

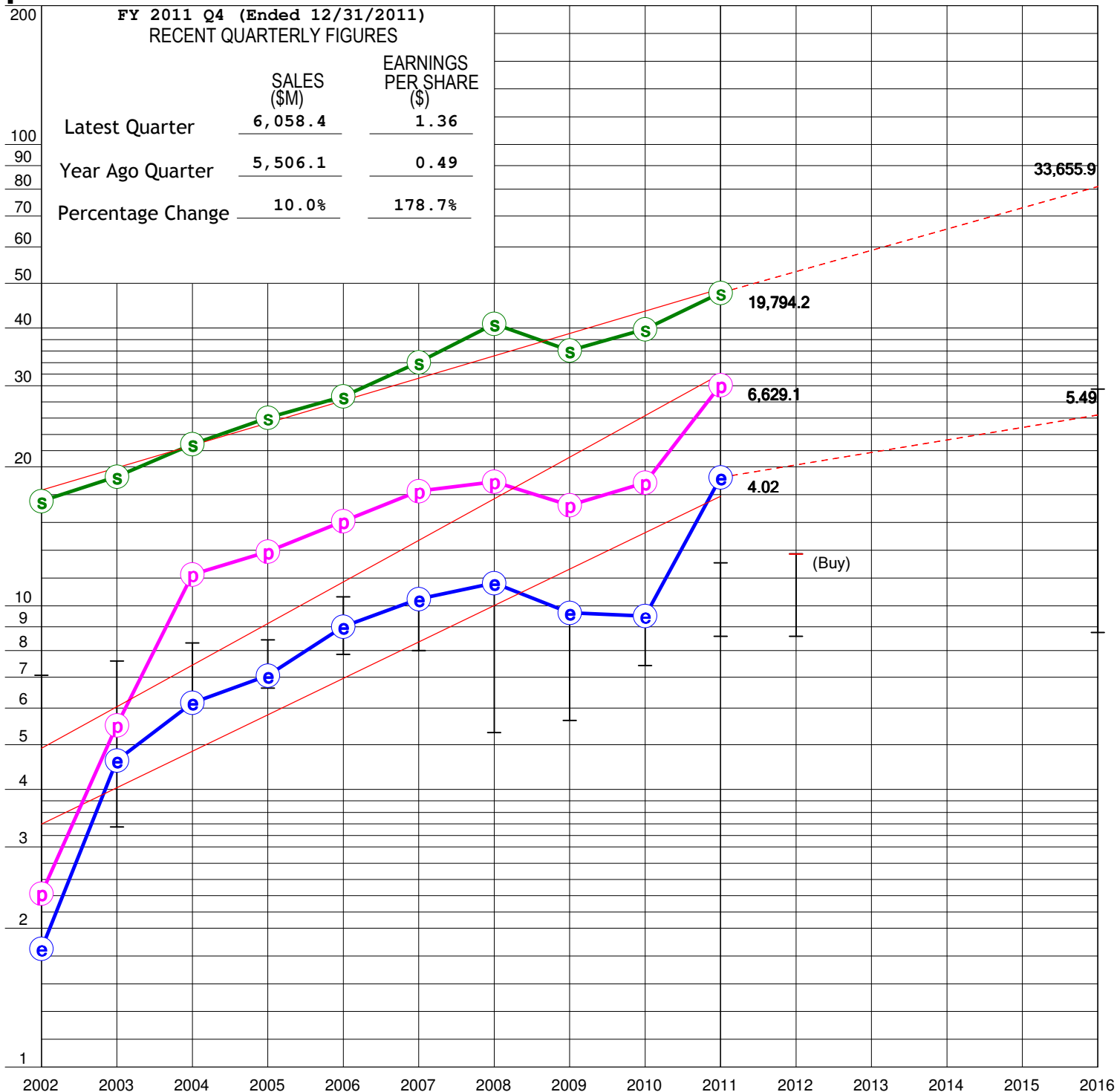


Stock Study

Company	Sap AG 3-15-12	Price Date	03/15/12
Study by	S Patterso	Data Date	02/17/12
Sector	Technology	Data Source	BI
Industry	Software - Application	Reference	Morningsta
Preferred(\$M)	0.0		
Common(M Shares)	1,189.0	% Insiders	0.0
Debt(\$M)	1,792.4	% Institutions	3.2
% Debt to Tot.Cap.	10.9	Quality	

