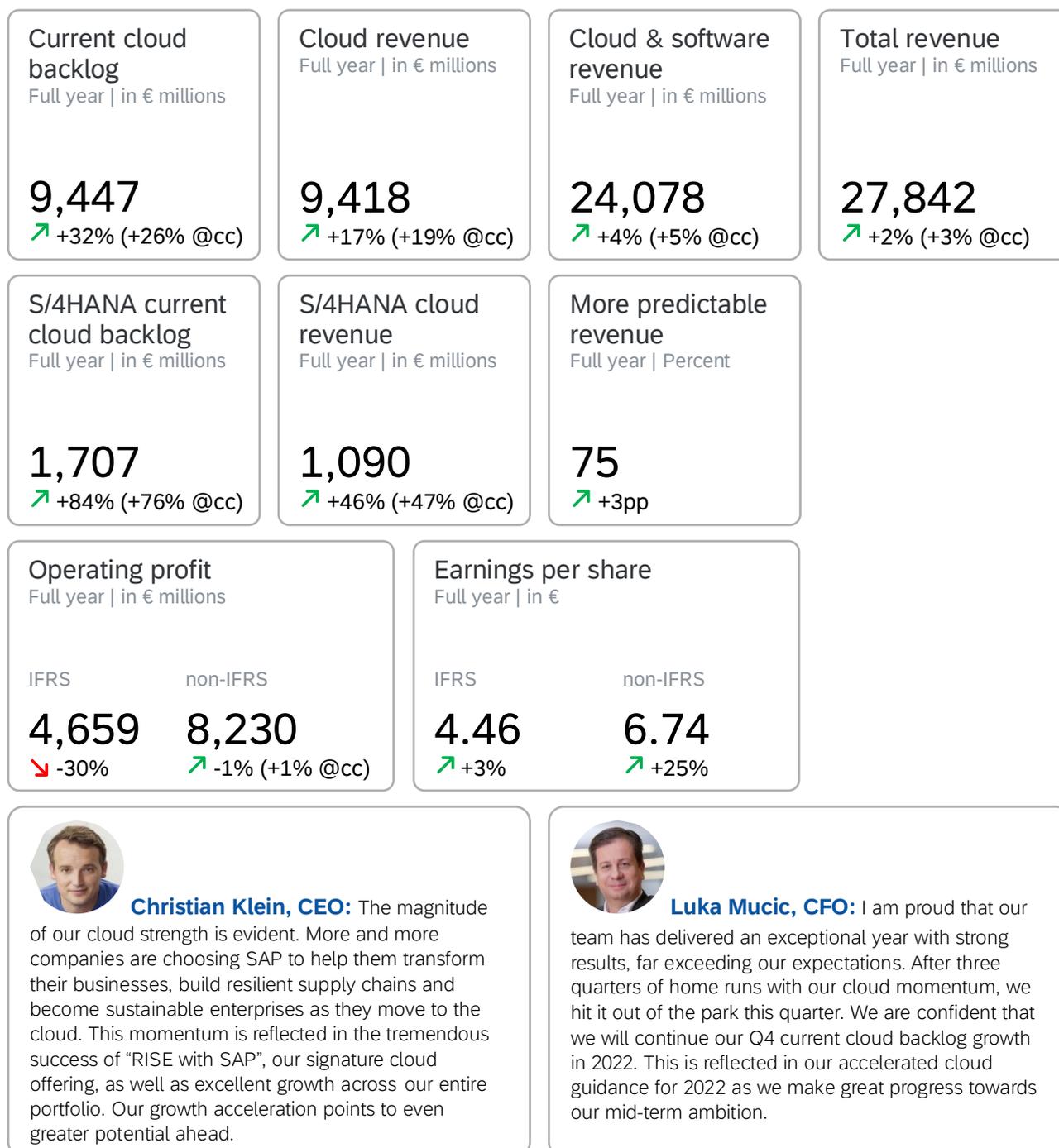


SAP Reports Q4 and FY 2021 Results With Record Cloud Performance

Exceeds High End of Outlook for Cloud & Software Revenue and Operating Profit

Tremendous growth of SAP S/4HANA Cloud driven by 'RISE with SAP'

Strong, accelerating cloud growth reflected in 2022 outlook, targeting up to 26% cloud revenue growth at constant currencies





Walldorf, Germany – January 27, 2022. SAP SE (NYSE: SAP) today announced its financial results for the fourth quarter and fiscal year ended December 31, 2021.



Business Update

Businesses around the world are embracing digital technologies and the cloud to transform the way they do business. Today's unpredictable reality, from supply chain disruptions to new regulatory restrictions, means the need for flexibility and adaptability has never been greater. Our depth of experience in mission critical business processes across all customer sizes, industries and geographies sets us apart and is core to why businesses are choosing SAP for their business transformation.

The strength and the execution of our strategy is showing up on multiple fronts with exceptional customer momentum across our cloud portfolio and financial performance exceeding market expectations.

High customer adoption is underpinned by exceptionally strong demand for "RISE with SAP" across customers of all sizes. It is designed to support our customers transform their businesses while at the same time moving to the cloud. They also benefit from our Business Network, the largest B2B network in the world, which helps them create more resilient supply chains.

Customer satisfaction continues to increase, echoed by strong renewal rates.

SAP is confident that its positive momentum will continue throughout 2022, and expects accelerating cloud revenue growth, supported by strong traction of SAP S/4HANA Cloud.

Highlights

'RISE with SAP' continued to gain traction after a successful launch in January 2021. SAP saw strong demand from companies of all sizes and closed deals with more than 650 customers in the fourth quarter, winning more than 1,300 customers since launch. Large customers such as Adobe, Panasonic Corporation, Mahindra & Mahindra, Fresenius SE, IBM, Allianz Technology, CVS, Unipart Group, Samsung SDS, and Siemens selected this offering. Additional wins included Philippine Airlines, Software AG, Banco Sabadell, Amadeus, Standard Chartered Bank, Fisker Inc., and Europcar Mobility Group.

Approximately 1,300 SAP S/4HANA customers were added in the quarter, taking total adoption to more than 18,800 customers, up 18% year over year, of which more than 13,100 are live. In the fourth quarter, approximately 50% of the additional SAP S/4HANA customers were net new.

Signavio continued to show outstanding performance as part of SAP's Business Process Intelligence (BPI) segment. Current cloud backlog grew in triple digits for the full year. SAP BPI solutions are key to our customers' business transformation and acceleration to the cloud. PwC, HP, Robert Bosch, Carl Zeiss, R. Twining and Company, and many others chose SAP BPI solutions in the fourth quarter.

Business Technology Platform, SAP's PaaS offering, is the foundation of the Intelligent Enterprise, providing a single platform for integration and extensibility across the SAP portfolio and non-SAP solutions, as well as deriving insights from data. Current cloud backlog grew in deep double digits in 2021. Henkel, Schneider Electric, Helaba, and Enel were among the customers who chose this offering in the fourth quarter.

Key customer wins across SAP's solutions portfolio included: Petronas, Goodyear, Hitachi High-Tech, Unilever, Chobani, Syngenta, HABA Group, MIGROS, ALDI Nord, Lumen, Dr. Martens, SCOTT Sports, Computacenter AG, A.S. Watson Group, Compass Group, Alfred Kärcher, and FMC Corporation all went live on SAP solutions in the fourth quarter.

On January 27, SAP announced its intent to acquire a majority stake of Taulia, a leading provider of working capital management solutions. The move is aimed at giving companies better access to liquidity and improving their cash flows. The acquisition is expected to further expand SAP's Business Network capabilities and strengthen SAP's solutions for the CFO office. The acquisition is expected to close in March 2022, following completion of customary closing conditions.

On January 25, SAP announced an extended partnership and an investment in Icertis, a provider of contract management solutions that offers market-leading contract intelligence powered by AI. This partnership and the related investment are expected to complement SAP's portfolio seamlessly.



On January 13, SAP announced a new share repurchase program to service future share-based compensation awards. The program, with a volume of up to €1 billion, is planned to be executed in the period between February 1 and December 31, 2022.

Early December 2021, SAP announced its first SAP.iO program in China focused on intelligent manufacturing. Five Chinese startups have been selected to join the cohort at the new SAP.iO Foundry Shanghai.

On January 11, SAP announced a new offering, SAP Cloud for Sustainable Enterprises, which brings together a comprehensive portfolio of solutions that enables businesses to holistically manage sustainability performance. With this, companies can manage their "green line" with business process technology to identify, quantify, analyze, and act on data through their end-to-end operations. Further, SAP announced its commitment to achieve net-zero along their value chain in 2030; 20 years earlier than originally targeted.

SAP also earned a number of recognitions in the field of sustainability, including inclusion on the prestigious CDP A list, and achieving the top ranking in the S&P Dow Jones Sustainability Indices (DJSI) in the software sector for the 15th consecutive year.

Financial Performance¹

Fourth Quarter 2021

In the fourth quarter, SAP's cloud momentum further accelerated with sequential growth rate increases in both current cloud backlog and cloud revenue. Current cloud backlog accelerated faster than anticipated, up 32% to €9.45 billion and up 26% at constant currencies. SAP S/4HANA current cloud backlog was up 84% to €1.71 billion and up 76% at constant currencies. Cloud revenue was up 28% to €2.61 billion and up 24% at constant currencies. SAP S/4HANA cloud revenue was up 65% to €329 million and up 61% at constant currencies. SaaS/PaaS cloud revenue outside the Intelligent Spend business was up 38% and up 33% at constant currencies. Software licenses revenue was down 14% year over year to €1.46 billion and down 17% at constant currencies. Cloud and software revenue was up 6% to €6.99 billion and up 3% at constant currencies. Services revenue was up 3% year over year to €0.99 billion and flat at constant currencies. Total revenue was up 6% year over year to €7.98 billion and up 3% at constant currencies.

The share of more predictable revenue grew by 5 percentage points year over year to 69% in the fourth quarter.

