

Fourth Quarter and Full-Year 2025 Results

Christian Klein, CEO
Dominik Asam, CFO

January 29, 2026

Public

SAP

Safe Harbor Statement

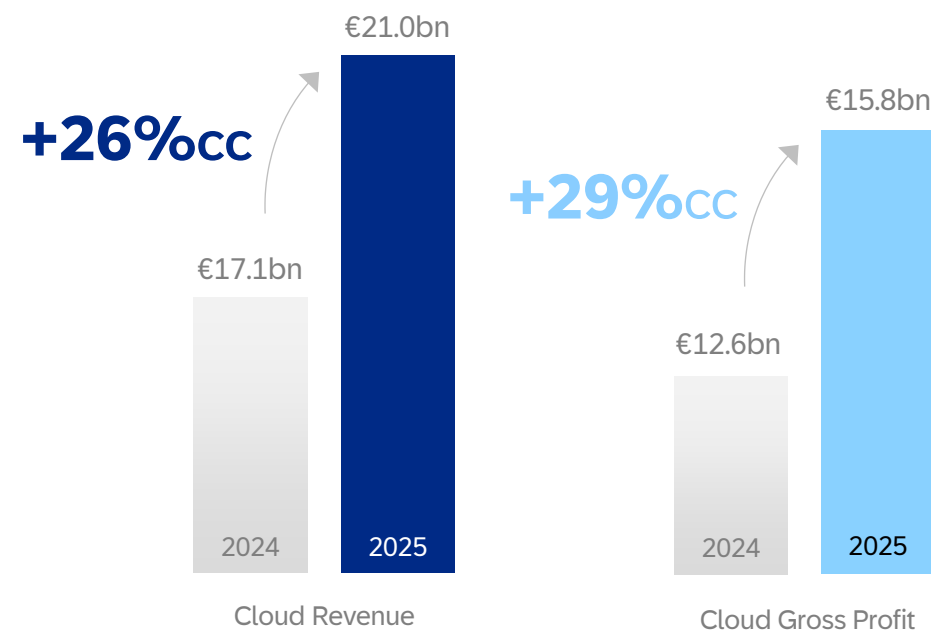
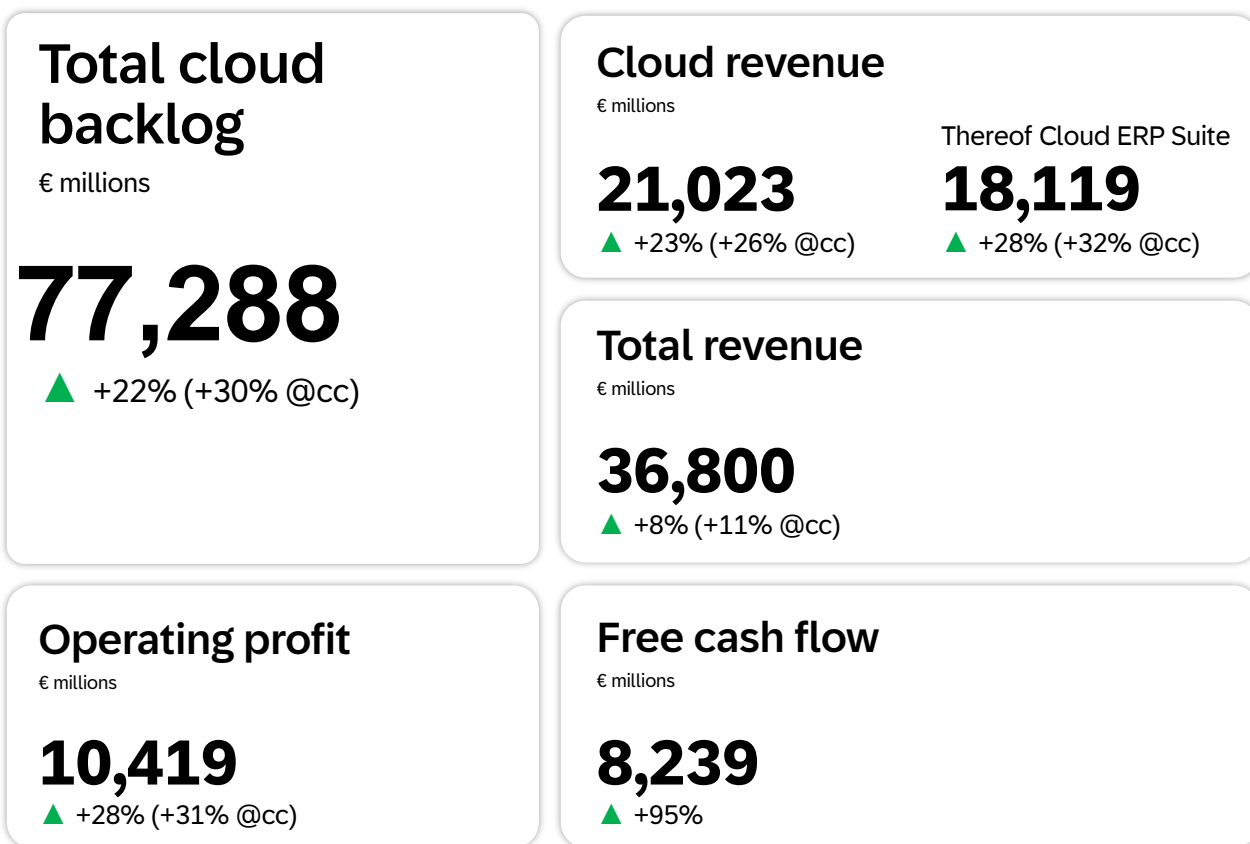
During this presentation we will make forward-looking statements which are predictions, projections, or other statements about future events. These statements are based on current expectations, forecasts, and assumptions that are subject to risks and uncertainties that could cause actual results and outcomes to materially differ. Additional information regarding these risks and uncertainties may be found in our filings with the Securities and Exchange Commission, including but not limited to the risk factors section of SAP's 2024 Annual Report on Form 20-F.



