b>83</b>	<b>-2,018</b>	<b>-2</b>	<b>-1</b>	<b>-3</b>
<b>Non-GAAP Income Numbers</b>											
<b>Operating income</b>	<b>332</b>	<b>77</b>	<b>410</b>	<b>-2</b>	<b>407</b>	<b>359</b>	<b>130</b>	<b>489</b>	<b>-8</b>	<b>-16</b>	<b>-17</b>
Other non-operating income/expense, net	-3	0	-4			-1	0	-1	200	300	
Financial income/expense, net	-21	0	-21			-2	0	-2	950	950	
<b>Income from continuing operations before income taxes</b>	<b>308</b>	<b>77</b>	<b>386</b>			<b>356</b>	<b>130</b>	<b>486</b>	<b>-13</b>	<b>-21</b>	
Income taxes	-98	-19	-118			-109	-32	-141	-10	-16	
<b>Income from continuing operations</b>	<b>210</b>	<b>58</b>	<b>267</b>			<b>247</b>	<b>98</b>	<b>345</b>	<b>-15</b>	<b>-23</b>	
Loss from discontinued operations, net of tax	-6	0	-5			-5	0	-5	20	0	
<b>Net income</b>	<b>204</b>	<b>58</b>	<b>262</b>			<b>242</b>	<b>98</b>	<b>340</b>	<b>-16</b>	<b>-23</b>	
- Net Income attributable to Noncontrolling interests	0	0	0			0	0	0	N/A	N/A	
- Net Income attributable to shareholders of SAP AG	204	58	262			242	98	340			
<b>Non-GAAP Key Ratios</b>											
EPS from continuing operations – basic in €	0.18		0.22			0.21		0.29	-14	-24	
EPS from continuing operations – diluted in €	0.18		0.22			0.21		0.29	-14	-24	
EPS from net income attributable to shareholders of SAP AG – basic in €	0.17		0.22			0.20		0.28	-15	-21	
EPS from net income attributable to shareholders of SAP AG – diluted in €	0.17		0.22			0.20		0.28	-15	-21	
Weighted average number of shares***	1,187		1,187			1,196		1,196			
Operating margin	13.9%		17.0%		17.2%	14.6%		19.5%	-0.7pp	-2.5pp	-2.3pp
Effective tax rate from continuing operations	31.8%		30.6%			30.6%		29.0%			

\* adjustments in the revenue line items are for the Business Objects support revenue that Business Objects would have recognized had it remained a stand-alone entity but that SAP is not permitted to recognize as revenue under U.S. GAAP as a result of business combination accounting rules. Adjustments in the operating expense line items are for acquisition-related charges. See explanation of non-GAAP measures for details

\*\* constant currency revenue and operating income figures are calculated by translating revenue and operating income of the current period using the average exchange rates from the previous year's respective period instead of the current period. Constant currency period-over-period changes are calculated by comparing the current year's non-GAAP constant currency numbers with the non-GAAP number of the previous year's respective period. See explanation of non-GAAP measures for details

\*\*\* in millions, treasury stock excluded

Differences may exist due to rounding



**Reconciliations from Non-GAAP Revenue in U.S. Dollar to U.S. GAAP Revenue in Euro**  
Preliminary and unaudited

The following table presents a reconciliation from our non-GAAP revenue numbers in U.S. dollar to the respective most comparable U.S. GAAP Revenue numbers in euro. Note: Our non-GAAP numbers in U.S. dollar are company-specific and not prepared under a comprehensive set of accounting rules or principles. Please see explanation of non-GAAP measures for more information on our non-GAAP numbers in U.S. dollar.

	Three months ended March 31					
	Software Revenue			Software and Software-Related Service Revenue		
	2009	2008	% change	2009	2008	% change
= U.S. GAAP Revenue (€ millions)	418	622	-33%	1,741	1,736	0%
+/- Adjustment between U.S. GAAP revenue and non-GAAP revenue (€ millions)*	0	0	0	11	47	-77%
= Non-GAAP revenue (€ millions)	418	622	-33%	1,752	1,783	-2%
+/- Adjustment (US\$ millions)	128	336	-62%	529	921	-43%
= Non-GAAP revenue (US\$ millions)	546	958	-43%	2,281	2,704	-16%

\* adjustments in the revenue line items are for the Business Objects support revenue that Business Objects would have recognized had it remained a stand-alone entity but that SAP is not permitted to recognize as revenue under U.S. GAAP as a result of business combination rules.

*Differences may exist due to rounding*



## REVENUE BY REGION

### Preliminary and unaudited

The following table presents our U.S. GAAP and non-GAAP revenue by region. The table also presents a reconciliation from our non-GAAP revenue (including our non-GAAP revenue at constant currency) to the respective most comparable U.S. GAAP revenue. Note: Our non-GAAP revenues are not prepared under a comprehensive set of accounting rules or principles. Please see explanation of non-GAAP measures for more information on our non-GAAP revenue.