IFRS operating profit decreased 45% to €1.47 billion and IFRS operating margin decreased by 16.9 percentage points to 18.4% mainly due to higher share-based compensation expenses, primarily related to Qualtrics. Non-IFRS operating profit decreased 11% to €2.47 billion and decreased 12% at constant currencies. Non-IFRS operating margin decreased by 5.8 percentage points to 30.9% and decreased by 5.4 percentage points at constant currencies. Prior year IFRS operating profit included a disposal gain of €194 million and non-IFRS operating profit of €128 million related to the sale of the SAP Digital Interconnect business.

IFRS earnings per share decreased 23% to €1.24 and non-IFRS earnings per share increased 10% to €1.86.

Full-Year 2021

SAP hit the high end of its revised 2021 cloud revenue outlook range and exceeded its cloud and software revenue and operating profit outlook ranges.

For the full year cloud revenue was up 17% to €9.42 billion and up 19% to €9.59 billion at constant currencies, hitting the high end of the revised full year outlook (€9.4 to 9.6 billion non-IFRS at constant currencies). SAP S/4HANA cloud revenue was up 46% to €1.09 billion and up 47% at constant currencies, exceeding the €1 billion cloud revenue mark as anticipated. SaaS/PaaS cloud revenue outside the Intelligent Spend business was up 25% and up 27% at constant currencies. Software licenses revenue was down 11% year over year to €3.25 billion and down 11% to €3.24 billion at constant currencies. Cloud and software revenue was up 4% year over year to €24.08 billion and up 5% to €24.41 billion at constant currencies, exceeding the high end of the revised full year outlook (€23.8 – 24.2 billion non-IFRS at constant currencies). Services revenue was down

¹ The full year and Q4 2021 results were also impacted by other effects. For details, please refer to the disclosures on page 34 of this document.



8% year over year to €3.76 billion and down 7% at constant currencies, primarily attributable to the 2020 divestiture of SAP Digital Interconnect which contributed €282 million of services revenue in 2020. Total revenue was up 2% year over year to €27.84 billion and up 3% to €28.23 billion at constant currencies.

The share of more predictable revenue grew by 3 percentage points year over year to 75% for the full year 2021.

Cloud gross margin increased 0.4 percentage points year over year to 67.0% (IFRS) and decreased by 0.2 percentage points year over year to 69.5% (non-IFRS) due to the investment into our next generation cloud delivery program.

For the full year, IFRS operating profit and operating margin were impacted by significantly higher share-based compensation expenses compared to 2020 mainly due to the Qualtrics IPO and the appreciation of SAP's share price during the year. IFRS operating profit decreased by 30% year over year to €4.66 billion. IFRS operating margin decreased by 7.5 percentage points year over year to 16.7%. Non-IFRS operating profit was down 1% to €8.23 billion and up 1% to €8.41 billion at constant currencies, exceeding the high end of the revised full year outlook (€8.1 – 8.3 billion non-IFRS at constant currencies). Non-IFRS operating margin decreased by 0.7 percentage points to 29.6% and decreased by 0.5 percentage points at constant currencies.

IFRS earnings per share increased 3% to €4.46 and non-IFRS earnings per share increased 25% to €6.74, reflecting a strong contribution from Sapphire Ventures throughout the entire year.

Operating cash flow for the full year was €6.21 billion, slightly above the outlook of approximately €6.0 billion. Free cash flow for the full year was €5.01 billion, exceeding the outlook of above €4.5 billion. At year end, net debt was –€1.56 billion.

Non-Financial Performance 2021

Customer Net Promoter Score (NPS) increased 6 points year over year to 10 in 2021, hitting the upper end of the outlook range. This positive trend is a result of the Company's continued focus on implementing customer feedback, in particular by achieving a consistent end-to-end experience for our customers and developing innovations to deliver improved outcomes for them.

SAP's Employee Engagement Index decreased 3 percentage points to 83%, a continued high level of engagement but one percentage point shy of the outlook range. SAP's retention rate was 92.8% (2020: 95.3%). Further the proportion of women in management increased to 28.3% (2020: 27.5 %).

Net carbon emissions continued to decrease, at 110 kilotons in 2021, down 25 kt year over year. This result is at the upper end of the revised outlook range. In addition to the Company's measures to decrease carbon emissions, the hybrid working model and continued travel restrictions due to the COVID-19 pandemic contributed to the decrease.



Financial Results at a Glance

Fourth Quarter 2021

€ million, unless otherwise stated	IFRS			Non-IFRS ¹			
	Q4 2021	Q4 2020	Δ in %	Q4 2021	Q4 2020	Δ in %	Δ in % const. curr.
Current cloud backlog ²	NA	NA	NA	9,447	7,155	32	26
Thereof SAP S/4HANA Current Cloud Backlog ²	NA	NA	NA	1,707	927	84	76
Cloud revenue	2,611	2,041	28	2,611	2,044	28	24
Thereof SAP S/4HANA Cloud revenue	329	199	65	329	199	65	61
Software licenses and support revenue	4,379	4,538	-4	4,379	4,538	-4	-6
Cloud and software revenue	6,990	6,579	6	6,990	6,582	6	3
Total revenue	7,981	7,538	6	7,981	7,541	6	3
Share of more predictable revenue (in %)	69	65	5pp	69	65	5pp	
Operating profit (loss)	1,466	2,657	-45	2,468	2,772	-11	-12
Profit (loss) after tax	1,447	1,934	-25	2,280	2,026	13	
Basic earnings per share (in €)	1.24	1.62	-23	1.86	1.70	10	
Number of employees (FTE, December 31)	107,415	102,430	5	NA	NA	NA	NA

¹ For a breakdown of the individual adjustments see table "Non-IFRS Adjustments by Functional Areas" in this Quarterly Statement.

² As this is an order entry metric, there is no IFRS equivalent.

Due to rounding, numbers may not add up precisely.

Full Year 2021

€ million, unless otherwise stated	IFRS			Non-IFRS ¹			
	Q1-Q4 2021	Q1-Q4 2020	Δ in %	Q1-Q4 2021	Q1-Q4 2020	Δ in %	Δ in % const. curr.
Current Cloud Backlog ²	NA	NA	NA	9,447	7,155	32	26
Thereof SAP S/4HANA Current Cloud Backlog ²	NA	NA	NA	1,707	927	84	76
Cloud revenue	9,418	8,080	17	9,418	8,085	16	19
Thereof SAP S/4HANA Cloud revenue	1,090	749	46	1,090	749	46	47
Software licenses and support revenue	14,660	15,148	-3	14,660	15,148	-3	-2
Cloud and software revenue	24,078	23,228	4	24,078	23,233	4	5
Total revenue	27,842	27,338	2	27,842	27,343	2	3
Share of more predictable revenue (in %)	75	72	3pp	75	72	3pp	
Operating profit (loss)	4,659	6,623	-30	8,230	8,287	-1	1
Profit (loss) after tax	5,383	5,283	2	8,343	6,534	28	
Basic earnings per share (in €)	4.46	4.35	3	6.74	5.41	25	
Number of employees (FTE, December 31)	107,415	102,430	5	NA	NA	NA	NA

¹ For a breakdown of the individual adjustments see table "Non-IFRS Adjustments by Functional Areas" in this Quarterly Statement.

² As this is an order entry metric, there is no IFRS equivalent.

Due to rounding, numbers may not add up precisely.



Expanded Financial Disclosure – SAP’s Accelerated Cloud Transition

Beginning in 2021, SAP expanded its financial disclosure to provide investors with transparency on the transition of its core ERP business to the cloud. Specifically, the Company discloses current cloud backlog and cloud revenue contributed by SAP S/4HANA Cloud, along with nominal and constant currencies year-over-year growth rates.

In the fourth quarter, SAP S/4HANA current cloud backlog was up 84% to €1.71 billion and up 76% at constant currencies. S/4HANA cloud revenue growth was up 65% to €329 million and up 61% at constant currencies.

For the full year, SAP S/4HANA cloud revenue was up 46% to €1.09 billion and up 47% at constant currencies, exceeding the €1 billion cloud revenue mark as anticipated.

SAP S/4HANA Cloud represents SAP’s cloud offering for core ERP processes. It mainly includes cloud solutions for financial management, supply chain management, engineering and manufacturing, order management and asset management, as well as associated data management, analytics, development and integration capabilities.

‘RISE with SAP’, SAP’s holistic offering for business transformation in the cloud, is an important driver of S/4HANA Cloud and Business Technology Platform adoption.

Segment Results at a Glance

Segment Performance Fourth Quarter 2021

€ million, unless otherwise stated (Non-IFRS)	Applications, Technology & Support			Qualtrics			Services		
	Actual Currency	Δ in %	Δ in % const. curr.	Actual Currency	Δ in %	Δ in % const. curr.	Actual Currency	Δ in %	Δ in % const. curr.
Cloud revenue	2,330	23	20	235	69	62	0	NA	NA
Segment revenue	6,807	5	2	284	56	49	835	3	1
Segment profit (loss)	2,800	-10	-12	4	>100	>100	174	13	9
Cloud gross margin (in %)	67.6	-2.0pp	-2.0pp	90.2	-4.0pp	-4.0pp	NM ¹	NM ¹	NM ¹
Segment margin (in %)	41.1	-6.5pp	-6.4pp	1.6	0.6pp	1.3pp	20.8	1.7pp	1.6pp

¹ NM = not meaningful

SAP’s three reportable segments “Applications, Technology & Support”, “Qualtrics” and “Services” showed the following performance:

Applications, Technology & Support (AT&S)

Segment revenue in AT&S was up 5% to € 6.81 billion year over year, up 2% at constant currencies. Segment performance was driven by strong double-digit cloud revenue growth in SAP S/4HANA Cloud, Digital Supply Chain, Business Technology Platform, and Customer Experience. Software licenses revenue decreased due to strong demand of ‘RISE with SAP’. Segment support revenues was up 3% to €2.92 billion year over year and up 1% at constant currencies, reflecting high retention rates coupled with the shift of some support revenue to cloud.

Qualtrics

Qualtrics segment revenue was up 56% to €284 million year over year, up 49% at constant currencies. The continued strong growth was driven by robust renewal rates and expansions as customers increase their usage and acquire additional modules of Qualtrics to measure all four experience areas: customer, employee, product, and brand. MediaCorp, Fonterra, Comcast Corporation, Mitsubishi Motors Thailand, HSBC, Sally Beauty Holdings, and BP International, among others, selected Qualtrics Experience Management Solutions.