Christian Klein

CEO

2025 marked another year of strong progress in executing our strategic transformation



Illustrative | All numbers are in € millions, non-IFRS unless otherwise stated

Q4 provided a strong finish to 2025

Current cloud backlog

€ millions

21,052

▲ +16% (+25% @cc)

Cloud revenue

€ millions

5,610

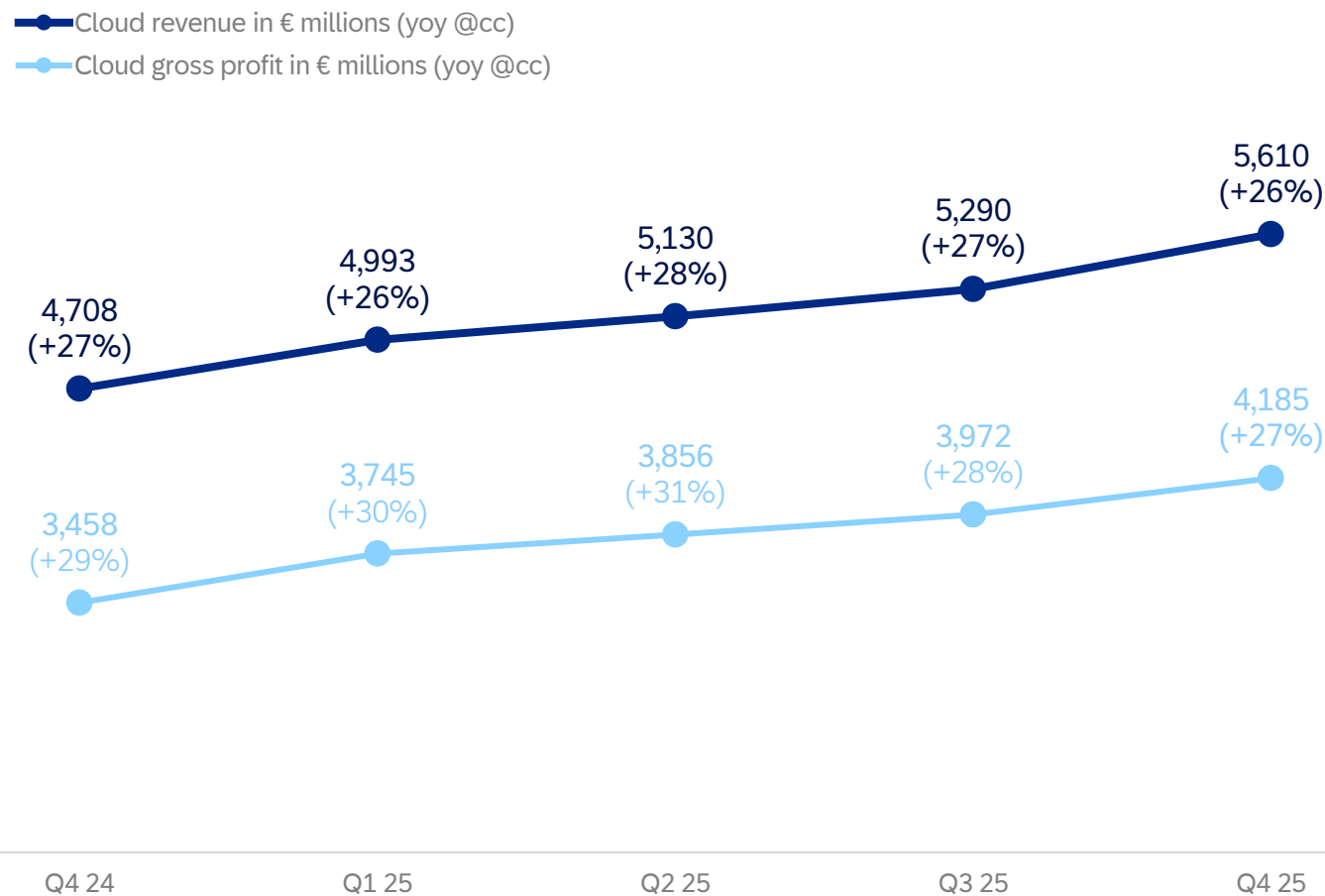
▲ +19% (+26% @cc)

Cloud ERP Suite revenue

€ millions

4,862

▲ +23% (+30% @cc)



All numbers are in € millions, non-IFRS unless otherwise stated.

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Customers achieve impressive outcomes with SAP Business AI

25%

of weekly working
time saved per
consultant

With

Joule for Consultants

SIEMENS

12 hours

of weekly working
time saved per HR
employee

With

**Joule and document
grounding**



500 hours

manual work saved
per month for
processing vendor
invoices

With

SAP Business AI



50%

of manual work cut
for procurement
enquiries

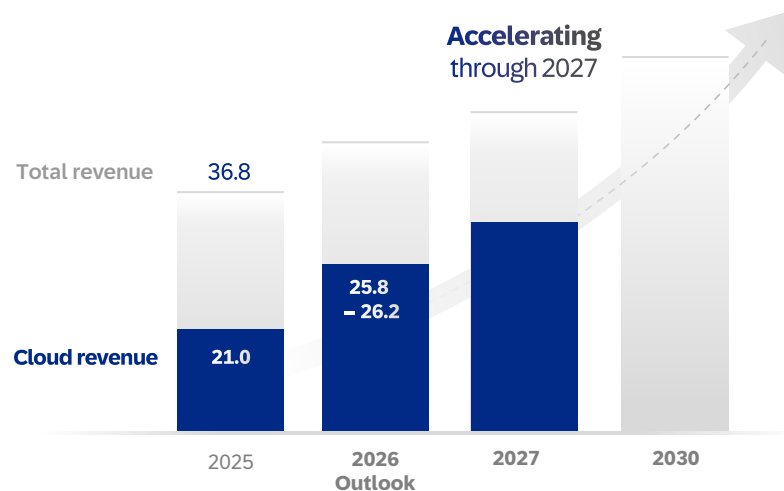
With

Joule agent



Five growth drivers for 2026 and beyond

Illustrative | Numbers in €bn



Cloud transformation backlog

TCB vs. CCB
Growth

in 2025

+5pp

Installed base journey to the cloud

Cloud revenue
conversion

Conversion factor

2–3x

Up- & cross-sell

Suite transformation
deals¹

Q4/2025

~70% (+ 25pp)

