

Third Quarter 2025 Results

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Dominik Asam, CFO

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Public



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

Q3 was a great quarter

Current cloud backlog

€ millions

18,839

▲ +23% (+27% @cc)

Cloud revenue

€ millions

5,290

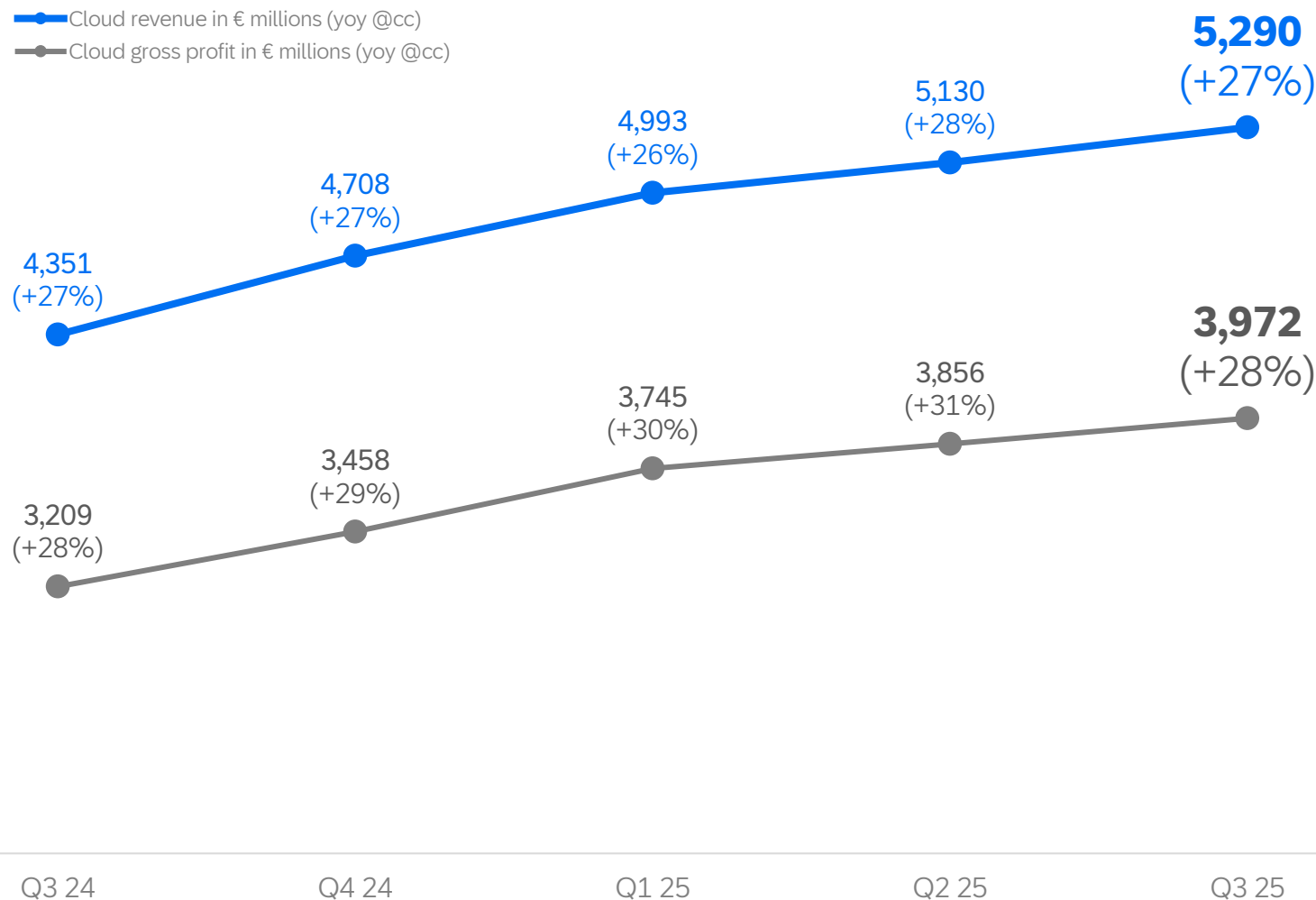
▲ +22% (+27% @cc)

Cloud ERP Suite revenue

€ millions

4,586

▲ +26% (+31% @cc)