€ millions	Three months ended March 31										
	2009					2008			% change		
	U.S. GAAP	Adj.*	Non-GAAP*	Currency impact**	Non-GAAP constant currency**	U.S. GAAP	Adj.*	Non-GAAP*	U.S. GAAP	Non-GAAP*	Non-GAAP constant currency**
<b>Software revenue by region***</b>											
EMEA	207	0	207	7	214	292	0	292	-29	-29	-27
Americas	152	0	152	-11	141	217	0	217	-30	-30	-35
Asia Pacific Japan	60	0	60	-4	56	113	0	113	-47	-47	-50
<b>Software revenue</b>	<b>418</b>	<b>0</b>	<b>418</b>	<b>-7</b>	<b>411</b>	<b>622</b>	<b>0</b>	<b>622</b>	<b>-33</b>	<b>-33</b>	<b>-34</b>
<b>Software and software-related service revenue by region***</b>											
Germany	276	0	277	0	277	302	1	303	-9	-9	-9
Rest of EMEA	606	4	610	28	638	616	17	633	-2	-4	1
<b>Total EMEA</b>	<b>882</b>	<b>4</b>	<b>886</b>	<b>29</b>	<b>915</b>	<b>918</b>	<b>18</b>	<b>936</b>	<b>-4</b>	<b>-5</b>	<b>-2</b>
United States	460	6	466	-60	406	413	24	437	11	7	-7
Rest of Americas	154	0	155	12	167	150	2	152	3	2	10
<b>Total Americas</b>	<b>614</b>	<b>6</b>	<b>620</b>	<b>-47</b>	<b>573</b>	<b>563</b>	<b>26</b>	<b>589</b>	<b>9</b>	<b>5</b>	<b>-3</b>
Japan	97	0	97	-20	77	86	1	87	13	11	-11
Rest of Asia Pacific Japan	148	1	149	5	154	169	2	171	-12	-13	-10
<b>Total Asia Pacific Japan</b>	<b>245</b>	<b>1</b>	<b>246</b>	<b>-15</b>	<b>231</b>	<b>255</b>	<b>3</b>	<b>258</b>	<b>-4</b>	<b>-5</b>	<b>-10</b>
<b>Software and software-related service revenue</b>	<b>1,741</b>	<b>11</b>	<b>1,753</b>	<b>-34</b>	<b>1,719</b>	<b>1,736</b>	<b>47</b>	<b>1,783</b>	<b>0</b>	<b>-2</b>	<b>-4</b>
<b>Total revenue by region***</b>											
Germany	433	0	433	0	433	453	1	454	-4	-5	-5
Rest of EMEA	791	4	795	37	832	837	17	854	-5	-7	-3
<b>Total EMEA</b>	<b>1,223</b>	<b>4</b>	<b>1,227</b>	<b>37</b>	<b>1,265</b>	<b>1,290</b>	<b>18</b>	<b>1,308</b>	<b>-5</b>	<b>-6</b>	<b>-3</b>
United States	650	6	656	-85	571	635	24	659	2	0	-13
Rest of Americas	211	0	211	19	230	202	2	204	4	3	13
<b>Total Americas</b>	<b>861</b>	<b>6</b>	<b>868</b>	<b>-66</b>	<b>801</b>	<b>837</b>	<b>26</b>	<b>863</b>	<b>3</b>	<b>1</b>	<b>-7</b>
Japan	120	0	120	-25	95	112	1	113	7	6	-16
Rest of Asia Pacific Japan	193	1	194	8	202	221	2	223	-13	-13	-9
<b>Total Asia Pacific Japan</b>	<b>313</b>	<b>1</b>	<b>314</b>	<b>-17</b>	<b>297</b>	<b>333</b>	<b>3</b>	<b>336</b>	<b>-6</b>	<b>-7</b>	<b>-12</b>
<b>Total Revenue</b>	<b>2,397</b>	<b>11</b>	<b>2,409</b>	<b>-46</b>	<b>2,362</b>	<b>2,460</b>	<b>47</b>	<b>2,507</b>	<b>-3</b>	<b>-4</b>	<b>-6</b>

\* adjustments in the revenue line items are for the Business Objects support revenue that Business Objects would have recognized had it remained a stand-alone entity but that SAP is not permitted to recognize as revenue under U.S. GAAP as a result of business combination accounting rules. Adjustments in the operating expense line items are for acquisition-related charges. See Appendix - explanation of non-GAAP measures for details

\*\* constant currency revenue figures are calculated by translating revenue of the current period using the average exchange rates from the previous year's respective period instead of the current period. Constant currency period-over-period changes are calculated by comparing the current year's non-GAAP constant currency numbers with the non-GAAP number of the previous year's respective period

\*\*\* based on customer location

Differences may exist due to rounding



## SHARE-BASED COMPENSATION (U.S. GAAP)

Preliminary and unaudited

€ millions	Three months ended March 31		
	2009	2008	% change
<i>Share-based compensation per expense line item</i>			
Cost of software and software-related services	1	1	0%
Cost of professional services and other services	1	1	0%
Research and development	1	4	-75%
Sales and marketing	0	2	-100%
General and administration	1	1	0%
Other operating income/expense, net	0	0	N/A
<b>Total Share-Based Compensation</b>	<b>3</b>	<b>9</b>	<b>-67%</b>