Expansion into mid-market and
net-new names

Indirect cloud
revenue growth

vs. direct cloud revenue

>1.5x

Winning market share with
SAP Business AI & Business Data Cloud

50 largest deals
included Data or AI

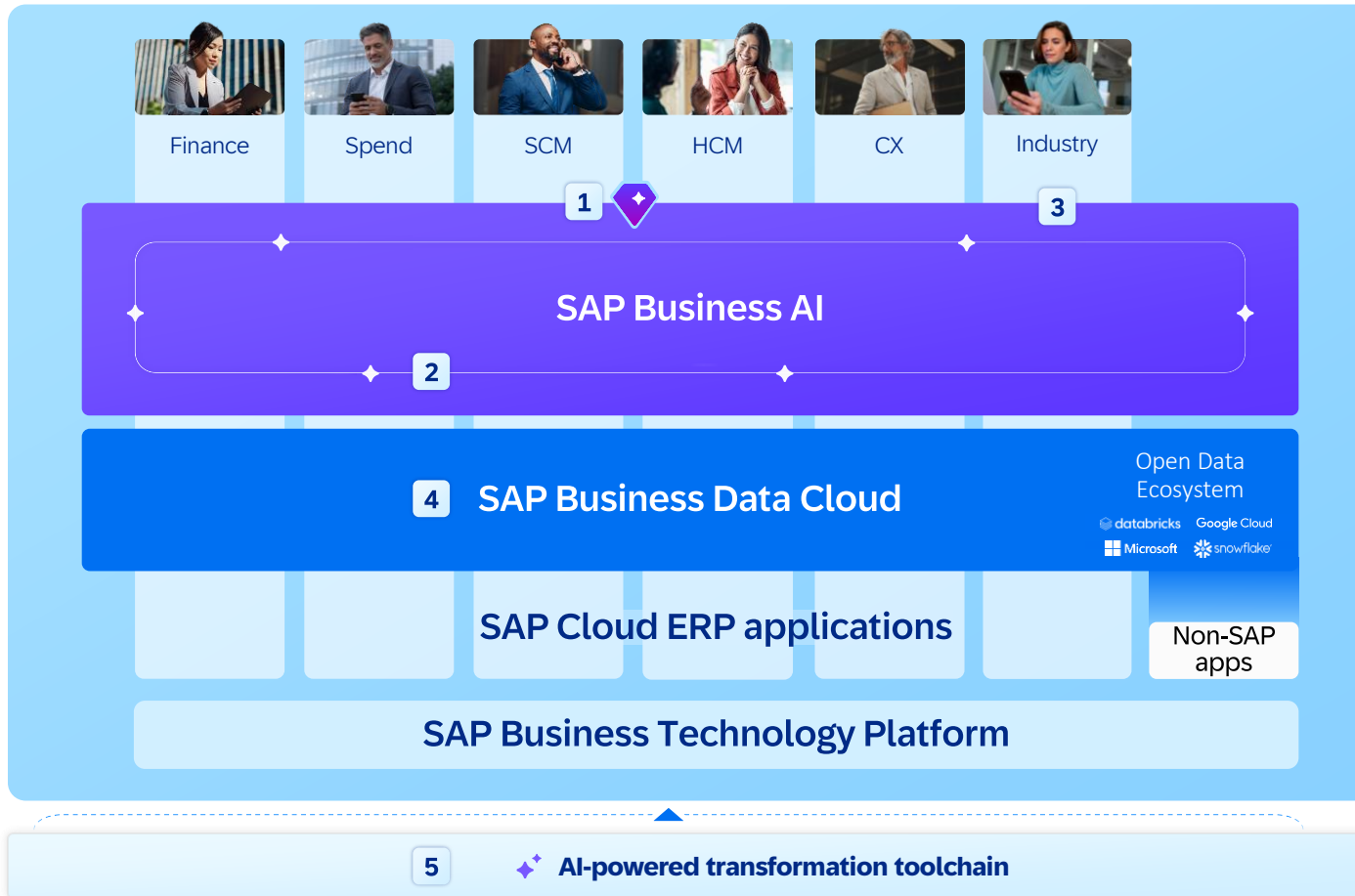
Q4/2025

90%

1. Deals with order entry of more than €1m including four or more line of business cloud solutions.

All numbers are in € billion, non-IFRS unless otherwise stated.