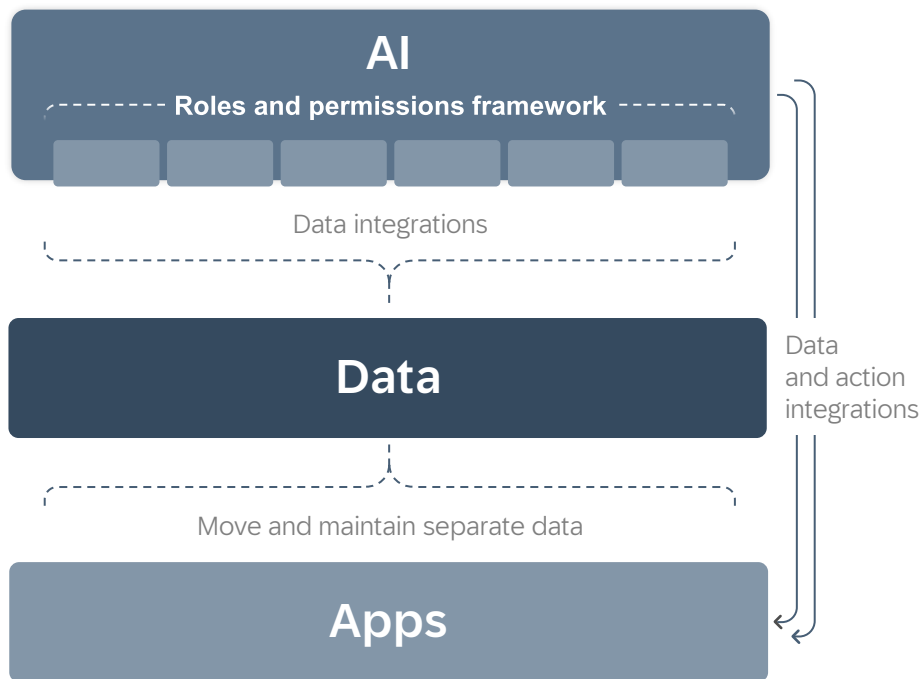
Alphabet



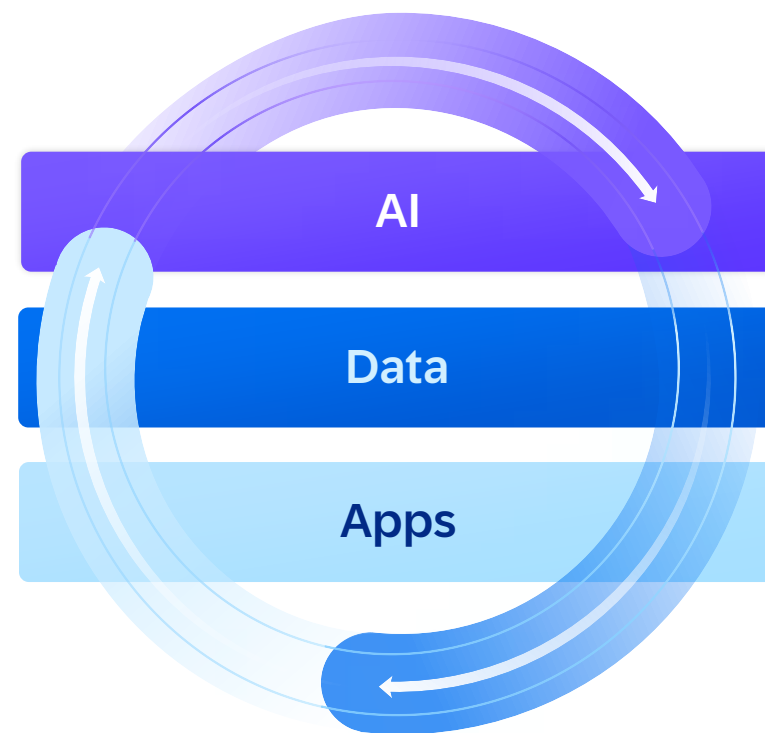
Product innovation

We are uniquely positioned thanks to the horizontal unification of apps, data and AI

