

Consolidated Income Statements

SAP Group | in thousands of DM

	Note*	1998	1997
Sales revenues	7	8,465,294	6,017,466
Increase in inventory of unfinished services		20,300	2,472
Other operating income	8	169,271	79,966
		8,654,865	6,099,904
Cost of services and materials	9	-1,180,143	-605,719
Personnel expenses	10	-3,043,564	-2,074,920
Depreciation and amortization		-271,348	-195,321
Other operating expenses	11	-2,266,660	-1,611,728
Operating expenses		-6,761,715	-4,487,688
Operating result		1,893,150	1,612,216
Loss / Income from investments	12	-31,522	3,500
Income from marketable securities and loans of financial assets		1,874	1,469
Write-down of financial assets	13	-4,096	-2,811
Net interest income	14	60,816	52,562
Results from ordinary operations		1,920,222	1,666,936
Taxes on income	15	-822,706	-708,354
Other taxes		-45,168	-33,228
Total taxes		-867,874	-741,582
Net income		1,052,348	925,354
Minority interests		-3,023	-2,372
Group income		1,049,325	922,982
Beginning retained earnings – SAP AG		294,328	240,698
Distribution of dividends to SAP AG shareholders		-294,213	-240,192
Transfer to revenue reserves		-723,858	-629,160
Group retained earnings (retained earnings of SAP AG)		325,582	294,328

*) See Notes to Consolidated Financial Statements