Winning market share with SAP Business AI & BDC



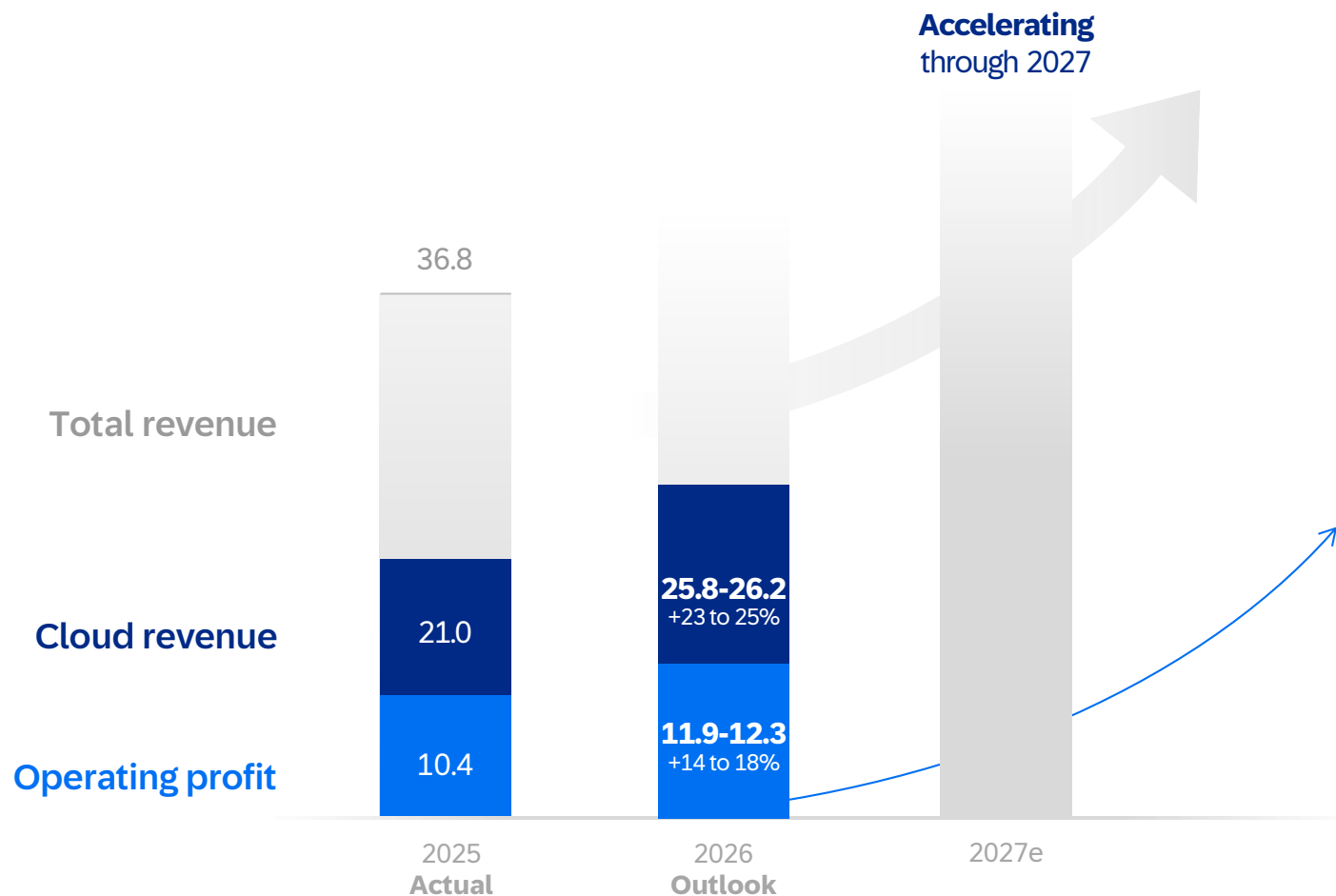
Five strategic pillars

to win market share with AI & data

- 1 **Joule** as the new AI user experience—answering everything, everywhere
- 2 Embedded and extensible **AI Assistants** redefining business processes
- 3 **Industry-specific AI applications** based on our deep domain know-how
- 4 **Business Data Cloud** as semantically rich foundation for AI
- 5 Transforming with **AI-powered toolchain** and **modernized Services portfolio**

Outlook 2026

Further improving on operating leverage



AI at scale to further simplify SAP processes and operations

People focus on quality hires, learning and high performance

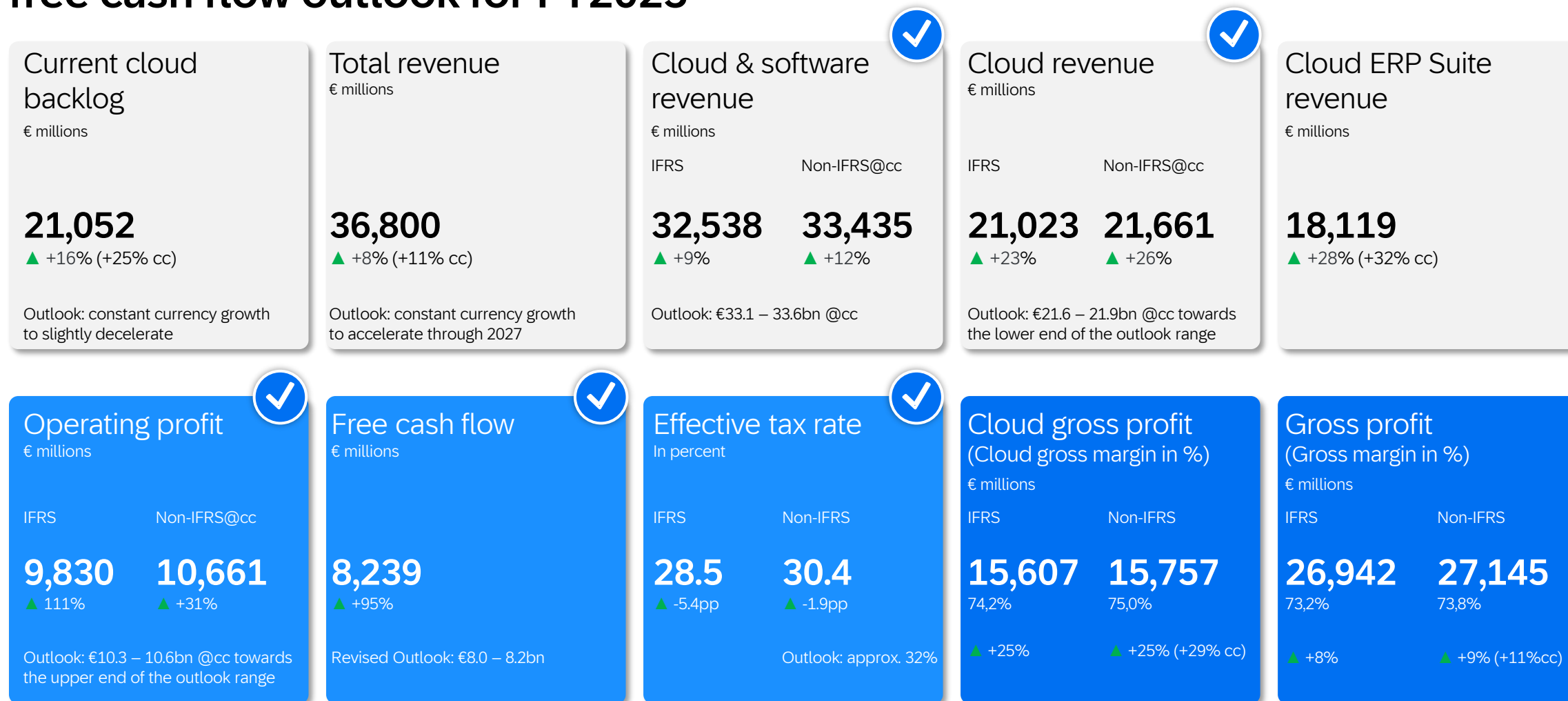
Operational excellence
on track to achieve Rule of 40