Best of breed



SAP flywheel of apps, data, and AI



Simplification

We are doubling down on internal AI adoption

Engineering & Technology

>30k

SAP engineers enabled through AI tools incl. Joule for Developers

~70k

code change submissions per month checked by AI

Go-to-Market

>7k

SAP consultants enabled through Joule for Consultants

>40%

of 1st contact customer support requests solved with agentic AI

Corporate Functions

>100k

SAP employees enabled through Joule for Business

up to **30%**

productivity gained with AI-powered deal review

**Internal
AI Adoption**

~200
Internal AI use cases live

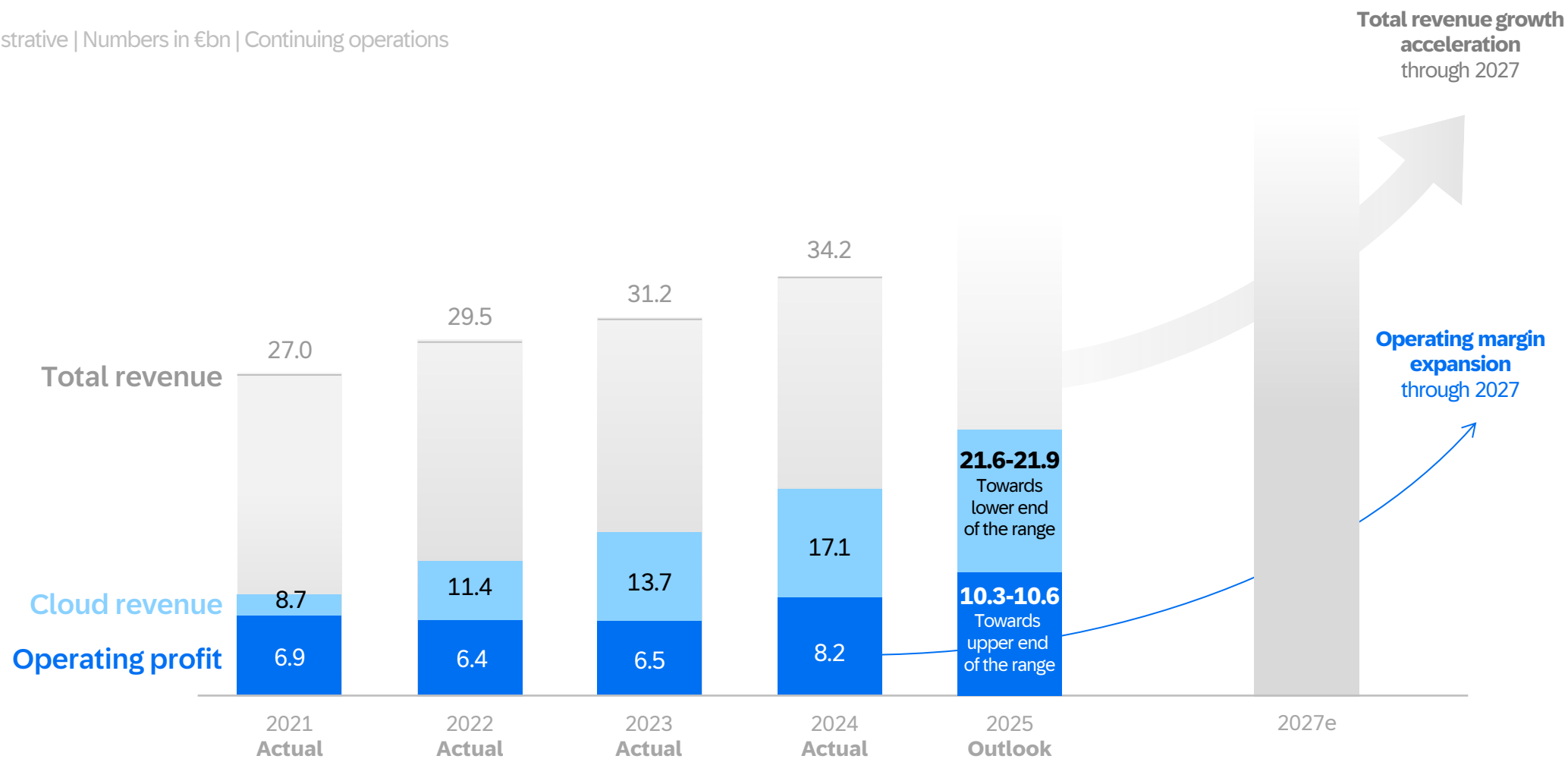
130+
AI extensions built on SAP
BTP & GenAI Hub

Triple-digit million value of AI-enabled efficiencies

Outlook 2025

We are updating our 2025 cloud revenue, operating profit, and free cash flow outlook

Illustrative | Numbers in €bn | Continuing operations



The background is a solid blue color. A large, lighter blue rectangle is positioned in the upper right quadrant, tilted diagonally from the top-left to the bottom-right. The text is white and positioned to the left of this rectangle.