Services

Services segment revenue was up 3% to €835 million year over year, up 1% at constant currencies. While SAP continues to see solid growth in its Premium Engagement revenue on the basis of a very resilient business model, consulting revenue declined year over year.

Regional Revenue Performance Full Year 2021

SAP's cloud performance was excellent across all regions.

In the EMEA region, cloud revenue increased 27% and was up 27% at constant currencies with a strong performance in France, Germany, and Switzerland. Cloud and software revenue increased 5% and was up 5% at constant currencies.

In the Americas region, cloud revenue increased 10% and 13% at constant currencies with Brazil, Canada, and Mexico being highlights. The United States, SAP's largest market, had a robust cloud revenue performance and a particularly strong acceleration in current cloud backlog. Cloud and software revenue increased 1% and 4% at constant currencies.

In the APJ region, cloud revenue increased 18% and 20% at constant currencies with Australia and New Zealand, China, and Japan being particularly strong. Cloud and software revenue increased 5% and 6% at constant currencies.

Business Outlook 2022

For 2022, SAP expects its cloud growth to continue to accelerate. The pace and scale of SAP's cloud momentum places the Company well on track towards its mid-term ambition.

For the full year 2022, SAP expects:

- €11.55 – 11.85 billion cloud revenue at constant currencies (2021: €9.42 billion), up 23% to 26% at constant currencies.
- €25.0 – 25.5 billion cloud and software revenue at constant currencies (2021: €24.08 billion), up 4% to 6% at constant currencies.
- €7.8 – 8.25 billion non-IFRS operating profit at constant currencies (2021: €8.23 billion), flat to down 5% at constant currencies.
- The share of more predictable revenue (defined as the total of cloud revenue and software support revenue) is expected to reach approximately 78% (2021: 75%).
- Free cash flow above €4.5 billion (2021: €5.01 billion).
- A full-year effective tax rate (IFRS) of 25.0% to 28.0% (2021: 21.4%) and an effective tax rate (non-IFRS) of 22.0% to 25.0% (2021: 19.9%).

While SAP's full-year 2022 business outlook is at constant currencies, actual currency reported figures are expected to be impacted by currency exchange rate fluctuations as the Company progresses through the year. See the table below for the Q1 and FY 2022 expected currency impacts.

Expected Currency Impact Assuming December 2021 Rates Apply for the Rest of the Year

In percentage points	Q1 2022	FY 2022
Cloud revenue growth	+3pp to +5pp	+2pp to +4pp
Cloud and software revenue growth	+2pp to +4pp	+1pp to +3pp
Operating profit growth (non-IFRS)	+1pp to +3pp	+1pp to +3pp

Ambition for Non-Financial Performance

SAP is focusing on three non-financial indicators: customer loyalty, employee engagement, and carbon emissions.

In 2022 SAP expects:

- a Customer Net Promoter Score of 11 to 15 (2021: 10)
- an Employee Engagement Index in a range of 84% to 86% (2021: 83%)
- Net carbon emissions of 70 kt (2021: 110 kt)



Ambition 2025

SAP confidently reiterates its mid-term ambition published in its Q3 2020 Quarterly Statement. By 2025, SAP continues to expect:

- More than €22 billion cloud revenue.
- More than €36 billion total revenue.
- More than €11.5 billion non-IFRS operating profit.
- A non-IFRS cloud gross margin of approximately 80%.
- A significant expansion of the Company's more predictable revenue share to approximately 85%.
- A free cash flow of approximately €8 billion.

For non-financial performance SAP aims in 2025 for:

- Maintaining Employee Engagement Index between 84% and 86% (2021: 83%).
- Steadily increasing the Customer Net Promoter Score through 2025 (2021: 10).
- Achieving net carbon emissions of 0 kt by 2023 and maintaining net carbon emissions in our own operations of 0 kt from that point onward. Further, SAP has also committed to achieve net-zero along our value chain in line with a 1.5°C future in 2030 – 20 years earlier than originally targeted.



☰ Additional Information

This press release and all information therein is preliminary and unaudited.

The SAP Integrated Report 2021 and Annual Report on Form 20-F will be published on March 3, 2022, and will be available for download at www.sapintegratedreport.com.

Definition of key growth metrics

Current cloud backlog (CCB) is the contractually committed cloud revenue we expect to recognize over the upcoming 12 months as of a specific key date. Thus, it is a subcomponent of our overall remaining performance obligations following IFRS 15.120. For CCB, we take into consideration committed deals only. CCB can be regarded as a lower boundary for cloud revenue to be recognized over the next 12 months, as it excludes utilization-based models without pre-commitments and committed deals, both new and renewal, closed after the key date. For our committed cloud business, we believe the CCB is a valuable indicator of go-to-market success, as it reflects both new contracts closed as well as existing contracts renewed.

Share of more predictable revenue is the total of cloud revenue and software support revenue as a percentage of total revenue.

For explanations on other key growth metrics please refer to the performance management section of SAP's Integrated Report 2020 and SAP's Half-Year Report 2021, which can be found at www.sap.com/investor.

Webcast

SAP senior management will host a virtual press conference on Thursday, January 27th at 10:00 AM (CET) / 9:00 AM (GMT) / 4:00 AM (Eastern) / 1:00 AM (Pacific), followed by a financial analyst conference call at 2:00 PM (CET) / 1:00 PM (GMT) / 8:00 AM (Eastern) / 5:00 AM (Pacific). Both conferences will be webcast live on the Company's website at www.sap.com/investor and will be available for replay. Supplementary financial information pertaining to the full-year and quarterly results can be found at www.sap.com/investor.

About SAP

SAP's strategy is to help every business run as an intelligent enterprise. As a market leader in enterprise application software, we help companies of all sizes and in all industries run at their best: SAP customers generate 87% of total global commerce. Our machine learning, Internet of Things (IoT), and advanced analytics technologies help turn customers' businesses into intelligent enterprises. SAP helps give people and organizations deep business insight and fosters collaboration that helps them stay ahead of their competition. We simplify technology for companies so they can consume our software the way they want – without disruption. Our end-to-end suite of applications and services enables business and public customers across 25 industries globally to operate profitably, adapt continuously, and make a difference. With a global network of customers, partners, employees, and thought leaders, SAP helps the world run better and improve people's lives. For more information, visit www.sap.com.

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Financial and Non-Financial Key Facts (IFRS and Non-IFRS)

€ millions, unless otherwise stated	Q1 2020	Q2 2020	Q3 2020	Q4 2020	TY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	TY 2021
Revenues										
Cloud (IFRS)	2,011	2,044	1,984	2,041	8,080	2,145	2,276	2,386	2,611	9,418
Cloud (non-IFRS)	2,012	2,044	1,984	2,044	8,085	2,145	2,276	2,386	2,611	9,418
% change – yoy	27	19	10	7	15	7	11	20	28	16
% change constant currency – yoy	25	18	14	13	18	13	17	20	24	19
SAP S/4HANA Cloud (IFRS)	168	193	189	199	749	227	257	276	329	1,090
SAP S/4HANA Cloud (non-IFRS)	168	193	189	199	749	227	257	276	329	1,090
% change – yoy	NA	NA	NA	NA	NA	36	33	46	65	46
% change constant currency – yoy	NA	NA	NA	NA	NA	43	39	46	61	47
Software licenses (IFRS)	451	773	714	1,703	3,642	483	650	657	1,458	3,248
Software licenses (non-IFRS)	451	773	714	1,703	3,642	483	650	657	1,458	3,248
% change – yoy	-31	-18	-23	-15	-20	7	-16	-8	-14	-11
% change constant currency – yoy	-31	-18	-19	-11	-17	11	-13	-8	-17	-11
Software support (IFRS)	2,934	2,892	2,845	2,835	11,506	2,801	2,823	2,867	2,920	11,412
Software support (non-IFRS)	2,934	2,892	2,845	2,835	11,506	2,801	2,823	2,867	2,920	11,412
% change – yoy	3	1	-2	-4	0	-5	-2	1	3	-1
% change constant currency – yoy	2	2	1	0	1	0	1	1	1	1
Software licenses and support (IFRS)	3,386	3,665	3,559	4,538	15,148	3,283	3,474	3,524	4,379	14,660
Software licenses and support (non-IFRS)	3,386	3,665	3,559	4,538	15,148	3,283	3,474	3,524	4,379	14,660
% change – yoy	-3	-4	-7	-8	-6	-3	-5	-1	-4	-3
% change constant currency – yoy	-4	-3	-4	-4	-4	1	-2	-1	-6	-2
Cloud and software (IFRS)	5,397	5,709	5,544	6,579	23,228	5,428	5,750	5,910	6,990	24,078
Cloud and software (non-IFRS)	5,398	5,709	5,544	6,582	23,233	5,428	5,750	5,910	6,990	24,078
% change – yoy	6	3	-2	-4	1	1	1	7	6	4
% change constant currency – yoy	5	3	2	1	3	6	5	6	3	5
Total revenue (IFRS)	6,521	6,743	6,535	7,538	27,338	6,348	6,669	6,845	7,981	27,842
Total revenue (non-IFRS)	6,522	6,744	6,535	7,541	27,343	6,348	6,669	6,845	7,981	27,842
% change – yoy	7	1	-4	-6	-1	-3	-1	5	6	2
% change constant currency – yoy	5	1	0	-2	1	2	3	5	3	3
Share of more predictable revenue (IFRS, in %)	76	73	74	65	72	78	76	77	69	75
Share of more predictable revenue (non-IFRS, in %)	76	73	74	65	72	78	76	77	69	75
Profits										
Operating profit (loss) (IFRS)	1,210	1,284	1,473	2,657	6,623	960	984	1,249	1,466	4,659
Operating profit (loss) (non-IFRS)	1,482	1,964	2,069	2,772	8,287	1,738	1,922	2,102	2,468	8,230
% change	1	8	-1	-2	1	17	-2	2	-11	-1
% change constant currency	0	7	4	3	4	24	3	2	-12	1
Profit (loss) after tax (IFRS)	811	885	1,652	1,934	5,283	1,070	1,449	1,418	1,447	5,383
Profit (loss) after tax (non-IFRS)	1,015	1,395	2,098	2,026	6,534	1,720	2,214	2,129	2,280	8,343
% change	-6	6	34	-7	6	70	59	1	13	28
Margins										
Cloud gross margin (IFRS, in %)	66.4	66.0	66.4	67.6	66.6	67.2	67.5	67.0	66.6	67.0
Cloud gross margin (non-IFRS, in %)	69.3	69.5	69.7	70.3	69.7	69.5	70.0	69.4	69.0	69.5
Software license and support gross margin (IFRS, in %)	85.2	86.4	86.7	88.2	86.7	85.7	86.5	87.1	87.9	86.9
Software license and support gross margin (non-IFRS, in %)	85.7	87.4	87.6	88.5	87.4	86.3	87.3	87.8	88.5	87.6
Cloud and software gross margin (IFRS, in %)	78.2	79.1	79.4	81.8	79.7	78.4	79.0	79.0	79.9	79.1
Cloud and software gross margin (non-IFRS, in %)	79.6	81.0	81.2	82.8	81.2	79.7	80.5	80.4	81.2	80.5
Gross margin (IFRS, in %)	68.3	69.9	71.1	74.8	71.2	70.3	70.8	71.4	73.0	71.5



