



THE BEST RUN

From Inventing the Enterprise Software Sector to **Helping the World Run Better**

1972

THE **EARLY YEARS**

On April 1, 1972, five former IBM employees – Dietmar Hopp, Hasso Plattner, Claus Wellenreuther, Klaus Tschira, and Hans-Werner Hector – started the company *SystemAnalyse Programmentwicklung* (System Analysis Program Development). Their idea was to create standard enterprise software that integrated all business processes and enabled data processing in real time.

SAP's founders and employees worked closely with customers – often sitting side-by-side with employees in customers' offices to learn their business needs and processes. By 1975, they had built applications for financial accounting (RF), invoice verification, and inventory management (RM). Some of their early customers were the nylon factory belonging to ICI in Östringen, Germany, Knoll, Burda, Linde, and Schott. The blend of real-time data processing, standardization, and integration were the basis for SAP's transformation from a small German company into a global leader in business software. In 1979, the company started developing R/2, the second generation of its software. In 1980, SAP's roughly 80 employees moved into their first own office building in Walldorf, Germany.

1987-1999

FROM R/3 TO **GLOBAL PLAYER**

Even while R/2 was enjoying huge sales success and one year before SAP went public with an IPO in 1988 – the company's managers were looking ahead to its third generation of software. The SAP R/3 success story began in 1992, with the client-server software smoothing the path to a globalized economy, turning SAP into a global player with subsidiaries and development centers across the world.

In 1999, SAP responded to the Internet and new economy by launching its mysap.com strategy. Ten years later, the company branched out into three markets of the future: mobile technology, database technology, and cloud. To rapidly become a key player in these new domains, SAP acquired some of its competitors, including Business Objects, Sybase, Ariba, SuccessFactors, Fieldglass, and Concur.

2011-2022

INTO THE **CLOUD WITH SAP HANA**

In 2011, the first customers started using the in-memory database SAP HANA. Data analyses that used to take days or even weeks were now completed in seconds. Four years later, SAP launched SAP S/4HANA, its latest generation of business software, running entirely on SAP HANA. SAP is committed to enabling every enterprise to become intelligent, networked, and sustainable – bringing together the solutions, technology, and best practices needed to run integrated, digital business processes in the cloud.

SAP offers choice across the four largest hyperscale cloud vendors. The company's integrated applications connect all parts of a business into an intelligent suite on a digital platform. SAP Business Technology Platform brings together application development, data and analytics, integration, and AI into one platform. It is a central element of SAP's "RISE with SAP" offering.

SAP has more than 240 million cloud users currently, more than 100 solutions covering all business functions, and the largest cloud portfolio of any provider. SAP operates 65 data centers at 35 locations in 16 countries.



SAP IN NUMBERS

SAP, headquartered in Walldorf in the south of Germany, and listed in Frankfurt and New York, is a market leader in business software, with more than 440,000 customers in more than 180 countries, and 107,415 employees worldwide (as of December 31, 2021). About 80% of its customers are small and midsize companies.

Total revenue in 2021 was €27.84 billion, including €9.4 billion from its cloud business (which is expected to reach more than €22 billion by 2025). SAP works with about 22,700 partners and builds software solutions for 25 industries. In 2021, the headcount in research and development equaled 30% of the total headcount. SAP operates more than 100 development locations worldwide, including 20 SAP Labs development centers and 17 Co-Innovation Labs.

Today, SAP customers generate 87% of total global commerce (\$46 trillion). 99 of the 100 largest companies in the world are SAP customers. 85 of the 100 largest companies in the world are SAP S/4HANA customers.

In light of the worsening climate crisis, decreasing its own environmental impact is at the top of SAP's sustainability agenda. The company aims to become carbon neutral in its own operations by 2023, two years earlier than previously planned.

SAP's purpose is to help the world run better and improve people's lives.

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