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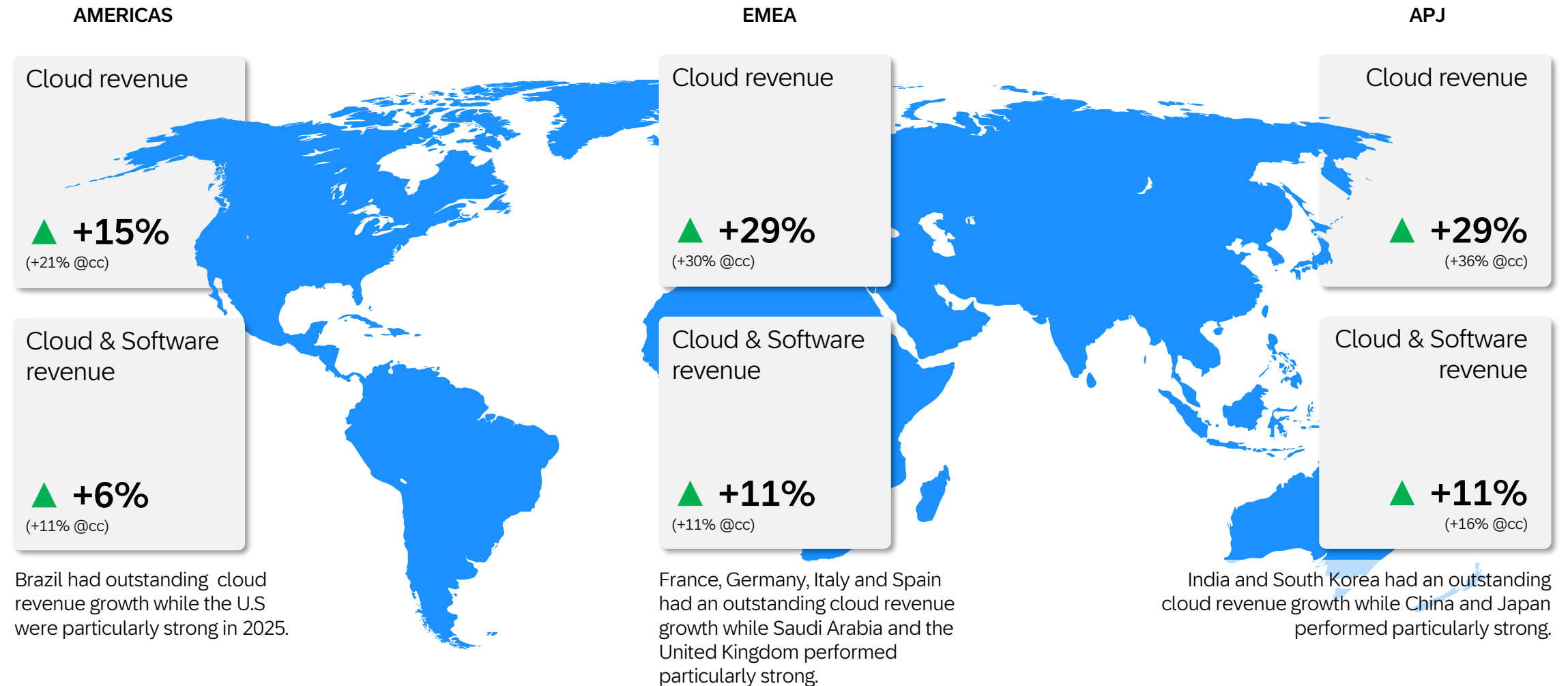
Dominik Asam

CFO

SAP meets revenue and exceeds non-IFRS operating profit and free cash flow outlook for FY2025



