

SAP Marks SME Milestone with 10,000th SAP® Business One Customer

Manufacturer Rajiv Plastics, Based in Rapidly Emerging Indian Market, Caps Fast-Growing List of Small and Midsize Enterprises Selecting Integrated Business Management Solution from SAP

MUMBAI, India - June 14, 2006 - Demonstrating its strength in meeting the fast-growing global market demand for solutions for small and midsize enterprises (SMEs), SAP AG (NYSE: SAP) today announced the worldwide 10,000th customer for SAP® Business One, its integrated business management solution for SMEs, which was introduced internationally in 2003. This landmark also highlights the rapid growth of the SAP office in India, which took up operations in 1996 and since then has won almost 1,000 customers, of which 520 are in the SME space.

Rajiv Plastics Industries, a leading manufacturer of color master batches for commodity and engineering plastics based in Mumbai, India, has selected SAP Business One to provide a consolidated source of business-critical information, improved visibility and more effective management across its entire operations. The announcement was made at the SAP World Tour stop in Mumbai, India, June 14 – 16, 2006, coinciding with the SAP Summit '06, attended by more than 2,000 customers, partners and employees, including executives from SAP and Rajiv Plastics.

With this milestone in customer adoption, SAP further strengthens its position in the SME segment, which is one of the company's key strategic areas for future growth, driven by a two-product approach including SAP Business One and mySAP™ All-in-One solutions. SAP currently counts approximately 18,000 total SME customers, served by a global network of nearly 2,000 qualified partners.

"Small and midsize enterprises are realizing the advantages they can gain by adopting enterprise management applications instead of relying on disparate packages for components including accounting, inventory management and others, or spread sheets to make important business decisions," said Robert P. Anderson, vice president, Research, Gartner. "They trust in global vendors who not only offer these applications but guarantee a reliable partnership, long-term protection of investment as well as local presence through a network of certified partners."

Rajiv Plastics to Extend SAP Business One to Further Sales Offices

Rajiv Plastics selected SAP Business One to replace the outgrown solution of its sales offices in Mumbai and Silvassa and to streamline an IT environment marked by isolated applications which delayed the flow of information and prevented fast and efficient decision making. Starting with an initial 10 users, Rajiv Plastics will deploy an additional 10 licenses, and is considering extending SAP Business One to its three sales offices throughout India. The solution is being delivered by HP, one of SAP's partners in India for SAP Business One.

"With SAP Business One we have an accurate and integrated overview of information from various departments which helps us manage our business in a timely manner and immediately respond to customer and market demands," said Manish Minocha, director, Rajiv Plastics Industries. "When we evaluated SAP Business One against offerings from other vendors, it was superior in its adaptive and easy-to-customize technology as well as its cost-effectiveness and breadth of functionality."

High Market Demand for SME Solutions in India

An SAP Business One partner in India since September 2005, HP has provided Rajiv Plastics with consulting services prior to the implementation, and has managed configuration of the solution. HP also is responsible for training and education of the users.

"HP has seen a growing demand for SAP Business One based on the solution's ease of operation and high flexibility," said Urs Renggli, director of Small and Mid Market, Technology Solutions Group, HP. "SAP has also done well in providing its partner network with the tools necessary to successfully deliver the solution and ensure maximum investment protection for customers."

An affordable business management solution designed for SMEs typically with 10 to 100 employees, SAP Business One is

available in more than 40 country versions and delivered by a network of 1,200 partners who specialize in selling, implementing and maintaining the solution. A highly flexible platform that meets core business management needs, SAP Business One also addresses highly specified demands of various industries through a growing portfolio of more than 250 seamlessly integrated solution extensions developed by a worldwide network of ISV partners.

"This achievement of 10,000 customers in as little as three years is a tribute to the value SAP Business One delivers and to the successful growth and influence of our channel partners," said Donna Troy, executive vice president, Global SME Indirect Channels, SAP AG, at the India Summit. "This is especially hard won in a business focused on long-term partnerships with our customers, not on shrink-wrap software sales. It's a special pleasure to mark this milestone in the fast-growing market of India, where we are seeing especially strong uptake for our SME solutions by customers and our growing partner channel."

About SAP® Business One

Designed specifically for small and midsize enterprises, SAP® Business One allows business owners to achieve an up-to-date and unified view of their operations, improve business-process efficiency and take advantage of growth opportunities. SAP Business One can be deployed rapidly, providing instantaneous access to critical business information through intuitive, easy to use reporting and drill down capabilities. With more than 1,211 business partners, 250 industry- and process-specific scenarios and add-ons, and nearly 40 country versions, SAP Business One is helping 10,000 companies worldwide seamlessly link with customers and suppliers and with parent companies using mySAP™ Business Suite applications. Underlining the application's proven success, Small Business Technology Magazine selected SAP Business One as the 2005 Technology Product of the Year. (Additional information at <http://www.sap.com/solutions/smb/businessone>)

About SAP

SAP is the world's leading provider of business software*. Today, more than 33,200 customers in more than 120 countries run SAP® applications—from distinct solutions addressing the needs of small and midsize enterprises to suite offerings for global organizations. Powered by the SAP NetWeaver® platform to drive innovation and enable business change, SAP software helps enterprises of all sizes around the world improve customer relationships, enhance partner collaboration and create efficiencies across their supply chains and business operations. SAP solution portfolios support the unique business processes of more than 25 industries, including high tech, retail, financial services, healthcare and the public sector. With subsidiaries in more than 50 countries, the company is listed on several exchanges, including the Frankfurt stock exchange and NYSE under the symbol "SAP." (Additional information at <http://www.sap.com/>>)

(*) SAP defines business software as comprising enterprise resource planning and related applications such as supply chain management, customer relationship management, product life-cycle management and supplier relationship management.

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