Note: The share-based compensation expenses do not differ between SAP's U.S. GAAP and non-GAAP measures

Differences may exist due to rounding

## FREE CASH FLOW

Preliminary and unaudited

€ millions	Three months ended March 31		
	2009	2008	% change
Net cash provided by operating activities from continuing operations	1,387	1,072	29%
Purchase of long-lived assets excluding additions from business combinations	-50	-61	-18%
<b>Free Cash Flow</b>	<b>1,337</b>	<b>1,011</b>	<b>32%</b>

Differences may exist due to rounding

## DAYS SALES OUTSTANDING

Preliminary and unaudited

€ millions	March 31, 2009	December 31, 2008	change in days
Days Sales Outstanding	73	71	2

## HEADCOUNT

Preliminary and unaudited

in Full-Time Equivalents - from continuing operations	March 31, 2009	December 31, 2008	March 31, 2008
<b>Headcount by Region</b>			
Germany	15,520	15,582	15,112
Rest of EMEA	10,990	11,243	11,214
<b>Total EMEA</b>	<b>26,510</b>	<b>26,825</b>	<b>26,326</b>
United States	8,545	9,214	9,586
Rest of Americas	3,977	4,243	4,474
<b>Total Americas</b>	<b>12,522</b>	<b>13,457</b>	<b>14,060</b>
Japan	1,351	1,413	1,466
Rest of Asia Pacific Japan	9,533	9,841	9,422
<b>Total Asia Pacific Japan</b>	<b>10,884</b>	<b>11,254</b>	<b>10,888</b>
<b>Total</b>	<b>49,916</b>	<b>51,536</b>	<b>51,274</b>
<b>Headcount by Functional Area</b>			
Software and software-related services	6,370	6,458	6,594
Professional services and other services	13,399	14,051	14,012
Research and development	15,401	15,547	14,990
Sales and marketing	10,075	10,701	10,767
General and administration	3,173	3,244	3,356
Infrastructure	1,498	1,535	1,555
<b>Total</b>	<b>49,916</b>	<b>51,536</b>	<b>51,274</b>



**MULTI QUARTER SUMMARY**  
**(U.S. GAAP and Non-GAAP)**  
Preliminary and unaudited

€ millions, unless otherwise stated	Q1/2009	Q4/2008	Q3/2008	Q2/2008	Q1/2008
<b>Software revenue (U.S. GAAP)</b>	418	1,323	763	898	622
Revenue adjustment*	0	0	0	0	0
<b>Software revenue (Non-GAAP)</b>	418	1,323	763	898	622
<b>Support revenue (U.S. GAAP)</b>	1,252	1,269	1,167	1,099	1,058
Revenue adjustment*	11	26	41	52	47
<b>Support revenue (Non-GAAP)</b>	1,263	1,295	1,208	1,151	1,105
<b>Subscription and other software-related service revenue (U.S. GAAP)</b>	71	74	64	64	56
Revenue adjustment*	0	0	0	0	0
<b>Subscription and other software-related service revenue (Non-GAAP)</b>	71	74	64	64	56
<b>Software and software-related service revenue (U.S. GAAP)</b>	1,741	2,666	1,994	2,061	1,736
Revenue adjustment*	11	26	41	52	47
<b>Software and software-related service revenue (Non-GAAP)</b>	1,752	2,692	2,035	2,113	1,783
<b>Total revenue (U.S. GAAP)</b>	2,397	3,488	2,761	2,858	2,460
Revenue adjustment*	11	26	41	52	47
<b>Total revenue (Non-GAAP)</b>	2,408	3,514	2,802	2,910	2,507
<b>Operating income (U.S. GAAP)</b>	332	1,276	614	593	359
Revenue adjustment*	11	26	41	52	47
Expense adjustment*	66	72	76	66	83
<b>Operating income (Non-GAAP)</b>	409	1,374	731	711	489
<b>Operating margin (U.S. GAAP)</b>	13.9%	36.6%	22.2%	20.7%	14.6%
<b>Operating margin (Non-GAAP)</b>	17.0%	39.1%	26.1%	24.4%	19.5%
<b>Effective tax rate from continuing operations (Non-GAAP)</b>	30.6%	28.3%	30.9%	30.7%	29.0%
<b>EPS from continuing operations - basic in € (U.S. GAAP)</b>	0.18	0.72	0.35	0.34	0.21
<b>EPS from continuing operations - diluted in € (U.S. GAAP)</b>	0.18	0.73	0.34	0.34	0.21
<b>EPS from continuing operations - basic in € (Non-GAAP)</b>	0.22	0.78	0.41	0.42	0.29
<b>EPS from continuing operations - diluted in € (Non-GAAP)</b>	0.22	0.78	0.41	0.42	0.29
<b>Headcount**</b>	49,916	51,536	51,863	51,447	51,274

\* adjustments in the revenue line items are for the Business Objects support revenue that Business Objects would have recognized had it remained a stand-alone entity but that SAP is not permitted to recognize as revenue under U.S. GAAP as a result of business combination accounting rules. Adjustments in the operating expense line items are for acquisition-related charges. See Appendix - explanation of non-GAAP measures for details