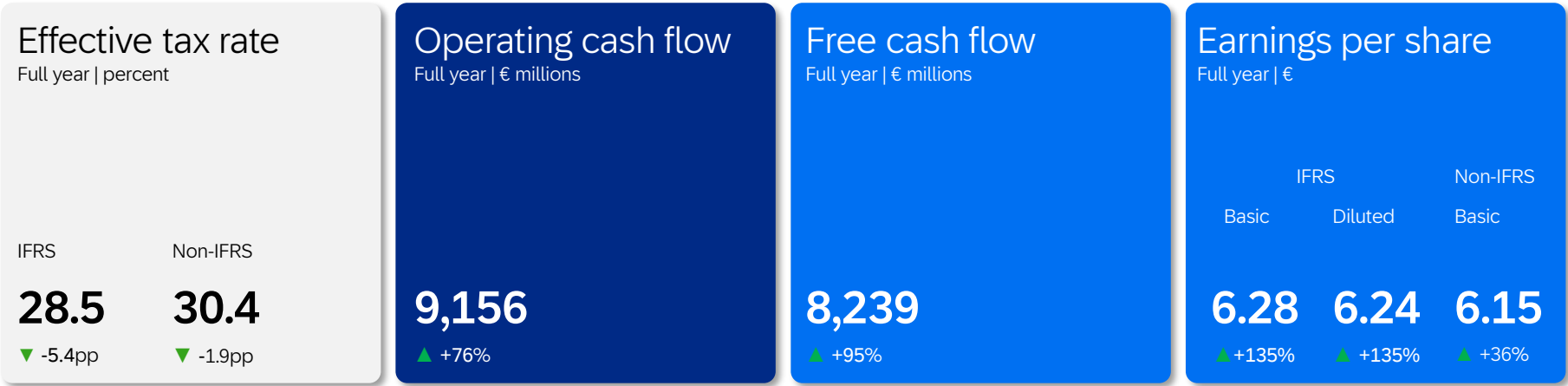
Regional revenue performance FY2025



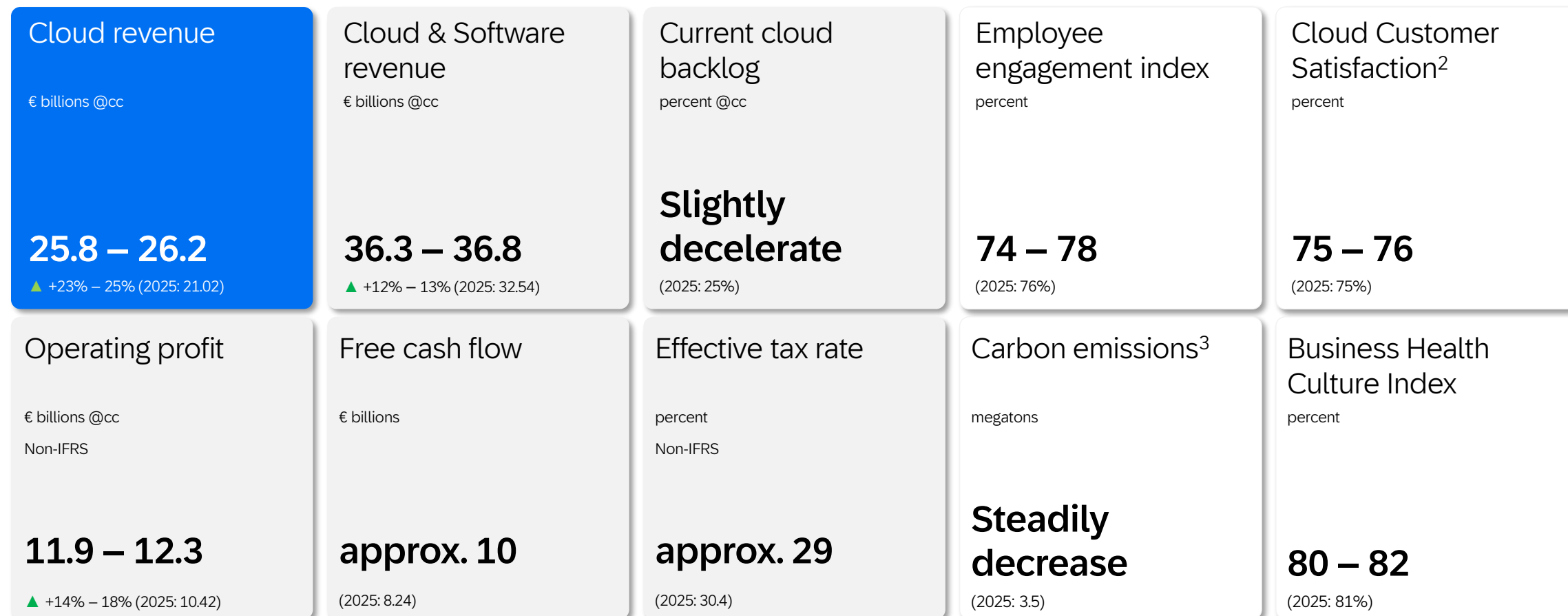
Revenue and gross profit development

	Revenue			Gross profit (Gross margin %)		
Non-IFRS in € millions, unless otherwise stated	FY 2025	Δ in %	Δ in % @cc	FY 2025	Δ in %	Δ in % @cc
Cloud	21,023	23	26	15,757 (75.0)	25	29
SaaS/PaaS	20,678	25	28			
IaaS	345	-36	-34			
Software licenses and Support	11,515	-9	-7	10,319 (89.6)	-10	-8
Cloud and Software	32,538	9	12	26,076 (80.1)	9	12
Services	4,262	-2	1	1,070 (25.1)	4	7
Total	36,800	8	11	27,145 (73.8)	9	11

Tax rate, Cash flow, and Earnings per share



2026 Financial outlook¹



SAP further expects constant currency total revenue growth to accelerate through 2027.

1) 2026 financial outlook is based on constant currencies assumptions, including an exchange rate of 1.13 US Dollar per Euro.

2) For 2026 and onward, SAP is adopting Cloud Customer Satisfaction (Cloud CSAT) as its new customer experience KPI. This metric better aligns to SAP's cloud-first strategy and goal of #1 in customer satisfaction. Adoption of the CSAT metric allows for a more direct measurement of customer satisfaction. 2025 Cloud CSAT was 75%.

3) In 2026, we will update the calculation methodology for the Use of Sold Products KPI, to a forward-looking approach that considers the estimated emissions during the lifetime of all new systems sold within a specific period. This change results in a significant decrease in reported emissions and therefore leads to a rebaselining according to the GHG-Protocol. For more information, see the Other Disclosures section.

Q&A

Appendix

SAP Q4 2025 Financial Results

Current cloud
backlog

€ millions

21,052

▲ +16% (+25% @cc)

Total revenue

€ millions

9,684

▲ +3% (+9% @cc)

Cloud & software
revenue

€ millions

8,618

▲ +4% (+10% @cc)

Cloud revenue

€ millions

5,610

▲ +19% (+26% @cc)

Cloud ERP Suite
revenue

€ millions

4,862

▲ +23% (+30% @cc)

Cloud gross profit
(Cloud gross margin in %)

€ millions

IFRS

Non-IFRS

4,106

73.2%

▲ +20%

4,185

74.6%

▲ +21% (+27% @cc)

Gross profit
(Gross margin in %)

€ millions

IFRS

Non-IFRS

7,044

72.7%

▲ +1%

7,175

74.1%

▲ +3% (+8% @cc)