Dominik Asam

CFO

SAP Q3 2025 Financial Results

Current cloud
backlog

€ millions

18,839

▲ +23% (+27% @cc)

Total revenue

€ millions

9,076

▲ +7% (+11% @cc)

Cloud & software
revenue

€ millions

8,016

▲ +8% (+12% @cc)

Cloud revenue

€ millions

5,290

▲ +22% (+27% @cc)

Cloud ERP Suite
revenue

€ millions

4,586

▲ +26% (+31% @cc)

Cloud gross profit
(Cloud gross margin in %)

€ millions

IFRS

Non-IFRS

3,948

74.6%

▲ +24%

3,972

75.1%

▲ +24% (+28% @cc)

Gross profit
(Gross margin in %)

€ millions

IFRS

Non-IFRS

6,671

73.5%

▲ +7%

6,696

73.8%

▲ +7% (+11% @cc)

Operating profit

€ millions

IFRS

Non-IFRS

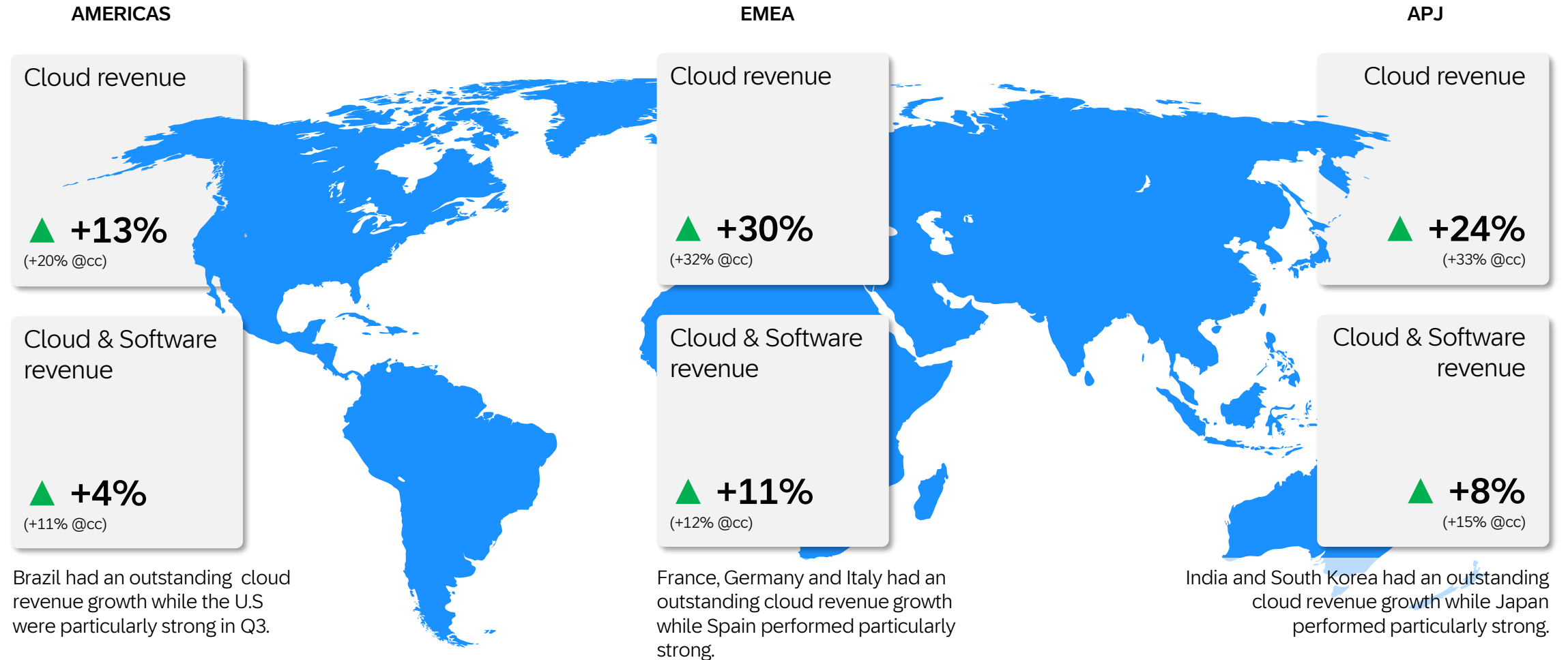
2,487

▲ +12%

2,566

▲ +14% (+19% @cc)