\*\* in Full-Time Equivalents - from continuing operations

Differences may exist due to rounding

## Explanation of Non-GAAP Measures

This document discloses certain financial measures, such as non-GAAP revenues, non-GAAP expenses, non-GAAP operating income, non-GAAP operating margin, non-GAAP net income, non-GAAP earnings per share, free cash flow, constant currency revenue and operating income measures as well as U.S. dollar-based non-GAAP revenue numbers that are not prepared in accordance with U.S. GAAP and are therefore considered non-GAAP financial measures. Our non-GAAP financial measures may not correspond to non-GAAP financial measures that other companies report. The non-GAAP financial measures that we report should be considered as additional to, and not as substitutes for or superior to, revenue, operating income, cash flows, or other measures of financial performance prepared in accordance with U.S. GAAP. Our non-GAAP financial measures included in this document are reconciled to the nearest U.S. GAAP measure in the tables on the pages F4 to F8 above.

We believe that it is of interest to investors to receive certain supplemental historical and prospective non-GAAP financial information used by our management in running our business and making financial, strategic and operational decisions – in addition to financial data prepared in accordance with U.S. GAAP – to attain a more transparent understanding of our past performance and our future results. Beginning in 2008, we use these non-GAAP measures as defined below consistently in our planning, forecasting, reporting, compensation and external communication. Specifically,

- Our management uses these non-GAAP numbers rather than U.S. GAAP numbers as the basis for financial, strategic and operating decisions
- The variable remuneration components of our board members and employees that are tied to our company's growth and operating performance are based on SAP's achievement of its targets for non-GAAP operating income, non-GAAP software and software-related revenue growth at constant currencies, and non-GAAP operating margin at constant currencies.
- The annual budgeting process involving all management units is based on non-GAAP revenues and non-GAAP operating income numbers rather than U.S. GAAP numbers.
- All monthly forecast and performance reviews with all senior managers globally are based on these non-GAAP measures rather than U.S. GAAP numbers.
- Both, company-internal target setting and guidance provided to the capital markets are based on non-GAAP revenues and non-GAAP income measures rather than U.S. GAAP numbers.

We believe that our non-GAAP measures are useful to investors for the following reasons:

- The non-GAAP measures provide investors with insight into management's decision-making since management uses these non-GAAP measures to run our business and make financial, strategic and operating decisions.
- The non-GAAP measures provide investors with additional information that enables a comparison of year-over-year operating performance by eliminating certain direct effects resulting from the acquisition of Business Objects.

Our non-GAAP financial measures reflect adjustments based on the following items, as well as the related income tax effects:

### Non-GAAP revenue:

Revenues in this document identified as "non-GAAP revenue" have been adjusted from the respective U.S. GAAP numbers by including the full amount of Business Objects support revenues that would have been reflected by Business Objects had it remained a stand-alone entity but which are not permitted to be reflected as revenues under U.S. GAAP as a result of fair value accounting for Business Objects support contracts in effect at the time of the Business Objects acquisition.

Under U.S. GAAP we record at fair value the Business Objects support contracts in effect at the time of the acquisition of Business Objects. Consequently, our U.S. GAAP support revenues, our U.S. GAAP software and software-related service revenues and our U.S. GAAP total revenues for periods subsequent to the Business Objects acquisition do not reflect the full amount of support revenue that Business Objects would have recorded for these support contracts absent the acquisition by SAP. Adjusting revenue numbers for this one-time revenue impact provides additional insight into our ongoing performance. The support contracts are typically one-year contracts, and we expect customers will renew them, which would result in revenues from the support fees. However, we cannot provide absolute assurance that these contracts will in fact be renewed.

### Non-GAAP operating expense:

We exclude acquisition-related charges, which are defined as follows:

- Amortization expense of intangibles acquired in business combinations and certain standalone acquisitions of intellectual property;
- Expense from purchased in-process research and development; and
- Restructuring expenses as far as incurred in connection with a business combinations

### Non-GAAP operating income, non-GAAP operating margin, non-GAAP net income and non-GAAP earnings per share

Operating income, operating margin, net income and earnings per share in this document identified as “non-GAAP operating income”, “non-GAAP operating margin”, “non-GAAP net income and “non-GAAP earnings per share” have been adjusted from the respective operating income, operating margin, net income and earnings per share numbers as recorded under U.S. GAAP by adjusting for the above mentioned non-GAAP revenues and non-GAAP expenses.

We include these non-GAAP revenues and exclude these non-GAAP expenses for the purpose of calculating non-GAAP operating income, non-GAAP operating margin, non-GAAP net income and non-GAAP earnings per share when evaluating the continuing operational performance of the Company because these expenses generally cannot be changed or influenced by management after the acquisition other than by disposing of the acquired assets. As management at levels below the Executive Board has no influence on these expenses we generally do not consider these expenses for purposes of evaluating the performance of management units. As we believe that our Company-wide performance measures need to be aligned with the measures generally applied by management at varying levels throughout the Company we exclude these expenses when making decisions to allocate resources, both, on a Company level and at lower levels of the organization. In addition, we use these non-GAAP measures to gain a better understanding of the Company's comparative operating performance from period-to-period and as a basis for planning and forecasting future periods. Considering that management at all levels of the organization is heavily focused on our non-GAAP measures in our internal reporting and controlling, we believe that it is in the interest of our investors that they are provided with the same information.