€ millions, unless otherwise stated	Q1 2020	Q2 2020	Q3 2020	Q4 2020	TY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	TY 2021
Gross margin (non-IFRS, in %)	69.8	72.6	73.7	75.8	73.1	72.3	73.4	73.6	75.1	73.7
Operating margin (IFRS, in %)	18.6	19.0	22.5	35.2	24.2	15.1	14.8	18.2	18.4	16.7
Operating margin (non-IFRS, in %)	22.7	29.1	31.7	36.8	30.3	27.4	28.8	30.7	30.9	29.6
AT&S segment – Cloud gross margin (in %)	69.1	69.2	69.3	69.6	69.3	68.7	69.2	68.4	67.6	68.4
AT&S segment – Segment gross margin (in %)	78.5	80.1	80.6	82.6	80.6	78.9	79.5	79.7	80.0	79.5
AT&S segment – Segment margin (in %)	35.7	42.3	42.5	47.7	42.3	39.2	40.6	41.8	41.1	40.7
Qualtrics segment – Cloud gross margin (in %)	90.8	91.0	90.9	94.1	91.8	92.2	92.4	91.6	90.2	91.5
Qualtrics segment – Segment gross margin (in %)	75.4	78.6	79.1	77.4	77.6	79.5	80.3	80.7	78.1	79.6
Qualtrics segment – Segment margin (in %)	-10.1	1.4	4.7	0.9	-0.6	6.2	6.3	5.9	1.6	4.7
Services segment – Services gross margin (in %)	30.1	36.0	39.0	33.4	34.5	36.7	37.1	39.1	35.5	37.1
Services segment – Segment gross margin (in %)	26.6	33.4	36.3	30.0	31.5	33.0	34.2	36.4	32.8	34.1
Services segment – Segment margin (in %)	14.7	19.5	23.7	19.1	19.1	21.5	22.7	25.0	20.8	22.5
Key Profit Ratios										
Effective tax rate (IFRS, in %)	27.7	33.1	20.2	28.5	26.8	20.0	19.7	18.9	26.2	21.4
Effective tax rate (non-IFRS, in %)	27.2	30.3	21.3	28.2	26.5	18.7	19.2	18.2	23.0	19.9
Earnings per share, basic (IFRS, in €)	0.68	0.73	1.32	1.62	4.35	0.88	1.15	1.19	1.24	4.46
Earnings per share, basic (non-IFRS, in €)	0.85	1.17	1.70	1.70	5.41	1.40	1.75	1.74	1.86	6.74
Order Entry and current cloud backlog										
Current cloud backlog	6,634	6,638	6,599	7,155	7,155	7,628	7,766	8,171	9,447	9,447
% change – yoy	25	20	10	7	7	15	17	24	32	32
% change constant currency – yoy	24	21	16	14	14	19	20	22	26	26
SAP S/4HANA Current cloud backlog	744	780	801	927	927	1,036	1,130	1,283	1,707	1,707
% change – yoy	NA	NA	NA	NA	NA	39	45	60	84	84
% change constant currency – yoy	NA	NA	NA	NA	NA	43	48	58	76	76
Orders – number of cloud deals (in transactions)	3,145	3,844	4,044	6,137	17,166	4,132	5,064	4,960	7,260	21,416
Share of cloud orders greater than €5 million based on total cloud order entry volume (in %)	28	28	28	31	29	27	34	40	49	41
Share of cloud orders smaller than €1 million based on total cloud order entry volume (in %)	37	36	37	32	34	39	32	31	22	28
Orders – number of on-premise software deals (in transactions)	10,517	9,175	11,006	14,918	45,616	9,687	10,033	9,321	13,398	42,439
Share of orders greater than €5 million based on total software order entry volume (in %)	24	34	30	29	30	23	22	31	24	25
Share of orders smaller than €1 million based on total software order entry volume (in %)	42	38	37	32	36	42	43	41	36	39
Liquidity and Cash Flow										
Net cash flows from operating activities	2,984	788	1,321	2,100	7,194	3,085	686	1,183	1,254	6,208
Capital expenditure	-333	-164	-155	-164	-816	-153	-191	-202	-280	-825
Payments of lease liabilities	-72	-84	-115	-107	-378	-84	-92	-99	-98	-374
Free cash flow	2,580	540	1,052	1,829	6,000	2,848	403	881	876	5,009
% of total revenue (IFRS)	40	8	16	24	22	45	6	13	11	18
% of profit after tax (IFRS)	318	61	64	95	114	266	28	62	61	93
Group liquidity	7,872	7,401	7,760	6,781	6,781	11,573	8,548	9,375	11,530	11,530
Financial debt (-)	-13,700	-14,855	-14,649	-13,283	-13,283	-14,230	-13,116	-12,994	-13,094	-13,094
Net debt (-)	-5,827	-7,454	-6,889	-6,503	-6,503	-2,658	-4,568	-3,619	-1,563	-1,563
Financial Position										
Cash and cash equivalents	7,816	6,205	7,434	5,311	5,311	10,332	7,764	7,943	8,898	8,898
Goodwill	29,731	29,214	28,184	27,538	27,538	29,328	29,020	29,600	31,103	31,103
Total assets	62,947	60,709	59,278	58,464	58,464	66,477	63,075	65,029	71,173	71,173
Contract liabilities (current)	6,726	5,791	4,237	3,996	3,996	6,568	5,958	4,627	4,390	4,390
Equity ratio (total equity in % of total assets)	49	48	50	51	51	52	54	57	58	58
Non-Financials										
Number of employees (quarter end) ¹	101,150	101,379	101,450	102,430	102,430	103,142	103,876	105,015	107,415	107,415
Employee retention (in %, rolling 12 months)	93.3	93.9	94.8	95.3	95.3	95.4	94.8	93.7	92.8	92.8



€ millions, unless otherwise stated	Q1 2020	Q2 2020	Q3 2020	Q4 2020	TY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	TY 2021
Women in management (in %, quarter end)	26.8	27.3	27.3	27.5	27.5	27.6	27.9	28.2	28.3	28.3
Net carbon emissions ² (in kilotons)	65	25	25	20	135	30	20	25	35	110

¹ In full-time equivalents.

² In CO2 equivalents

Due to rounding, numbers may not add up precisely.



Primary Financial Statements of SAP Group (IFRS)

(A) Consolidated Income Statements

(A.1) Consolidated Income Statements – Quarter

€ millions, unless otherwise stated	Q4 2021	Q4 2020	Δ in %
Cloud	2,611	2,041	28
Software licenses	1,458	1,703	-14
Software support	2,920	2,835	3
Software licenses and support	4,379	4,538	-4
Cloud and software	6,990	6,579	6
Services	991	960	3
Total revenue	7,981	7,538	6
Cost of cloud	-873	-662	32
Cost of software licenses and support	-531	-537	-1
Cost of cloud and software	-1,405	-1,199	17
Cost of services	-753	-703	7
Total cost of revenue	-2,157	-1,902	13
Gross profit	5,823	5,636	3
Research and development	-1,412	-1,132	25
Sales and marketing	-2,168	-1,744	24
General and administration	-756	-282	>100
Restructuring	-6	7	<-100
Other operating income/expense, net	-16	171	<-100
Total operating expenses	-6,515	-4,882	33
Operating profit (loss)	1,466	2,657	-45
Other non-operating income/expense, net	-29	-58	-50
Finance income	858	331	>100
Finance costs	-335	-223	50
Financial income, net	523	107	>100
Profit (loss) before tax	1,960	2,706	-28
Income tax expense	-513	-772	-34
Profit (loss) after tax	1,447	1,934	-25
Attributable to owners of parent	1,461	1,908	-23
Attributable to non-controlling interests	-14	26	<-100
Earnings per share, basic (in €)¹	1.24	1.62	-23
Earnings per share, diluted (in €)¹	1.24	1.62	-23



¹ For the three months ended December 31, 2021 and 2020, the weighted average number of shares was 1,180 million (diluted 1,180 million) and 1,180 million (diluted: 1,180 million), respectively (treasury stock excluded).

Due to rounding, numbers may not add up precisely.