Regional revenue performance



Revenue and gross profit development

	Revenue			Gross profit (Gross margin %)		
Non-IFRS in € millions, unless otherwise stated	Q3 2025	Δ in %	Δ in % @cc	Q3 2025	Δ in %	Δ in % @cc
Cloud	5,290	22	27	3,972 (75.1)	24	28
SaaS/PaaS	5,212	23	28			
IaaS	78	-34	-31			
Software licenses and Support	2,726	-11	-9	2,423 (88.9)	-13	-10
Cloud and Software	8,016	8	12	6,395 (79.8)	7	11
Services	1,060	2	6	301 (28.4)	18	23
Total	9,076	7	11	6,696 (73.8)	7	11

Tax rate, Cash flow, and Earnings per share

Effective tax rate

Q3 | percent

IFRS

25.3

▼ -7.7pp

Non-IFRS

27.9

▼ -5.5pp

Operating cash flow

Q3 | € millions

1,502

▲ +7%

Free cash flow

Q3 | € millions

1,266

▲ +5%

Earnings per share

Q3 | €

Basic	IFRS		Non-IFRS Basic
	Diluted		

1.72

▲ +37%

1.71

▲ +38%

1.59

▲ +29%

2025 Financial outlook¹

Cloud revenue

€ billions @cc

21.6 – 21.9

towards the lower end
of the outlook range

▲ +26% – 28% (2024: 17.14)

Cloud & Software revenue

€ billions @cc

33.1 – 33.6

▲ +11% – 13% (2024: 29.83)

Operating profit

€ billions @cc

Non-IFRS

10.3 – 10.6

towards the upper end
of the outlook range

▲ +26% – 30% (2024: 8.15)

Free cash flow

€ billions

8.0 – 8.2

(2024: 4.22)

Effective tax rate

percent

Non-IFRS

approx. 32

(2024: 32.3)

2025 Non-financial outlook

Employee
engagement index
percent

74 – 78

Customer Net
Promoter Score
points

12 – 16

Carbon emissions

kilotons

**Steadily
decrease**

Business Health
Culture Index

percent

80 – 82

1) 2025 financial outlook is based on constant currencies assumptions, including an exchange rate of 1.08 US Dollar per Euro

Q&A

Appendix

Appendix

Income statement: Third quarter 2025

€ millions, unless otherwise stated	IFRS			Non-IFRS		
	Q3 25	Q3 24	Δ %	Q3 25	Q3 24	Δ % @cc
Cloud	5,290	4,351	22	5,290	4,351	22
Software licenses	161	285	-43	161	285	-43
Software support	2,565	2,793	-8	2,565	2,793	-8
Software licenses and support	2,726	3,078	-11	2,726	3,078	-11
Cloud and software	8,016	7,429	8	8,016	7,429	12
Services	1,060	1,041	2	1,060	1,041	6
Total revenue	9,076	8,470	7	9,076	8,470	11
Total operating expenses	-6,589	-6,256	5	-6,510	-6,226	8
Operating profit (loss)	2,487	2,214	12	2,566	2,244	19
Other non-operating income/expense, net	46	-62	N/A	46	-62	N/A
Financial income, net	212	-1	N/A	-44	-24	79
Profit (loss) before tax	2,745	2,151	28	2,569	2,157	19
Income tax expense	-694	-710	-2	-717	-720	0
Profit (loss) after tax	2,051	1,441	42	1,852	1,437	29
Operating margin (in %)	27.4	26.1	1.3pp	28.3	26.5	1.8pp
Earnings per share, basic (in €)	1.72	1.25	37	1.59	1.23	29