We believe that our non-GAAP financial measures described above have limitations, which include but are not limited to the following:

- The eliminated amounts may be material to us.
- Without being analysed in conjunction with the corresponding U.S. GAAP measures the non-GAAP measures are not indicative of our present and future performance, foremost for the following reasons:
  - The additional insight into our potential future financial performance that our non-GAAP revenue numbers are intended to provide assumes that Business Objects customers renew their maintenance contracts. Projections of our future revenues made based on these numbers would be overstated if such maintenance renewals do not occur.
  - While our non-GAAP income numbers reflect the elimination of certain acquisition-related expenses, no eliminations are made for the additional revenues that result from the acquisitions.
  - The acquisition-related one-time charges that we eliminate in deriving our non-GAAP income numbers are likely to recur should SAP enter into material business combinations in the future.
  - The acquisition-related amortization expense that we eliminate in deriving our non-GAAP income numbers are recurring expenses that will impact our financial performance in future years.
  - While our non-GAAP revenue numbers are adjusted for a one-time impact only, our non-GAAP expenses are adjusted for both one-time and recurring items. Additionally, the revenue adjustment for the fair value accounting for Business Objects support contracts and the expense adjustment for one-time and recurring acquisition-related charges do not arise from a common conceptual basis as the revenue adjustment aims at improving the comparability of the initial post-acquisition period with future post-acquisition periods while the expense adjustment aims at improving the comparability between post-acquisition periods and pre-acquisition periods. This should particularly be considered when evaluating our non-GAAP operating income and non-GAAP operating margin numbers as these combine our non-GAAP revenues and non-GAAP expenses despite the absence of a common conceptual basis.

We believe, however, that the presentation of the non-GAAP measures in conjunction with the corresponding U.S. GAAP measures provide useful information to management and investors regarding present and future business trends relating to our financial condition and results of operations. We therefore do not evaluate our growth and performance without considering both non-GAAP measures and U.S. GAAP measures. We caution the readers of this document to follow a similar approach by considering our non-GAAP measures only in addition to, and not as a substitute for or superior to, revenues or other measures of our financial performance prepared in accordance with U.S. GAAP.

### **Free Cash Flow**

We believe that free cash flow is a widely accepted supplemental measure of liquidity. Free cash flow measures a company's cash flow remaining after all expenditures required to maintain or expand the business have been paid off. We calculate free cash flow as operating cash flow from continuing operations minus additions to long-lived assets and to intangibles, excluding additions from acquisitions. Free cash flow should be considered in addition to, and not as a substitute for or superior to, cash flow or other measures of liquidity and financial performance prepared in accordance with U.S. GAAP.

### **Constant Currency Period-over-Period Changes**

We believe it is important for investors to have information that provides insight into our sales. Revenue measures determined under U.S. GAAP provide information that is useful in this regard. However, both sales volume and currency effects impact period-over-period changes in sales revenue. We do not sell standardized units of products and services, so we cannot provide relevant information on sales volume by providing data on the changes in product and service units sold. To provide additional information that may be useful to investors in breaking down and evaluating changes in sales volume, we present information about our revenue and various values and components relating to operating income that are adjusted for foreign currency effects. We calculate constant currency year-over-year changes in revenue and operating income by translating foreign currencies using the average exchange rates from the previous (comparator) year instead of the report year.

We believe that data on constant currency period-over-period changes have limitations, particularly as the currency effects that are eliminated constitute a significant element of our revenues and expenses and may severely impact our performance. We therefore limit our use of constant currency period-over-period changes to the analysis of changes in volume as one element of the full change in a financial measure. We do not evaluate our results and performance without considering both constant currency period-over-period changes on the one hand and changes in revenues, expenses, income, or other measures of financial performance prepared in accordance with U.S. GAAP on the other. We caution the readers of this document to follow a similar approach by considering data on constant currency period-over-period changes only in addition to, and not as a substitute for or superior to, changes in revenues, expenses, income, or other measures of financial performance prepared in accordance with U.S. GAAP.

### **U.S. Dollar-based Non-GAAP Revenue Measures**

Substantially all of our major competitors report their financial performance in U.S. dollars. Thus changes in exchange rates, particularly in the U.S. dollar to euro rates, affect the financial statements of our competitors differently than our euro-based financial statements. We therefore believe that U.S. dollar-based revenues for SAP provide investors with useful additional information that enables them to better compare SAP's revenue growth with SAP's competitors' revenue growth irrespective of movements in exchange rates.

Our U.S. dollar non-GAAP revenues are determined as if SAP's reporting currency was the U.S. dollar. In fact, the reporting currency of our U.S. GAAP and IFRS consolidated financial statements as filed in Germany and in the U.S. with the U.S. Securities and Exchange Commission (SEC) is the euro. Additionally, our U.S. dollar non-GAAP revenue numbers have been adjusted from the respective U.S. GAAP revenues by the same support revenue fair value adjustment than our non GAAP revenues explained above.