(A.2) Consolidated Income Statements – Year-to-Date

€ millions, unless otherwise stated	Q1–Q4 2021	Q1–Q4 2020	Δ in %
Cloud	9,418	8,080	17
Software licenses	3,248	3,642	–11
Software support	11,412	11,506	–1
Software licenses and support	14,660	15,148	–3
Cloud and software	24,078	23,228	4
Services	3,764	4,110	–8
Total revenue	27,842	27,338	2
Cost of cloud	–3,105	–2,699	15
Cost of software licenses and support	–1,924	–2,008	–4
Cost of cloud and software	–5,030	–4,707	7
Cost of services	–2,916	–3,178	–8
Total cost of revenue	–7,945	–7,886	1
Gross profit	19,897	19,453	2
Research and development	–5,190	–4,454	17
Sales and marketing	–7,504	–7,106	6
General and administration	–2,430	–1,356	79
Restructuring	–157	3	<–100
Other operating income/expense, net	43	84	–49
Total operating expenses	–23,183	–20,715	12
Operating profit (loss)	4,659	6,623	–30
Other non-operating income/expense, net	17	–179	<–100
Finance income	3,123	1,473	>100
Finance costs	–949	–697	36
Financial income, net	2,174	776	>100
Profit (loss) before tax	6,850	7,220	–5
Income tax expense	–1,467	–1,938	–24
Profit (loss) after tax	5,383	5,283	2
Attributable to owners of parent	5,263	5,145	2
Attributable to non-controlling interests	120	138	–13
Earnings per share, basic (in €)¹	4.46	4.35	3
Earnings per share, diluted (in €)¹	4.46	4.35	3

¹ For the twelve months ended December 31, 2021 and 2020, the weighted average number of shares was 1,180 million (diluted: 1,180 million) and 1,182 million (diluted: 1,182 million), respectively (treasury stock excluded).

Due to rounding, numbers may not add up precisely.

**(B) Consolidated Statements of Financial Position**

as at 12/31/2021 and 12/31/2020

€ millions	2021	2020
Cash and cash equivalents	8,898	5,311
Other financial assets	2,758	1,635
Trade and other receivables	6,357	6,593
Other non-financial assets	1,626	1,321
Tax assets	402	210
Total current assets	20,040	15,069
Goodwill	31,103	27,538
Intangible assets	3,966	3,784
Property, plant, and equipment	4,975	5,041
Other financial assets	6,279	3,512
Trade and other receivables	147	137
Other non-financial assets	2,612	1,926
Tax assets	272	271
Deferred tax assets	1,778	1,188
Total non-current assets	51,132	43,395
Total assets	71,173	58,464
€ millions	2021	2020
Trade and other payables	1,545	1,367
Tax liabilities	317	414
Financial liabilities	4,528	2,348
Other non-financial liabilities	5,181	4,643
Provisions	89	73
Contract liabilities	4,390	3,996
Total current liabilities	16,050	12,842
Trade and other payables	122	98
Tax liabilities	823	667
Financial liabilities	11,042	13,605
Other non-financial liabilities	860	770
Provisions	355	362
Deferred tax liabilities	285	158
Contract liabilities	13	36
Total non-current liabilities	13,499	15,696
Total liabilities	29,549	28,537
Issued capital	1,229	1,229
Share premium	1,918	545
Retained earnings	37,334	32,026
Other components of equity	1,551	-1,012
Treasury shares	-3,072	-3,072
Equity attributable to owners of parent	38,959	29,716
Non-controlling interests	2,664	211
Total equity	41,623	29,927
Total equity and liabilities	71,173	58,464

Due to rounding, numbers may not add up precisely.

**(C) Consolidated Statements of Cash Flows**

€ millions	Q1–Q4 2021	Q1–Q4 2020
Profit (loss) after tax	5,383	5,283
Adjustments to reconcile profit (loss) after tax to net cash flows from operating activities:		
Depreciation and amortization	1,775	1,831
Share-based payment expense	2,791	1,084
Income tax expense	1,467	1,938
Financial income, net	–2,174	–776
Decrease/increase in allowances on trade receivables	–11	68
Other adjustments for non-cash items	38	–198
Decrease/increase in trade and other receivables	410	821
Decrease/increase in other assets	–679	–651
Increase/decrease in trade payables, provisions, and other liabilities	386	293
Increase/decrease in contract liabilities	139	128
Share-based payments	–1,120	–1,310
Interest paid	–183	–244
Interest received	48	122
Income taxes paid, net of refunds	–2,063	–1,194
Net cash flows from operating activities	6,208	7,194
Business combinations, net of cash and cash equivalents acquired	–1,125	–662
Proceeds from sales of subsidiaries or other businesses	–57	203
Purchase of intangible assets or property, plant, and equipment	–825	–816
Proceeds from sales of intangible assets or property, plant, and equipment	92	88
Purchase of equity or debt instruments of other entities	–4,368	–2,535
Proceeds from sales of equity or debt instruments of other entities	3,229	735
Net cash flows from investing activities	–3,055	–2,986
Dividends paid	–2,182	–1,864
Dividends paid on non-controlling interests	–54	–2
Purchase of treasury shares	0	–1,492
Proceeds from changes in ownership interests in subsidiaries that do not result in the loss of control	2,827	95
Proceeds from borrowings	1,680	2,132
Repayments of borrowings	–1,952	–2,430
Payments of lease liabilities	–374	–378
Transactions with non-controlling interests	0	–59
Net cash flows from financing activities	–54	–3,997
Effect of foreign currency rates on cash and cash equivalents	488	–214
Net decrease/increase in cash and cash equivalents	3,587	–4
Cash and cash equivalents at the beginning of the period	5,311	5,314
Cash and cash equivalents at the end of the period	8,898	5,311

Due to rounding, numbers may not add up precisely.



Non-IFRS Numbers

(D) Basis of Non-IFRS Presentation

We disclose certain financial measures such as revenue (non-IFRS), expense (non-IFRS), and profit measures (non-IFRS) that are not prepared in accordance with IFRS and are therefore considered non-IFRS financial measures.

For a more detailed description of all of SAP's non-IFRS measures and their limitations as well as our constant currency and free cash flow figures, see [Explanation of Non-IFRS Measures](#) online.

**(E) Reconciliation from Non-IFRS Numbers to IFRS Numbers****(E.1) Reconciliation from Non-IFRS Numbers to IFRS Numbers – Quarter**

€ millions, unless otherwise stated	Q4 2021					Q4 2020					Δ in %
	IFRS	Adj.	Non-IFRS	Currency Impact	Non-IFRS Constant Currency	IFRS	Adj.	Non-IFRS	IFRS	Non-IFRS	
Revenue Numbers											
Cloud	2,611	0	2,611	-79	2,532	2,041	3	2,044	28	28	24
Software licenses	1,458	0	1,458	-44	1,414	1,703	0	1,703	-14	-14	-17
Software support	2,920	0	2,920	-59	2,861	2,835	0	2,835	3	3	1
Software licenses and support	4,379	0	4,379	-103	4,276	4,538	0	4,538	-4	-4	-6
Cloud and software	6,990	0	6,990	-182	6,808	6,579	3	6,582	6	6	3
Services	991	0	991	-27	963	960	0	960	3	3	0
Total revenue	7,981	0	7,981	-209	7,771	7,538	3	7,541	6	6	3
Operating Expense Numbers											
Cost of cloud	-873	63	-810			-662	55	-607	32	33	
Cost of software licenses and support	-531	29	-502			-537	13	-524	-1	-4	
Cost of cloud and software	-1,405	92	-1,313			-1,199	68	-1,131	17	16	
Cost of services	-753	75	-678			-703	12	-691	7	-2	
Total cost of revenue	-2,157	167	-1,990			-1,902	80	-1,822	13	9	
Gross profit	5,823	167	5,991			5,636	83	5,719	3	5	
Research and development	-1,412	128	-1,284			-1,132	18	-1,114	25	15	
Sales and marketing	-2,168	276	-1,892			-1,744	107	-1,636	24	16	
General and administration	-756	425	-331			-282	-20	-302	>100	10	
Restructuring	-6	6	0			7	-7	0	<-100	NA	
Other operating income/expense, net	-16	0	-16			171	-66	105	<-100	<-100	
Total operating expenses	-6,515	1,002	-5,513	177	-5,335	-4,882	112	-4,769	33	16	12
Profit Numbers											
Operating profit (loss)	1,466	1,002	2,468	-32	2,436	2,657	115	2,772	-45	-11	-12
Other non-operating income/expense, net	-29	0	-29			-58	0	-58	-50	-50	
Finance income	858	0	858			331	0	331	>100	>100	
Finance costs	-335	0	-335			-223	0	-223	50	50	
Financial income, net	523	0	523			107	0	107	>100	>100	
Profit (loss) before tax	1,960	1,002	2,962			2,706	115	2,822	-28	5	
Income tax expense	-513	-169	-682			-772	-23	-795	-34	-14	
Profit (loss) after tax	1,447	833	2,280			1,934	92	2,026	-25	13	
Attributable to owners of parent	1,461	732	2,194			1,908	92	2,000	-23	10	
Attributable to non-controlling interests	-14	101	86			26	0	26	<-100	>100	
Key Ratios											
Operating margin (in %)	18.4		30.9		31.3	35.2		36.8	-16.9pp	-5.8pp	-5.4pp
Effective tax rate (in %)²	26.2		23.0			28.5		28.2	-2.4pp	-5.2pp	
Earnings per share, basic (in €)	1.24		1.86			1.62		1.70	-23	10	

¹ Constant currency period-over-period changes are calculated by comparing the current year's non-IFRS constant currency numbers with the non-IFRS numbers of the previous year's respective period.

² The difference between our effective tax rate (IFRS) and effective tax rate (non-IFRS) in Q4 2021 mainly resulted from tax effects of share-based payment expenses and acquisition-related charges. The difference between our effective tax rate (IFRS) and effective tax rate (non-IFRS) in Q4 2020 mainly resulted from tax effects of acquisition-related charges and share-based payment expenses.

Due to rounding, numbers may not add up precisely.