Appendix

Income statement: First nine months 2025

€ millions, unless otherwise stated	IFRS			Non-IFRS		
	Q1-Q3 25	Q1-Q3 24	Δ %	Q1-Q3 25	Q1-Q3 24	Δ % @cc
Cloud	15,413	12,433	24	15,413	12,433	24
Software licenses	538	716	-25	538	716	-25
Software support	7,969	8,414	-5	7,969	8,414	-5
Software licenses and support	8,507	9,130	-7	8,507	9,130	-7
Cloud and software	23,920	21,563	11	23,920	21,563	11
Services	3,196	3,236	-1	3,196	3,236	-1
Total revenue	27,116	24,798	9	27,116	24,798	11
Total operating expenses	-19,840	-22,150	-10	-19,527	-19,081	2
Operating profit (loss)	7,276	2,648	>100	7,590	5,717	33
Other non-operating income/expense, net	53	-215	N/A	53	-215	N/A
Financial income, net	387	124	>100	-168	-23	>100
Profit (loss) before tax	7,715	2,557	>100	7,474	5,479	36
Income tax expense	-2,119	-1,023	>100	-2,194	-1,819	21
Profit (loss) after tax	5,596	1,534	>100	5,280	3,660	44
Operating margin (in %)	26.8	10.7	16.2pp	28.0	23.1	4.9pp
Earnings per share, basic (in €)	4.70	1.31	>100	4.53	3.13	44

Appendix

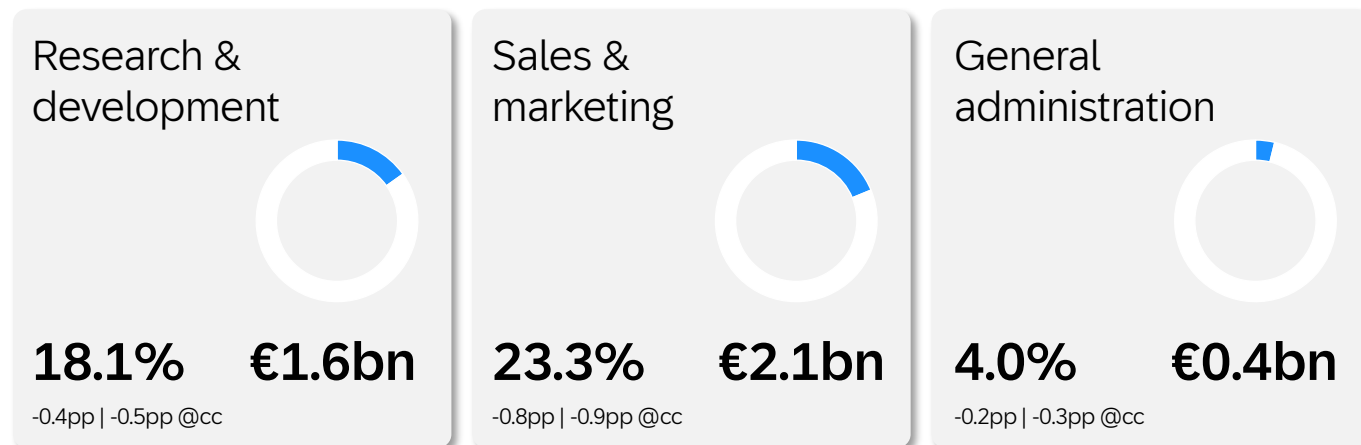
Gross margin development

Non-IFRS, in percent	Q1 24	Q2 24	Q3 24	Q4 24	FY 24	Q1 25	Q2 25	Q3 25
Cloud	72.5	73.3	73.7	73.5	73.3	75.0	75.2	75.1
Software licenses & support	89.2	89.7	90.1	91.0	90.1	90.1	89.0	88.9
Cloud & software	79.8	80.2	80.5	81.0	80.4	80.6	80.1	79.8
Services	20.3	24.8	24.6	24.6	23.6	21.8	24.9	28.4
Total gross margin	71.8	72.7	73.6	74.3	73.2	73.6	73.6	73.8