Operating profit

€ millions

IFRS

Non-IFRS

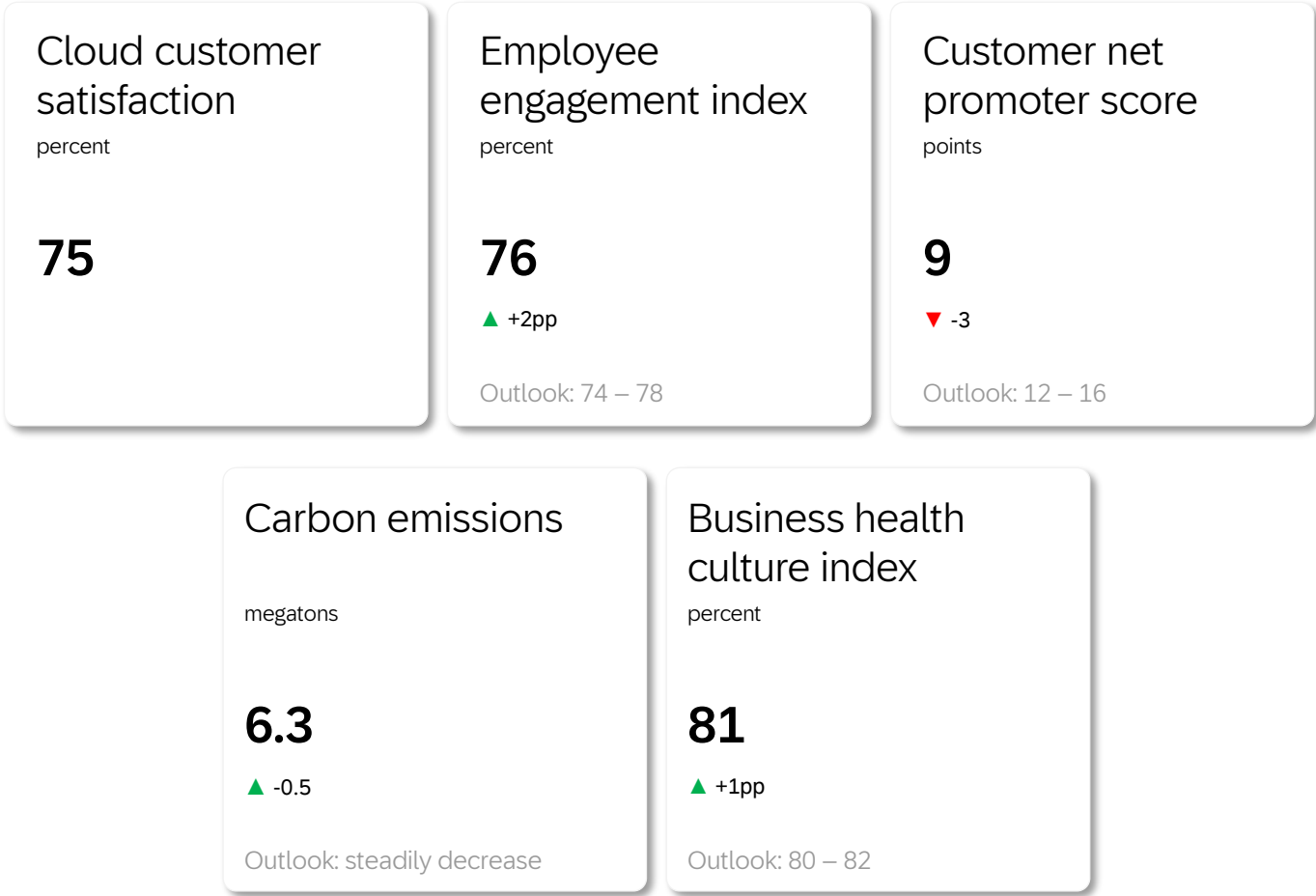
2,554

▲ +27%

2,829

▲ +16% (+21% @cc)

Non-financial performance 2025



Appendix

Income statement: Fourth quarter 2025

€ millions, unless otherwise stated	IFRS			Non-IFRS		
	Q4 25	Q4 24	Δ %	Q4 25	Q4 24	Δ % @cc
Cloud	5,610	4,708	19	5,610	4,708	19
Software licenses	452	683	-34	452	683	-34
Software support	2,557	2,876	-11	2,557	2,876	-11
Software licenses and support	3,008	3,559	-15	3,008	3,559	-15
Cloud and software	8,618	8,267	4	8,618	8,267	4
Services	1,066	1,110	-4	1,066	1,110	-4
Total revenue	9,684	9,377	3	9,684	9,377	3
Total operating expenses	-7,130	-7,361	-3	-6,855	-6,941	-1
Operating profit (loss)	2,554	2,016	27	2,829	2,436	16
Other non-operating income/expense, net	65	-83	N/A	65	-83	N/A
Financial income, net	147	273	-46	-61	-40	52
Profit (loss) before tax	2,767	2,207	25	2,833	2,313	22
Income tax expense	-871	-591	47	-937	-694	35
Profit (loss) after tax	1,896	1,616	17	1,896	1,619	17
Operating margin (in %)	26.4	21.5	4.9pp	29.2	26.0	3.2pp
Earnings per share, basic (in €)	1.58	1.37	15	1.62	1.40	16

Appendix

Income statement: Full year 2025

€ millions, unless otherwise stated	IFRS			Non-IFRS		
	Q1-Q4 25	Q1-Q4 24	Δ %	Q1-Q4 25	Q1-Q4 24	Δ % @cc
Cloud	21,023	17,141	23	21,023	17,141	23
Software licenses	990	1,399	-29	990	1,399	-29
Software support	10,525	11,290	-7	10,525	11,290	-7
Software licenses and support	11,515	12,689	-9	11,515	12,689	-9
Cloud and software	32,538	29,830	9	32,538	29,830	9
Services	4,262	4,346	-2	4,262	4,346	-2
Total revenue	36,800	34,176	8	36,800	34,176	8
Total operating expenses	-26,970	-29,511	-9	-26,382	-26,022	1
Operating profit (loss)	9,830	4,665	>100	10,419	8,153	28
Other non-operating income/expense, net	118	-298	N/A	118	-298	N/A
Financial income, net	534	398	34	-230	-63	>100
Profit (loss) before tax	10,482	4,764	>100	10,307	7,792	32
Income tax expense	-2,991	-1,614	85	-3,132	-2,513	25
Profit (loss) after tax	7,492	3,150	>100	7,176	5,279	36
Operating margin (in %)	26.7	13.6	13.1pp	28.3	23.9	4.5pp
Earnings per share, basic (in €)	6.28	2.68	>100	6.15	4.53	36

Appendix

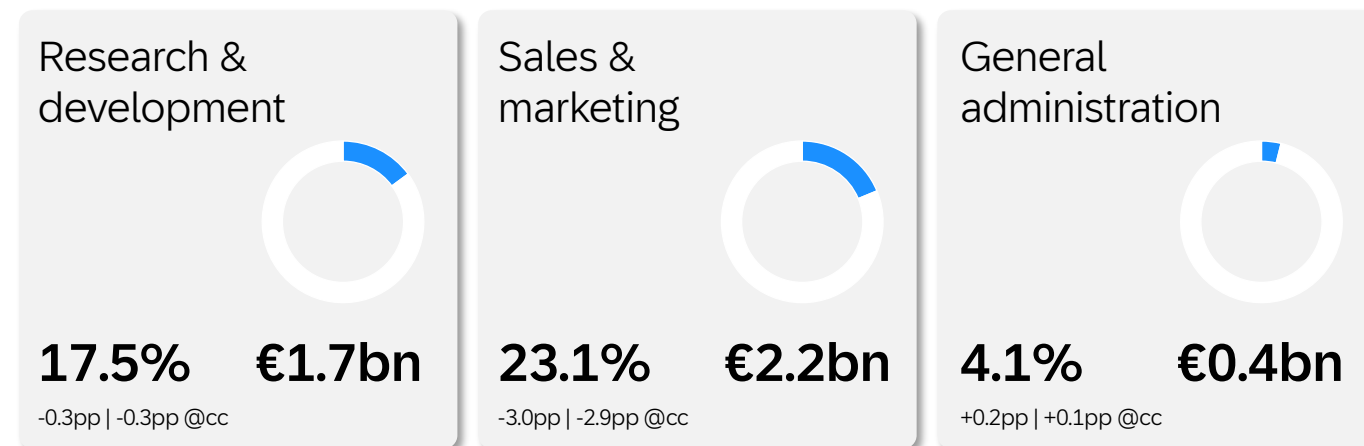
Gross margin development

Non-IFRS, in percent	Q3 24	Q4 24	FY 24	Q1 25	Q2 25	Q3 25	Q4 25	FY 25
Cloud	73.7	73.5	73.3	75.0	75.2	75.1	74.6	75.0
Software licenses & support	90.1	91.0	90.1	90.1	89.0	88.9	90.4	89.6
Cloud & software	80.5	81.0	80.4	80.6	80.1	79.8	80.1	80.1
Services	24.6	24.6	23.6	21.8	24.9	28.4	25.3	25.1
Total gross margin	73.6	74.3	73.2	73.6	73.6	73.8	74.1	73.8