(E.2) Reconciliation from Non-IFRS Numbers to IFRS Numbers – Year-to-Date

€ millions, unless otherwise stated	Q1–Q4 2021					Q1–Q4 2020					Δ in %	
	IFRS	Adj.	Non-IFRS	Currency Impact	Non-IFRS Constant Currency	IFRS	Adj.	Non-IFRS	IFRS	Non-IFRS		Non-IFRS Constant Currency ¹
Revenue Numbers												
Cloud	9,418	0	9,418	174	9,592	8,080	5	8,085	17	16	19	
Software licenses	3,248	0	3,248	–8	3,240	3,642	0	3,642	–11	–11	–11	
Software support	11,412	0	11,412	166	11,577	11,506	0	11,506	–1	–1	1	
Software licenses and support	14,660	0	14,660	158	14,818	15,148	0	15,148	–3	–3	–2	
Cloud and software	24,078	0	24,078	332	24,410	23,228	5	23,233	4	4	5	
Services	3,764	0	3,764	58	3,823	4,110	0	4,110	–8	–8	–7	
Total revenue	27,842	0	27,842	390	28,232	27,338	5	27,343	2	2	3	
Operating Expense Numbers												
Cost of cloud	–3,105	229	–2,876			–2,699	248	–2,451	15	17		
Cost of software licenses and support	–1,924	103	–1,821			–2,008	97	–1,911	–4	–5		
Cost of cloud and software	–5,030	332	–4,698			–4,707	345	–4,362	7	8		
Cost of services	–2,916	285	–2,631			–3,178	178	–3,000	–8	–12		
Total cost of revenue	–7,945	617	–7,328			–7,886	523	–7,362	1	0		
Gross profit	19,897	617	20,514			19,453	528	19,981	2	3		
Research and development	–5,190	524	–4,666			–4,454	303	–4,151	17	12		
Sales and marketing	–7,504	1,025	–6,480			–7,106	735	–6,371	6	2		
General and administration	–2,430	1,249	–1,181			–1,356	166	–1,190	79	–1		
Restructuring	–157	157	0			3	–3	0	<–100	NA		
Other operating income/expense, net	43	0	43			84	–66	18	–49	>100		
Total operating expenses	–23,183	3,571	–19,612	–212	–19,824	–20,715	1,659	–19,056	12	3	4	
Profit Numbers												
Operating profit (loss)	4,659	3,571	8,230	178	8,408	6,623	1,664	8,287	–30	–1	1	
Other non-operating income/expense, net	17	0	17			–179	0	–179	<–100	<–100		
Finance income	3,123	0	3,123			1,473	0	1,473	>100	>100		
Finance costs	–949	0	–949			–697	0	–697	36	36		
Financial income, net	2,174	0	2,174			776	0	776	>100	>100		
Profit (loss) before tax	6,850	3,571	10,421			7,220	1,664	8,884	–5	17		
Income tax expense	–1,467	–612	–2,078			–1,938	–413	–2,350	–24	–12		
Profit (loss) after tax	5,383	2,959	8,343			5,283	1,251	6,534	2	28		
Attributable to owners of parent	5,263	2,688	7,951			5,145	1,251	6,396	2	24		
Attributable to non-controlling interests	120	271	391			138	0	138	–13	>100		
Key Ratios												
Operating margin (in %)	16.7		29.6		29.8	24.2		30.3	–7.5pp	–0.7pp	–0.5pp	
Effective tax rate (in %)²	21.4		19.9			26.8		26.5	–5.4pp	–6.5pp		
Earnings per share, basic (in €)	4.46		6.74			4.35		5.41	3	25		

¹ Constant-currency period-over-period changes are calculated by comparing the current year's non-IFRS constant-currency numbers with the non-IFRS number of the previous year's respective period.

² The difference between our effective tax rate (IFRS) and effective tax rate (non-IFRS) in 2021 mainly resulted from tax effects of share-based payment expenses, acquisition-related charges and restructuring expenses. The difference between our effective tax rate (IFRS) and effective tax rate (non-IFRS) in 2020 mainly resulted from tax effects of share-based payment expenses and acquisition-related charges.

Due to rounding, numbers may not add up precisely.

**(F) Non-IFRS Adjustments – Actuals and Estimates**

€ millions	Estimated Amounts for Full Year 2022	Q1-Q4 2021	Q4 2021	Q1-Q4 2020	Q4 2020
Operating profit (loss) (IFRS)		4,659	1,466	6,623	2,657
Revenue adjustments	NA	0	0	5	3
Adjustment for acquisition-related charges	570–670	623	166	577	99
Adjustment for share-based payment expenses	3,000–3,300	2,791	830	1,084	20
Adjustment for restructuring	20–40	157	6	–3	–7
Operating expense adjustments		3,571	1,002	1,659	112
Operating profit (loss) adjustments		3,571	1,002	1,664	115
Operating profit (loss) (non-IFRS)		8,230	2,468	8,287	2,772

Due to rounding, numbers may not add up precisely.

(G) Non-IFRS Adjustments by Functional Areas

€ millions	Q4 2021					Q4 2020				
	IFRS	Acquisition-Related	SBP ¹	Restructuring	Non-IFRS	IFRS	Acquisition-Related	SBP ¹	Restructuring	Non-IFRS
Cost of cloud	–873	47	16	0	–810	–662	52	3	0	–607
Cost of software licenses and support	–531	9	20	0	–502	–537	10	3	0	–524
Cost of services	–753	5	70	0	–678	–703	0	11	0	–691
Research and development	–1,412	4	123	0	–1,284	–1,132	1	17	0	–1,114
Sales and marketing	–2,168	98	178	0	–1,892	–1,744	95	12	0	–1,636
General and administration	–756	2	423	0	–331	–282	6	–26	0	–302
Restructuring	–6	0	0	6	0	7	0	0	–7	0
Other operating income/expense, net	–16	0	0	0	–16	171	–66	0	0	105
Total operating expenses	–6,515	166	830	6	–5,513	–4,882	99	20	–7	–4,769

€ millions	Q1-Q4 2021					Q1-Q4 2020				
	IFRS	Acquisition-Related	SBP ¹	Restructuring	Non-IFRS	IFRS	Acquisition-Related	SBP ¹	Restructuring	Non-IFRS
Cost of cloud	–3,105	169	59	0	–2,876	–2,699	208	40	0	–2,451
Cost of software licenses and support	–1,924	33	70	0	–1,821	–2,008	42	55	0	–1,911
Cost of services	–2,916	20	266	0	–2,631	–3,178	3	175	0	–3,000
Research and development	–5,190	10	513	0	–4,666	–4,454	7	296	0	–4,151
Sales and marketing	–7,504	370	655	0	–6,480	–7,106	375	360	0	–6,371
General and administration	–2,430	20	1,228	0	–1,181	–1,356	9	157	0	–1,190
Restructuring	–157	0	0	157	0	3	0	0	–3	0
Other operating income/expense, net	43	0	0	0	43	84	–66	0	0	18
Total operating expenses	–23,183	623	2,791	157	–19,612	–20,715	577	1,084	–3	–19,056

¹ Share-based Payments

Due to rounding, numbers may not add up precisely.



If not presented in a separate line item in our income statement, the restructuring expenses would break down as follows:

€ millions	Q4 2021	Q1–Q4 2021	Q4 2020	Q1–Q4 2020
Cost of cloud	–2	–127	0	0
Cost of software licenses and support	–2	–5	2	1
Cost of services	1	–13	0	–3
Research and development	–3	–12	3	1
Sales and marketing	1	3	2	3
General and administration	–1	–2	0	2
Restructuring expenses	–6	–157	7	3

Due to rounding, numbers may not add up precisely.



Disaggregations

(H) Segment Reporting

(H.1) Segment Policies and Segment Changes

SAP has three reportable segments: the Applications, Technology & Support segment, the Qualtrics segment, and the Services segment.

For a more detailed description of SAP's segment reporting, see Note (C.1) "Results of Segments" of our Consolidated Half-Year Report 2021.

(H.2) Segment Reporting – Quarter

Applications, Technology & Support

€ millions, unless otherwise stated (non-IFRS)	Q4 2021		Q4 2020	Δ in %	Δ in %
	Actual Currency	Constant Currency	Actual Currency	Actual Currency	Constant Currency
Cloud	2,330	2,262	1,887	23	20
Software licenses	1,458	1,414	1,703	-14	-17
Software support	2,920	2,861	2,833	3	1
Software licenses and support	4,377	4,274	4,536	-3	-6
Cloud and software	6,708	6,536	6,423	4	2
Services	100	98	76	31	29
Total segment revenue	6,807	6,634	6,499	5	2
Cost of cloud	-755	-732	-573	32	28
Cost of software licenses and support	-502	-490	-463	8	6
Cost of cloud and software	-1,256	-1,221	-1,036	21	18
Cost of services	-106	-104	-98	9	6
Total cost of revenue	-1,362	-1,325	-1,133	20	17
Segment gross profit	5,445	5,310	5,365	1	-1
Other segment expenses	-2,645	-2,572	-2,268	17	13
Segment profit (loss)	2,800	2,737	3,097	-10	-12
Margins					
Cloud gross margin (in %)	67.6	67.7	69.6	-2.0pp	-2.0pp
Segment gross margin (in %)	80.0	80.0	82.6	-2.6pp	-2.5pp
Segment margin (in %)	41.1	41.3	47.7	-6.5pp	-6.4pp

Due to rounding, numbers may not add up precisely.



Qualtrics

€ millions, unless otherwise stated (non-IFRS)	Q4 2021		Q4 2020	Δ in %	Δ in %
	Actual Currency	Constant Currency	Actual Currency	Actual Currency	Constant Currency
Cloud	235	225	139	69	62
Cloud and software	235	225	139	69	62
Services	49	47	44	12	7
Total segment revenue	284	272	183	56	49
Cost of cloud	-23	-22	-8	>100	>100
Cost of cloud and software	-23	-22	-8	>100	>100
Cost of services	-39	-37	-33	19	13
Total cost of revenue	-62	-60	-41	51	45
Segment gross profit	222	212	141	57	50
Other segment expenses	-218	-206	-140	56	48
Segment profit (loss)	4	6	2	>100	>100
Margins					
Cloud gross margin (in %)	90.2	90.1	94.1	-4.0pp	-4.0pp
Segment gross margin (in %)	78.1	78.1	77.4	0.6pp	0.6pp
Segment margin (in %)	1.6	2.2	0.9	0.6pp	1.3pp

Due to rounding, numbers may not add up precisely.

Services

€ millions, unless otherwise stated (non-IFRS)	Q4 2021		Q4 2020	Δ in %	Δ in %
	Actual Currency	Constant Currency	Actual Currency	Actual Currency	Constant Currency
Cloud and software	0	0	2	-95	-93
Services	835	812	806	4	1
Total segment revenue	835	812	808	3	1
Cost of cloud	-18	-18	-18	0	-2
Cost of software licenses and support	-4	-4	-10	-59	-61
Cost of cloud and software	-23	-22	-29	-21	-23
Cost of services	-539	-525	-537	0	-2
Total cost of revenue	-562	-547	-565	-1	-3
Segment gross profit	274	265	242	13	9
Other segment expenses	-100	-97	-88	13	10
Segment profit (loss)	174	168	154	13	9
Margins					
Services gross margin (in %)	35.5	35.3	33.4	2.1pp	2.0pp
Segment gross margin (in %)	32.8	32.6	30.0	2.8pp	2.6pp
Segment margin (in %)	20.8	20.7	19.1	1.7pp	1.6pp

Due to rounding, numbers may not add up precisely.