Appendix

Cost ratios: Third quarter 2025 | Total revenue: €9.1bn

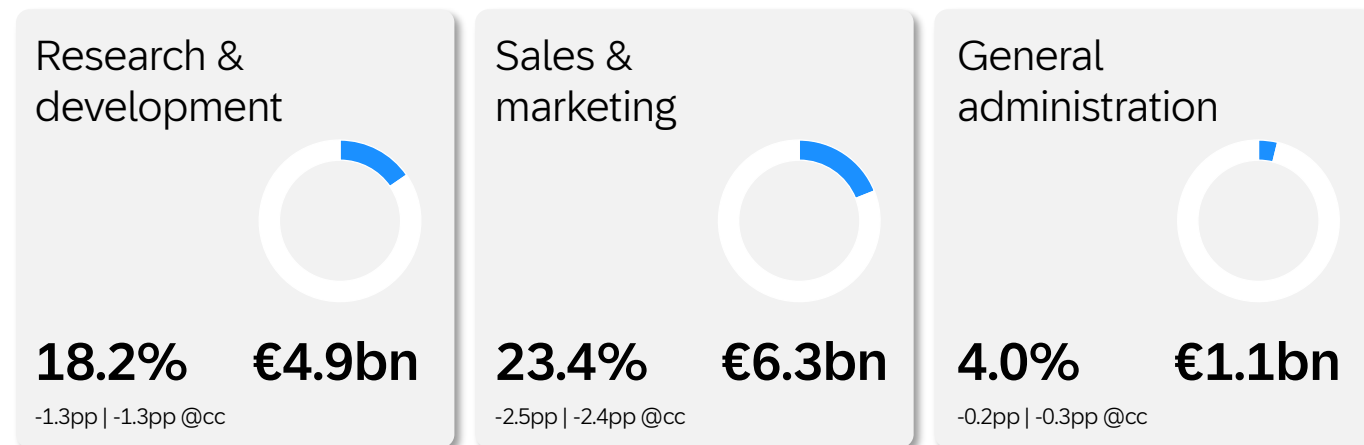
Non-IFRS as percent of total revenue



Appendix

Cost ratios: First nine months 2025 | Total revenue: €27.1bn

Non-IFRS as percent of total revenue



Appendix

Balance sheet condensed: September 30, 2025 – IFRS

Due to rounding, numbers may not add up precisely

Assets

€ millions	9/30/25	12/31/24
Cash, cash equivalents and other financial assets	9,934	11,239
Trade and other receivables	5,778	6,774
Other current assets	3,195	3,389
Total current assets	18,907	21,401
Goodwill	29,028	31,264
Intangible assets	2,390	2,706
Property, plant, and equipment	4,396	4,493
Other non-current assets	13,676	14,418
Total non-current assets	49,490	52,881
Total assets	68,396	74,282

Equity and liabilities

€ millions	9/30/25	12/31/24
Trade and other payables	2,074	1,988
Provisions	170	716
Contract liabilities, current	6,749	5,978
Other liabilities	8,118	10,399
Total current liabilities	17,111	19,082
Financial liabilities	6,089	7,169
Provisions	547	494
Contract liabilities, non-current	145	88
Other non-current liabilities	1,264	1,643
Total non-current liabilities	8,044	9,394
Total liabilities	25,155	28,476
Total equity	43,241	45,806
Total equity and liabilities	68,396	74,282

Appendix

Cash flow development

Due to rounding, numbers may not add up precisely

€ millions, unless otherwise stated	Q1-Q3 2025	Q1-Q3 2024	Δ in %
Operating cash flow	7,859	5,791	36
– Purchase of PPE & intangibles	-559	-528	6
– Proceeds from sales of PPE & intangibles	110	80	38
– Payments of lease liabilities	-204	-213	-4
Free cash flow	7,205	5,130	40
Free cash flow in percent of total revenue	27	21	6pp
Free cash flow in percent of profit after tax (IFRS)	129	334	-206pp

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	7,859	5,791
Capital expenditure	-559	-528
Proceeds from sales of PPE & intangibles	110	80
Payments of lease liabilities	-204	-213
Business combinations	-700	-1,104
Dividends	-2,743	-2,565
Treasury shares	-1,937	-1,625
Interest payments, net	-133	-19
Other	-934	-478
Net liquidity (+)/Net Debt (-) 09/30/2025 PY: 09/30/2024	2,453	2,860

Appendix

Additional outlook information and Non-IFRS adjustments

Due to rounding, numbers may not add up precisely

The Company expects a full-year 2025 effective tax rate (Non-IFRS) of approximately 32% (2024: 32.3%).

Non-IFRS adjustments	Actual Amounts Q3 2024	Actual Amounts Q3 2025	Est. Amounts FY 2025
Acquisition-related charges	€90m	€96m	€380m to €460m
Restructuring charges	-€52m	-€18m	€0m to €25m
Regulatory compliance matter expenses	-€8m	€0m	€0m
Gains and losses from equity securities, net	-€24m	-€256m	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 September 30, 2025 Level applied for 2025

While SAP's 2025 financial outlook for the income statement parameters is at constant currencies (including an average exchange rate of 1.08 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	Q4 25	FY 2025
Cloud revenue growth	-7.0pp	-4.0pp
Cloud and software revenue growth	-5.5pp	-3.0pp
Operating profit growth (non-IFRS)	-6.5pp	-3.5pp

This includes an exchange rate of 1.17 USD per EUR.