Appendix

Cost ratios: Fourth quarter 2025 | Total revenue: €9.7bn

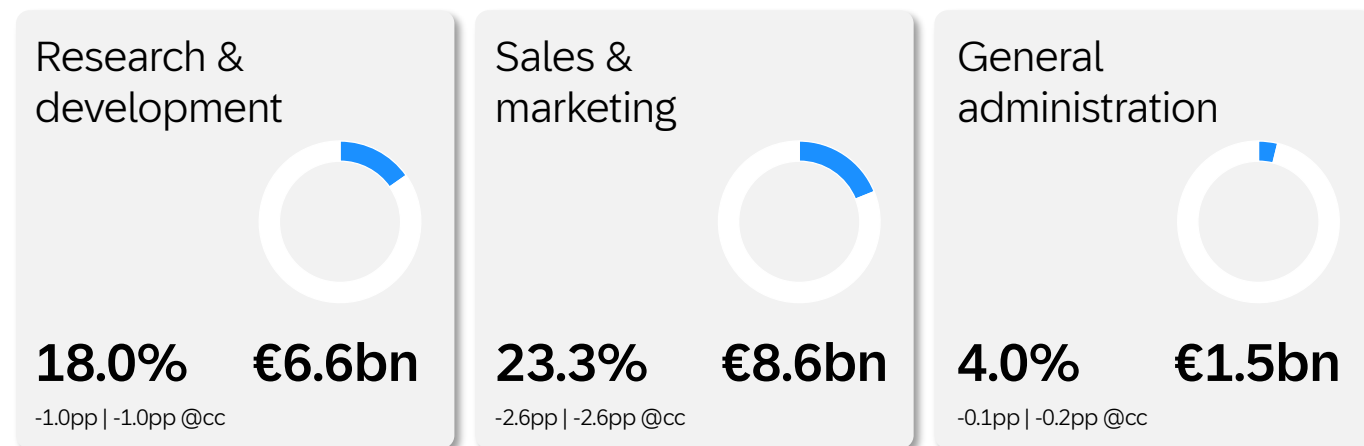
Non-IFRS as percent of total revenue



Appendix

Cost ratios: Full year 2025 | Total revenue: €36.8bn

Non-IFRS as percent of total revenue



Appendix

Balance sheet condensed: December 31, 2025 – IFRS

Due to rounding, numbers may not add up precisely

Assets

€ millions	12/31/25	12/31/24
Cash, cash equivalents and other financial assets	9,771	11,239
Trade and other receivables	6,675	6,774
Other current assets	3,809	3,389
Total current assets	20,256	21,401
Goodwill	29,014	31,264
Intangible assets	2,282	2,706
Property, plant, and equipment	4,497	4,493
Other non-current assets	14,313	14,373
Total non-current assets	50,106	52,836
Total assets	70,362	74,237

Equity and liabilities

€ millions	12/31/25	12/31/24
Trade and other payables	2,431	1,988
Provisions	324	716
Contract liabilities, current	6,581	5,978
Other liabilities	7,913	10,399
Total current liabilities	17,250	19,082
Financial liabilities	6,021	7,169
Provisions	550	494
Contract liabilities, non-current	144	88
Other non-current liabilities	1,158	1,598
Total non-current liabilities	7,873	9,349
Total liabilities	25,123	28,431
Total equity	45,239	45,806
Total equity and liabilities	70,362	74,237

Appendix

Cash flow development

Due to rounding, numbers may not add up precisely

€ millions, unless otherwise stated	Q1-Q4 2025	Q1-Q4 2024	Δ in %
Operating cash flow	9,156	5,207	76
– Purchase of PPE & intangibles	-739	-797	-7
– Proceeds from sales of PPE & intangibles	121	122	-1
– Payments of lease liabilities	-299	-310	-3
Free cash flow	8,239	4,222	95
Free cash flow in percent of total revenue	22	12	10pp
Free cash flow in percent of profit after tax (IFRS)	110	134	-24pp

Appendix

Net debt

Due to rounding, numbers may not add up precisely

€ millions, unless otherwise stated	2025	2024
Net liquidity (+)/Net Debt (-) 12/31/2024 PY: 12/31/2023	1,695	3,521
Net cash flows from operating activities	9,156	5,207
Capital expenditure	-739	-797
Proceeds from sales of PPE & intangibles	121	122
Payments of lease liabilities	-299	-310
Business combinations	-702	-1,114
Dividends	-2,743	-2,565
Treasury shares	-1,937	-2,106
Interest payments, net	-154	13
Other	-1,017	-277
Net liquidity (+)/Net Debt (-) 12/31/2025 PY: 12/31/2024	3,381	1,695

Appendix

Additional outlook information and Non-IFRS adjustments

Due to rounding, numbers may not add up precisely

The Company expects a full-year 2026 effective tax rate (Non-IFRS) of approximately 29% (2025: 30.4%).

Non-IFRS adjustments	Actual Amounts FY 2024	Actual Amounts FY 2025	Est. Amounts FY 2026
Acquisition-related charges	€356m	€411m	€340m to €420m
Restructuring charges	€3,144m	€3m	€0m to €20m
Regulatory compliance matter expenses	-€11m	€0m	€0m
Teradata litigation expenses	€0m	€174m	€0m
Gains and losses from equity securities, net	-€461m	-€764m	N/A ¹

¹⁾ Due to the uncertainty and potential variability of gains and losses from equity securities, we cannot provide an estimate for the full year without unreasonable efforts. This item could however have a material impact on our non-IFRS measures below operating profit

Appendix

Expected currency impact

Expected currency impact based on December 31, 2025 Level applied for 2026

While SAP's 2026 financial outlook for the income statement parameters is at constant currencies (including an average exchange rate of 1.13 USD per EUR), actual currency reported figures are expected to be impacted by currency exchange rate fluctuations as the company progresses through the year, as reflected in the table below.

in percentage points	Q1 26	FY 2026
Cloud revenue growth	-8.0pp	-3.0pp
Cloud and software revenue growth	-7.0pp	-2.5pp
Operating profit growth (non-IFRS)	-8.0pp	-3.5pp

This includes an exchange rate of 1.18 USD per EUR.