(H.3) Segment Reporting – Year-to-Date

Applications, Technology & Support

€ millions, unless otherwise stated (non-IFRS)	Q1–Q4 2021		Q1–Q4 2020	Δ in %	Δ in %
	Actual Currency	Constant Currency	Actual Currency	Actual Currency	Constant Currency
Cloud	8,509	8,661	7,541	13	15
Software licenses	3,244	3,236	3,637	–11	–11
Software support	11,410	11,576	11,502	–1	1
Software licenses and support	14,654	14,812	15,139	–3	–2
Cloud and software	23,163	23,473	22,680	2	3
Services	339	343	285	19	20
Total segment revenue	23,502	23,816	22,965	2	4
Cost of cloud	–2,685	–2,737	–2,315	16	18
Cost of software licenses and support	–1,715	–1,733	–1,757	–2	–1
Cost of cloud and software	–4,401	–4,470	–4,071	8	10
Cost of services	–406	–411	–393	3	5
Total cost of revenue	–4,807	–4,881	–4,464	8	9
Segment gross profit	18,695	18,935	18,500	1	2
Other segment expenses	–9,124	–9,213	–8,779	4	5
Segment profit (loss)	9,571	9,721	9,722	–2	0
Margins					
Cloud gross margin (in %)	68.4	68.4	69.3	–0.9pp	–0.9pp
Segment gross margin (in %)	79.5	79.5	80.6	–1.0pp	–1.1pp
Segment margin (in %)	40.7	40.8	42.3	–1.6pp	–1.5pp

Due to rounding, numbers may not add up precisely.

Qualtrics

€ millions, unless otherwise stated (non-IFRS)	Q1–Q4 2021		Q1–Q4 2020	Δ in %	Δ in %
	Actual Currency	Constant Currency	Actual Currency	Actual Currency	Constant Currency
Cloud	757	780	518	46	50
Cloud and software	757	780	518	46	50
Services	172	177	162	6	9
Total segment revenue	929	957	681	37	41
Cost of cloud	–65	–66	–43	52	55
Cost of cloud and software	–65	–66	–43	52	55
Cost of services	–125	–128	–110	14	17
Total cost of revenue	–190	–194	–152	25	27
Segment gross profit	739	763	528	40	44
Other segment expenses	–696	–719	–533	31	35
Segment profit (loss)	44	44	–4	<–100	<–100
Margins					
Cloud gross margin (in %)	91.5	91.5	91.8	–0.3pp	–0.2pp
Segment gross margin (in %)	79.6	79.7	77.6	1.9pp	2.1pp
Segment margin (in %)	4.7	4.6	–0.6	5.4pp	5.2pp

Due to rounding, numbers may not add up precisely.



Services

€ millions, unless otherwise stated (non-IFRS)	Q1–Q4 2021		Q1–Q4 2020	Δ in %	Δ in %
	Actual Currency	Constant Currency	Actual Currency	Actual Currency	Constant Currency
Cloud and software	0	0	5	–95	–95
Services	3,234	3,282	3,374	–4	–3
Total segment revenue	3,234	3,283	3,379	–4	–3
Cost of cloud	–78	–80	–74	6	8
Cost of software licenses and support	–18	–19	–32	–43	–42
Cost of cloud and software	–97	–99	–106	–9	–7
Cost of services	–2,035	–2,062	–2,209	–8	–7
Total cost of revenue	–2,131	–2,160	–2,315	–8	–7
Segment gross profit	1,103	1,122	1,063	4	6
Other segment expenses	–375	–379	–418	–10	–9
Segment profit (loss)	728	744	645	13	15
Margins					
Services gross margin (in %)	37.1	37.2	34.5	2.6pp	2.7pp
Segment gross margin (in %)	34.1	34.2	31.5	2.6pp	2.7pp
Segment margin (in %)	22.5	22.7	19.1	3.4pp	3.6pp

Due to rounding, numbers may not add up precisely.



(I) Reconciliation of Cloud Revenues and Margins

(I.1) Reconciliation of Cloud Revenues and Margins – Quarter

€ millions, unless otherwise stated		Q4 2021					Q4 2020					Δ in %
		IFRS	Adj.	Non-IFRS	Currency Impact	Non-IFRS Constant Currency	IFRS	Adj.	Non-IFRS	IFRS	Non-IFRS	
Cloud revenue – SaaS/PaaS ¹	Intelligent Spend	765	0	765	-26	740	661	0	661	16	16	12
	Other	1,605	0	1,605	-48	1,557	1,167	3	1,170	38	37	33
	Total	2,371	0	2,371	-74	2,297	1,828	3	1,831	30	29	25
Cloud revenue – IaaS ²		241	0	241	-5	235	213	0	213	13	13	10
Cloud revenue		2,611	0	2,611	-79	2,532	2,041	3	2,044	28	28	24
Cloud gross margin – SaaS/PaaS ¹ (in %)	Intelligent Spend	79.5		80.2		80.1	78.2		79.1	1.3	1.1	1.0
	Other	66.2		69.6		69.6	67.2		71.4	-1.0	-1.8	-1.8
	Total	70.5		73.0		73.0	71.2		74.2	-0.7	-1.2	-1.2
Cloud gross margin – IaaS ² (in %)		27.9		29.1		30.2	36.7		36.8	-8.8	-7.7	-6.6
Cloud gross margin (in %)		66.6		69.0		69.0	67.6		70.3	-1.0pp	-1.3pp	-1.3pp

¹ Software as a Service/Platform as a Service

² Infrastructure as a Service

³ Constant currency period-over-period changes are calculated by comparing the current year's non-IFRS constant currency numbers with the non-IFRS numbers of the previous year's respective period.

Due to rounding, numbers may not add up precisely.



(I.2) Reconciliation of Cloud Revenues and Margins – Year-to-Date

€ millions, unless otherwise stated		Q1–Q4 2021					Q1–Q4 2020					Δ in %
		IFRS	Adj.	Non-IFRS	Currency Impact	Non-IFRS Constant Currency	IFRS	Adj.	Non-IFRS	IFRS	Non-IFRS	
Cloud revenue – SaaS/PaaS ¹	Intelligent Spend	2,831	0	2,831	67	2,899	2,722	0	2,722	4	4	6
	Other	5,669	0	5,669	86	5,755	4,517	5	4,522	25	25	27
	Total	8,500	0	8,500	154	8,653	7,239	5	7,244	17	17	19
Cloud revenue – IaaS ²		918	0	918	21	939	841	0	841	9	9	12
Cloud revenue		9,418	0	9,418	174	9,592	8,080	5	8,085	17	16	19
Cloud gross margin – SaaS/PaaS ¹ (in %)	Intelligent Spend	78.9		79.5		79.5	78.6		78.9	0.3pp	0.6pp	0.6pp
	Other	66.7		70.2		70.2	65.5		70.7	1.2pp	–0.4pp	–0.5pp
	Total	70.8		73.3		73.3	70.4		73.8	0.3pp	–0.5pp	–0.5pp
Cloud gross margin – IaaS ² (in %)		32.5		33.6		33.5	33.6		34.3	–1.1pp	–0.7pp	–0.8pp
Cloud gross margin (in %)		67.0		69.5		69.4	66.6		69.7	0.4pp	–0.2pp	–0.3pp

¹ Software as a Service/Platform as a Service

² Infrastructure as a Service

³ Constant currency period-over-period changes are calculated by comparing the current year's non-IFRS constant currency numbers with the non-IFRS numbers of the previous year's respective period.

Due to rounding, numbers may not add up precisely.

**(J) Revenue by Region (IFRS and Non-IFRS)****(J.1) Revenue by Region (IFRS and Non-IFRS) – Quarter**

€ millions	Q4 2021					Q4 2020					Δ in %	
	IFRS	Adj.	Non-IFRS	Currency Impact	Non-IFRS Constant Currency	IFRS	Adj.	Non-IFRS	IFRS	Non-IFRS		Non-IFRS Constant Currency ¹
Cloud Revenue by Region												
EMEA	910	0	910	-19	892	672	2	674	35	35	32	
Americas	1,375	0	1,375	-57	1,318	1,087	1	1,088	26	26	21	
APJ	326	0	326	-3	323	282	0	282	16	16	15	
Cloud revenue	2,611	0	2,611	-79	2,532	2,041	3	2,044	28	28	24	
Cloud and Software Revenue by Region												
EMEA	3,240	0	3,240	-46	3,194	3,073	2	3,075	5	5	4	
Americas	2,674	0	2,674	-119	2,555	2,480	1	2,481	8	8	3	
APJ	1,076	0	1,076	-17	1,059	1,025	0	1,025	5	5	3	
Cloud and software revenue	6,990	0	6,990	-182	6,808	6,579	3	6,582	6	6	3	
Total Revenue by Region												
Germany	1,298	0	1,298	-1	1,297	1,217	1	1,218	7	7	7	
Rest of EMEA	2,392	0	2,392	-53	2,339	2,282	1	2,283	5	5	2	
Total EMEA	3,690	0	3,690	-54	3,636	3,499	2	3,501	5	5	4	
United States	2,480	0	2,480	-106	2,374	2,366	1	2,367	5	5	0	
Rest of Americas	607	0	607	-31	576	519	0	519	17	17	11	
Total Americas	3,087	0	3,087	-137	2,950	2,885	1	2,886	7	7	2	
Japan	349	0	349	14	363	347	0	347	1	1	5	
Rest of APJ	855	0	855	-32	822	807	0	807	6	6	2	
Total APJ	1,204	0	1,204	-19	1,185	1,154	0	1,154	4	4	3	
Total revenue	7,981	0	7,981	-209	7,771	7,538	3	7,541	6	6	3	

¹⁾ Constant currency period-over-period changes are calculated by comparing the current year's non-IFRS constant currency numbers with the non-IFRS numbers of the previous year's respective period.