SAP's management uses our U.S. dollar non-GAAP revenues to gain a better understanding of SAP's operating results compared to SAP's major competitors.

We believe that our U.S. dollar non-GAAP revenues have limitations, particularly because the impact of currency exchange rate fluctuations and the eliminated amounts may be material to us. We therefore do not evaluate our growth and performance without considering both non-GAAP revenues and euro-based U.S. GAAP revenues. We caution the readers of this document to follow a similar approach by considering our U.S. dollar non-GAAP revenues only in addition to, and not as a substitute for or superior to, revenues or other measures of our financial performance prepared in accordance with U.S. GAAP and reported in euro.



## CONSOLIDATED STATEMENTS OF INCOME (IFRS)

Preliminary and unaudited

€ millions, unless otherwise stated	Three months ended March 31		
	2009	2008	% change
Software revenue	418	622	-33
Support revenue	1,252	1,062	18
Subscription and other software-related service revenue	71	56	27
<b>Software and software-related service revenue</b>	<b>1,741</b>	<b>1,740</b>	<b>0</b>
Consulting revenue	553	587	-6
Training revenue	72	104	-31
Other service revenue	24	25	-4
<b>Professional services and other service revenue</b>	<b>649</b>	<b>716</b>	<b>-9</b>
<b>Other revenue</b>	<b>7</b>	<b>8</b>	<b>-13</b>
<b>Total revenue</b>	<b>2,397</b>	<b>2,464</b>	<b>-3</b>
Cost of software and software-related services	-386	-375	3
Cost of professional services and other services	-521	-568	-8
Research and development	-365	-405	-10
Sales and marketing	-513	-599	-14
General and administration	-139	-152	-9
Restructuring	-166	-5	3,220
Other operating income/expense, net	0	0	N/A
<b>Total operating expenses</b>	<b>-2,090</b>	<b>-2,104</b>	<b>-1</b>
<b>Operating profit</b>	<b>307</b>	<b>360</b>	<b>-15</b>
<b>Other non-operating income/expense, net</b>	<b>-2</b>	<b>-2</b>	<b>0</b>
Interest income	9	23	-61
Interest expense	-24	-31	-23
Other financial income	-3	7	-143
Share of loss of associates accounted for using the equity method	0	-1	-100
<b>Financial income, net</b>	<b>-18</b>	<b>-2</b>	<b>800</b>
<b>Profit before income taxes</b>	<b>287</b>	<b>356</b>	<b>-19</b>
Income taxes	-91	-108	-16
<b>Profit after taxes</b>	<b>196</b>	<b>248</b>	<b>-21</b>
-Profit attributable to noncontrolling interests	0	0	N/A
-Profit attributable to equity holders of the parent	196	248	-21
<b>Earnings per share</b>			
Earnings per share attributable to equity holders of the parent – basic in €	0.17	0.21	-19
Earnings per share attributable to equity holders of the parent – diluted in €	0.16	0.21	-24
Weighted average number of shares*	1,187	1,196	
<b>Key Ratios</b>			
Operating margin	12.8%	14.6%	-1.8pp
Effective tax rate	31.7%	30.3%	

\* in millions, treasury stock excluded



**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
(IFRS)**

Preliminary and unaudited

€ millions	March 31, 2009	December 31, 2008
<b>Assets</b>		
Cash and cash equivalents	2,020	1,277
Restricted cash	1	3
Short-term investments	932	382
Other financial assets	151	206
Financial assets	1,083	588
Accounts receivable, net	3,250	3,128
Other assets	79	92
Income tax receivables	283	399
Prepaid expenses/deferred charges	117	84
<b>Current assets</b>	<b>6,833</b>	<b>5,571</b>
Goodwill	5,014	4,975
Intangible assets, net	1,080	1,140
Property, plant, and equipment, net	1,402	1,405
At-Equity investments	22	21
Other investments	71	74
Other financial assets	163	167
Financial assets	256	262
Accounts receivable, net	1	2
Other assets	42	39
Income tax receivables	75	33
Deferred income taxes	483	441
Prepaid expenses/deferred charges	31	32
<b>Noncurrent assets</b>	<b>8,384</b>	<b>8,329</b>
<b>Total assets</b>	<b>15,217</b>	<b>13,900</b>
<b>Liabilities and total equity</b>		
<b>Liabilities and total equity</b>		
Accounts payable	520	539
Income tax payable	315	363
Financial liabilities	2,533	2,563
Other liabilities	1,084	1,488
Financial and Other liabilities	3,617	4,051
Provisions	366	248
Deferred income*	2,082	623
<b>Current liabilities</b>	<b>6,900</b>	<b>5,824</b>
Accounts payable	2	5
Income tax obligations	301	278
Financial liabilities	29	40
Other liabilities	51	50
Financial and Other liabilities	80	90
Provisions	257	232
Deferred tax liabilities	212	239
Deferred income	57	61
<b>Noncurrent liabilities</b>	<b>909</b>	<b>905</b>
<b>Total liabilities</b>	<b>7,809</b>	<b>6,729</b>
Common stock, no par value	1,226	1,226
Treasury stock	-1,353	-1,362
Additional paid-in capital	318	320
Retained earnings*	7,638	7,442
Accumulated other comprehensive loss	-423	-457
<b>Total equity attributable to shareholders of SAP AG</b>	<b>7,406</b>	<b>7,169</b>
Noncontrolling interests	2	2
<b>Total equity</b>	<b>7,408</b>	<b>7,171</b>
<b>Total liabilities and total equity</b>	<b>15,217</b>	<b>13,900</b>