1 Growth Analysis

NYSE: SAP



- | | | | | |
|-----------------------------------|---------------------|------------------------------------------------|---------------------|---------------|
| (1) Historical Sales Growth | _____ 11.8 % | (3) Historical Earnings Per Share Growth | _____ 19.9 % | www.iclub.com |
| (2) Estimated Future Sales Growth | _____ 11.2 % | (4) Estimated Future Earnings Per Share Growth | _____ 6.4 % | |
| (5) Sales Growth R ² | _____ 0.95 | (6) Earnings Per Share Growth R ² | _____ 0.76 | |

2 QUALITY ANALYSIS

Company Sap AG 3-15-12 (SAP)

03/15/12

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	7.5	15.3	27.7	27.2	28.5	27.9	24.1	24.5	24.7	33.5	26.9	UP
B % ROE (Beginning Yr)	7.5	40.4	35.3	29.8	34.6	33.5	30.4	24.4	19.7	36.3	28.9	UP
C % Debt to Equity	0.4	0.3	0.1	0.1	0.0	0.0	0.5	8.0	11.0	0.0	3.9	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 71.46 (17.8) 52-WEEK HIGH (P/E) 71.55 (17.8) 52-WEEK LOW (P/E) 47.39 (11.8)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2007	59.6	44.2	2.19	27.2	20.2	0.631	28.8	1.4
2 2008	59.4	29.3	2.37	25.1	12.4	0.733	30.9	2.5
3 2009	52.7	31.1	2.04	25.8	15.2	0.492	24.1	1.6
4 2010	54.7	41.0	2.01	27.2	20.4	0.453	22.5	1.1
5 2011	68.4	47.4	4.02	17.0	11.8	0.585	14.6	1.2
6 AVERAGE		38.6		24.5	16.0		24.2	
AVERAGE P/E RATIO		20.3	PROJECTED P/E RATIO		16.7	TTM EPS		4.01
CURRENT P/E RATIO		17.8	PEG RATIO		2.6	FTM EPS		4.27
RELATIVE VALUE		87.7	PROJ. RELATIVE VALUE		82.5	AVG TTM + FTM EPS		4.14

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS – NEXT 5 YEARS

Selected High P/E ~~24.5~~ 21.0 X Estimated High Earnings/Share 5.49 = Forecast High Price \$ ~~115.3~~ 162.8

B FUTURE LOW PRICE ANALYSIS – NEXT 5 YEARS

(a) Sel. Low P/E ~~16.0~~ 15.0 (as adj.) X Estimated Low Earnings/Share 4.01 = \$ 60.2

(b) Average 5-Year Low Price = 38.6

(c) Recent Severe Low Price = 41.0

(d) Price Dividend Will Support = Present Divd. + High Yield = 0.610 + 0.025 = 24.4

Selected Estimated Low Price = \$ 48.3

C PRICE RANGES

Forecast High Price 162.8 - Estimated Low Price 48.3 = Range 114.5 25% of Range = 28.6

BUY (Lower 25% of Range) = 48.3 to 76.9

MAYBE (Middle 50% of Range) = 76.9 to 134.2

SELL (Upper 25% of Range) = 134.2 to 162.8

Current Price 71.460 is in the Buy Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 162.8 - Current Price 71.460) ÷ (Current Price 71.460 - Estimated Low Price 48.3) = 3.9 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 0.610 ÷ Current Price of Stock \$ 71.460 = 0.9 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 24.2 ÷ Forecast High P/E 21.0 = Avg. Yield 1.2

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 24.2 ÷ Forecast Avg P/E 18.0 = Avg. Yield 1.3

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield 1.2 % + Annual Appreciation 17.9 % = Compound Annual Total Return 19.1 %

D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield 1.3 % + Annual Appreciation 6.7 % = Projected Average Total Return 8.0 %