Due to rounding, numbers may not add up precisely.



(J.2) Revenue by Region (IFRS and Non-IFRS) – Year-to-Date

€ millions	Q1–Q4 2021					Q1–Q4 2020					Δ in %	
	IFRS	Adj.	Non-IFRS	Currency Impact	Non-IFRS Constant Currency	IFRS	Adj.	Non-IFRS	IFRS	Non-IFRS		Non-IFRS Constant Currency ¹
Cloud Revenue by Region												
EMEA	3,308	0	3,308	4	3,311	2,608	2	2,610	27	27	27	
Americas	4,894	0	4,894	147	5,041	4,439	3	4,442	10	10	13	
APJ	1,217	0	1,217	23	1,240	1,033	0	1,033	18	18	20	
Cloud revenue	9,418	0	9,418	174	9,592	8,080	5	8,085	17	16	19	
Cloud and Software Revenue by Region												
EMEA	10,931	0	10,931	3	10,934	10,364	2	10,366	5	5	5	
Americas	9,348	0	9,348	267	9,616	9,239	3	9,242	1	1	4	
APJ	3,798	0	3,798	62	3,860	3,625	0	3,625	5	5	6	
Cloud and software revenue	24,078	0	24,078	332	24,410	23,228	5	23,233	4	4	5	
Total Revenue by Region												
Germany	4,343	0	4,343	2	4,344	4,015	1	4,016	8	8	8	
Rest of EMEA	8,246	0	8,246	-2	8,244	8,052	1	8,053	2	2	2	
Total EMEA	12,589	0	12,589	0	12,589	12,067	2	12,069	4	4	4	
United States	8,870	0	8,870	287	9,157	9,110	3	9,113	-3	-3	0	
Rest of Americas	2,099	0	2,099	33	2,131	1,996	0	1,996	5	5	7	
Total Americas	10,969	0	10,969	319	11,288	11,106	3	11,109	-1	-1	2	
Japan	1,301	0	1,301	84	1,385	1,305	0	1,305	0	0	6	
Rest of APJ	2,984	0	2,984	-13	2,971	2,859	0	2,859	4	4	4	
Total APJ	4,285	0	4,285	71	4,356	4,165	0	4,165	3	3	5	
Total revenue	27,842	0	27,842	390	28,232	27,338	5	27,343	2	2	3	

¹⁾ Constant-currency period-over-period changes are calculated by comparing the current year's non-IFRS constant-currency numbers with the non-IFRS number of the previous year's respective period.

Due to rounding, numbers may not add up precisely.

**(K) Employees by Region and Functional Areas**

Full-time equivalents	12/31/2021				12/31/2020			
	EMEA	Americas	APJ	Total	EMEA	Americas	APJ	Total
Cloud and software	5,947	4,586	5,113	15,646	6,278	4,589	5,525	16,392
Services	8,229	5,491	5,924	19,644	8,175	5,934	5,733	19,842
Research and development	15,347	6,326	10,571	32,244	13,705	6,094	9,781	29,580
Sales and marketing	11,136	11,598	5,481	28,215	10,348	10,485	5,000	25,834
General and administration	3,374	2,306	1,199	6,879	3,285	2,161	1,243	6,689
Infrastructure	2,609	1,353	824	4,786	2,291	1,107	696	4,094
SAP Group (12/31)	46,641	31,660	29,113	107,415	44,082	30,369	27,979	102,430
Thereof acquisitions ¹	462	407	45	914	609	97	75	781
SAP Group (twelve months' end average)	45,359	30,651	28,354	104,364	43,340	30,306	27,830	101,476

¹ Acquisitions closed between January 1 and December 31 of the respective year

Other Disclosures

(L) Financial Income, Net

Finance income mainly consists of gains from disposals and fair value adjustments of equity securities totaling €847 million in the fourth quarter of 2021 (Q4/2020: €312 million) and €3,067 million in the full year 2021 (Q1-Q4/2020: €1,360 million).

Finance cost were primarily impacted by losses from disposals and fair value adjustments of equity securities totaling €255 million in the fourth quarter of 2021 (Q4/2020: €139 million) and €654 million in the full year 2021 (Q1-Q4/2020: €342 million), and interest expense on financial liabilities including lease liabilities amounting to €41 million in the fourth quarter of 2021 (Q4/2020: €44 million) and €160 million in the full year 2021 (Q1-Q4/2020: €179 million).

For more information about Financial Income, Net, see the Notes to the 2021 Consolidated Half-Year Financial Statements, [Note \(C.3\)](#).

(M) Business Combinations and Divestments

(M.1) Business Combinations

Signavio GmbH

In January 2021, SAP announced it had entered into an agreement to acquire Signavio GmbH (Berlin, Germany) (“Signavio”), a leader in the enterprise business process intelligence and process management space. The purchase price was €949 million. The transaction closed on March 5th, following satisfaction of regulatory and other approvals; the operating results and assets and liabilities are reflected in our consolidated financial statements starting on that date (the initial accounting for the Signavio acquisition is still incomplete, thus the amounts recorded for some assets and liabilities are regarded provisional as of December 31, 2021).

For more information about Business Combinations, see the Notes to the 2021 Consolidated Half-Year Financial Statements, [Note \(D.1\)](#).

Clarabridge Inc.

On October 1, 2021 (after receipt of required regulatory approvals and satisfaction or waiver of other customary closing conditions), Qualtrics completed its previously announced acquisition of Clarabridge, Inc. (“Clarabridge”), a customer experience management software company headquartered in Reston, Virginia, USA, pursuant to an Agreement and Plan of Reorganization and Merger. The number of Qualtrics class A common stock issued to the sellers was fixed based on a valuation of US\$1.1 billion (subject to certain adjustments) – the assumed Qualtrics share price was US\$37.33. The actual consideration transferred (mainly in shares valued at the acquisition date fair value of the common stock) amounted to US\$1.3 billion, respectively €1.1 billion. Pursuant to joinder and lockup agreements signed by Clarabridge’s stockholders, the sale of the Qualtrics shares by the Clarabridge stockholders is subject to certain restrictions.

In addition, pursuant to the terms of the Merger Agreement, Qualtrics has (1) assumed, amended and restated Clarabridge stock plans, and (2) converted the assumed options to purchase shares of Clarabridge stock outstanding into corresponding Qualtrics options. Qualtrics has granted equity incentive awards to certain continuing employees of Clarabridge and its subsidiaries under their own Qualtrics equity plan at Qualtrics’ sole discretion, see [Note \(O\)](#) of this chapter.

The initial accounting for the business combination (that has mainly added goodwill and intangible assets to SAP’s assets) is preliminary as of December 31st (as we are still in the process of collecting the information necessary to determine the fair value of e.g., intangible assets as well as tax assets and liabilities).

(M.2) Divestments

As a result of the close of the transaction in September (following satisfaction of all closing conditions including regulatory approvals), SAP and investment company Dediq GmbH (“Dediq”) now jointly own the new “SAP Pioneer” entity (with SAP owning a minority share). SAP and SAP Pioneer have executed transition service and go-to-market agreements, among others. The disposal gain relating to the transfer of the business (predominantly IP and employees) was recorded in SAP’s “Other operating income/expense, net” (€77 million for both IFRS and non-IFRS).



(N) Ownership in Qualtrics

On January 28, 2021, Qualtrics International Inc. (Qualtrics) issued 12% of its shares on the Nasdaq Stock Market (NASDAQ), which resulted in SAP's ownership decreasing to 84%. The Initial Public Offering (IPO) related cash inflow amounted to €1.8 billion and the initial value of non-controlling interests in net assets was €0.9 billion.

On October 1, 2021, Qualtrics completed its acquisition of Clarabridge for an aggregate consideration of €1.1 billion (for detailed information, see [Note M.1](#) in this chapter). Following the issuance of new Qualtrics shares, SAP's ownership further decreased to 78% resulting in an additional value of non-controlling interests of €0.3 billion in net assets to be recognized.

On November 11, 2021, Qualtrics announced the closing of its public offering and issued an additional 4% of its shares, which reduced SAP's ownership in Qualtrics to 74%. The offering related cash inflow amounted to €1.0 billion and the corresponding value of non-controlling interests in net assets was €0.3 billion.

(O) Share Based Payments

In 2021, 77.7 million equity-settled Qualtrics RSU (Retention Share Units) awards were granted to encourage and enable Qualtrics executives and employees to acquire an ownership interest in Qualtrics.

Upon completion of a voluntary exchange offer for eligible Qualtrics employees in conjunction with the IPO on January 28, 2021, 5.4 million of Qualtrics rights and 1.3 million SAP RSU awards were exchanged into 12.8 million Qualtrics RSU awards. The terms and conditions of the voluntary exchange offer, including the exchange ratio, were designed to preserve the intrinsic value of the Qualtrics rights and SAP RSUs that were tendered. The modification date fair value of the Qualtrics RSU awards was US\$30.00.

(P) Financial Liabilities

In March 2021, SAP drew two short-term bank loans of €950 million and €500 million with tenors of one year. In November 2021, the tenors of these loans were extended to September 30, 2022, while repayments can be done flexibly over time. Also in March 2021, SAP repaid €500 million in Eurobonds and in June 2021 the outstanding €1,250 million of the Qualtrics-related acquisition term loan. At the end of the year 2021, the balance of commercial papers was unchanged compared to year-end 2020 at €930 million.

(Q) Change in non-IFRS revenue measures

In the second quarter of 2021 and effective for the full year 2021, we changed our non-IFRS definition. We no longer adjust our IFRS revenue measures by including the full amount of recurring revenue that is not recognized under IFRS due to fair value accounting for the contracts in effect at the time of the respective acquisitions. The adjustment amounts were immaterial for the full year 2021.

Thus, our IFRS revenue is equal to our non-IFRS revenue at actual currencies. Stated 2020 results are based on our 2020 non-IFRS definition.

The adjustment of our non-IFRS definition also impacts our operating profit (non-IFRS), profit before tax (non-IFRS), profit after tax (non-IFRS), and our non-IFRS key ratios such as operating margin, effective tax rate, and earnings per share, basic.