\* Adjustments to prior year reported numbers are based on the application of IFRIC 13, *Customer Loyalty Programmes*



**Reconciliations from U.S. GAAP and Non-GAAP to IFRS and Non-IFRS Numbers**  
Preliminary and unaudited

The following table provides a reconciliation from our U.S. GAAP and non-GAAP numbers to the respective most comparable IFRS and non-IFRS numbers. Note: Our non-GAAP and non-IFRS numbers are not prepared under a comprehensive set of accounting rules or principles. Please see the section "Explanation of Non-IFRS Measures" for more information on our Non-GAAP and Non-IFRS numbers.

€ millions, unless otherwise stated	Three months ended March 31							
	2009			2008			% change	
	U.S. GAAP	IFRS vs. U.S. GAAP Diff.	IFRS	U.S. GAAP	IFRS vs. U.S. GAAP Diff.	IFRS	U.S. GAAP	IFRS
<b>Non-GAAP / Non-IFRS Revenue</b>								
U.S.GAAP / IFRS software and software-related service revenue	1,741	0	1,741	1,736	4	1,740	0%	0%
Discontinued operations*	0	0	0	0	-4	-4		
Deferred revenue w rite-down**	11	0	11	47	0	47		
Non-GAAP / Non-IFRS software and software-related service revenue	1,753	0	1,753	1,783	0	1,783	-2%	-2%
U.S.GAAP / IFRS total revenue	2,397	0	2,397	2,460	4	2,464	-3%	-3%
Discontinued operations*	0	0	0	0	-4	-4		
Deferred revenue w rite-down**	11	0	11	47	0	47		
Non-GAAP / Non-IFRS total revenue	2,409	0	2,409	2,507	0	2,507	-4%	-4%

<b>Non-GAAP / Non-IFRS Operating Income</b>								
U.S.GAAP / IFRS operating income	332	-25	307	359	1	360	-8%	-15%
Discontinued operations*	0	6	6	0	5	5		
Deferred revenue w rite-down**	11	0	11	47	0	47		
Acquisition related charges***	66	6	72	83	-4	79		
Non-GAAP / Non-IFRS operating income	410	-13	397	489	2	491	-16%	-19%

<b>Non-GAAP / Non-IFRS Operating Margin</b>								
U.S.GAAP / IFRS operating margin	13.9%		12.8%	14.6%		14.6%	-0.7pp	-1.8pp
Non-GAAP / Non-IFRS operating margin	17.0%		16.5%	19.5%		19.6%	-2.5pp	-3.1pp

\* adjustments are for the discontinued operations of the Tomorrow Now entities which do not qualify for separate presentation under IFRS. The adjustment differs from the result from discontinued operations under U.S.GAAP due to differences in the valuation of accrued liabilities.

\*\* adjustments are for the Business Objects support revenue that Business Objects would have recognized had it remained a stand-alone entity but that SAP is not permitted to recognize as revenue under both U.S. GAAP and IFRS as a result of business combination accounting rules. See section "Explanation of Non-IFRS Measures" for details.

\*\*\* adjustments are for the effects of restructuring accruals (Non-IFRS), in-process R&D (Non-GAAP), amortization of intangibles identified as part of a purchase price allocation (Non-GAAP and IFRS). See section "Explanation of Non-IFRS Measures" for details.

Differences due to rounding may exist

## **U.S. GAAP - IFRS Significant Differences with Impact on Income**

### Acquisition-related restructuring expense

In certain circumstances, U.S. GAAP requires that restructuring expense incurred in connection with a business combination be shown as an assumed liability, and therefore it does not normally affect income. However, this restructuring expense must be shown as a current expense under IFRS. After the application of SFAS 160 and the revision to IFRS 3 the accounting has been aligned under both U.S. GAAP and IFRS. Therefore, we do not expect material differences going forward.

### Acquired in-process research and development

Under U.S. GAAP, all in-process research and development acquired in connection with a business combination must be amortized immediately. Under IFRS, if certain criteria are met, it must be shown as an asset and, once completed and ready for market, amortized over its normal useful life. After the application of SFAS 160 and the revision to IFRS 3 the accounting has been aligned under both U.S. GAAP and IFRS. Therefore, we do not expect material differences going forward.

### Discontinued Operations

SAP's U.S. GAAP income statement shows the revenue and income of our TomorrowNow subsidiary's activities separately because we discontinued its operation. IFRS does not allow us to show them separately because TomorrowNow is not a material operation. This leads to the only difference between our presentation of revenue under U.S. GAAP and IFRS.

### Provisions for litigation costs

Under U.S. GAAP, we report attorneys' fees and other legal costs associated with litigation and claims when we incur them. Under IFRS, where appropriate and except to the extent it is virtually certain that we will recover them, we include an estimated amount for the litigation costs in a provision we create for the litigation.

### Deferred taxes

Where differences between our IFRS financial statements and our U.S. GAAP financial statements arise out of tax-relevant transactions that result in temporary differences between the financial statements and our tax accounts, they also result in differences in the deferred tax in our IFRS financial statements and our U.S. GAAP financial statements.

## Explanation of Non-IFRS Measures

Since 2007, we have been required by German and European law to prepare consolidated financial statements in accordance with IFRS. We have not, however, discontinued preparing financial statements under U.S. GAAP but have prepared consolidated financial statements under both U.S. GAAP and IFRS.

Despite the adoption of IFRS, our focus has continued to be on our U.S. GAAP financial figures and non-GAAP measures derived from them:

- The non-GAAP numbers have continued to be the key performance measures in our internal management reporting, planning, and forecasting, and in the variable compensation for our management and employees.
- We have maintained the focus of our external communication (for example, our business outlook) on U.S. GAAP numbers and non-GAAP numbers derived from them.

We plan to fully migrate to IFRS and discontinue the preparation of U.S. GAAP financial information with effect from the end of 2009. During 2009, we plan to continue to report our financial information according to both IFRS and U.S. GAAP. Our press release for Q4/2009 will be the last document in which we will provide U.S. GAAP financial information. In our annual report as well as our annual report on Form 20-F for fiscal year 2009 and all quarterly and annual reports thereafter, we plan to include only IFRS financial statements, and we plan to base our business outlook for 2010 and years thereafter on non-IFRS numbers derived from IFRS numbers. Concurrently with this change in our external financial communication, we will modify our internal management reporting, planning and forecasting, and variable compensation plans to align to the non-IFRS numbers we provide in our external communication.

To give investors an insight into what our migration from U.S. GAAP/non-GAAP to IFRS/non-IFRS will mean for SAP's key performance measures, the section titled *Reconciliations: U.S. GAAP / IFRS / Non-GAAP / Non-IFRS* shows a reconciliation from our U.S. GAAP and non-GAAP numbers to their most comparable IFRS and non-IFRS numbers. Note: Our non-GAAP and non-IFRS numbers are not prepared under a comprehensive set of accounting rules or principles. For more information on our non-GAAP measures, which also applies to our non-IFRS numbers subject to the additional explanations below, see the section titled *Explanation of Non-GAAP Measures*.

Our non-GAAP measures and our non-IFRS measures have been adjusted from the respective U.S. GAAP and IFRS numbers by:

- Including the full amount of Business Objects support revenue that Business Objects would have recognized had it remained a stand-alone entity but which we are not permitted to recognize as revenue under U.S. GAAP and IFRS as a result of fair value accounting for Business Objects support contracts in effect at the time of the Business Objects acquisition, and
- Excluding acquisition-related charges

However, the adjustment amounts for acquisition-related charges differ between our non-GAAP measures and our non-IFRS measures, due to differences between U.S. GAAP and IFRS. Specifically:

- Certain acquisition-related restructuring costs are accounted for as liabilities assumed in a business combination under U.S. GAAP while being charged to expense under IFRS. Consequently, these costs are eliminated only in our non-IFRS numbers.
- Purchased in-process research and development is charged to expense immediately under U.S. GAAP while being capitalized and amortized over the expected life under IFRS. Consequently, the immediate charge to expense is only eliminated in our non-GAAP measures while the amortization is only eliminated in our non-IFRS measures.

After the application of SFAS 160 and the revision to IFRS 3 the accounting has been aligned under both U.S. GAAP and IFRS. Therefore, we don't expect material differences in acquisition-related restructuring costs and purchased in-process research and development going forward.

Additionally, our non-IFRS measures have been adjusted from the respective IFRS numbers for the results from our discontinued TomorrowNow operations. Under U.S. GAAP, we present the results of operations of the TomorrowNow entities as discontinued operations. Under IFRS, results of discontinued operations may only be presented as discontinued operations if a separate major line of business or geographical area of operations is discontinued. Our TomorrowNow operations were not a separate major line of business and thus did not qualify for separate presentation under IFRS. We believe that this additional adjustment is useful to investors for the following reasons:

- Despite the migration from U.S. GAAP to IFRS, SAP will continue to view the TomorrowNow operations as discontinued operations and thus will continue to exclude potential future TomorrowNow results from its internal management reporting, planning, forecasting, and compensation plans. Therefore, adjusting our non-IFRS measures for the results of the discontinued TomorrowNow operations provides insight into the financial measures that SAP will use internally once SAP has fully migrated to IFRS.
- By adjusting the non-IFRS numbers for the results from our discontinued TomorrowNow operations, the non-IFRS number is more comparable to the non-GAAP measures that SAP uses currently, which makes SAP's performance measures before and after the full IFRS migration easier to compare.