



18.04.2008

Nidamanuru Anand (01038020)

Dear Anand,

**Your STAR allocation under the STAR 2008 Plan**

This year we are again offering eligible employees the opportunity to benefit from the success of the Company and the stock-market performance of the SAP share by participating in the STAR 2008 Plan.

We are pleased to grant you 154 Stock Appreciation Rights (STARs) in recognition of your contribution to the performance of the SAP Group during the period 1 January 2008 to 31 December 2009.

You do not need to expressly accept this grant for it to be effective. However, if you prefer to decline the grant, please inform Human Resource in writing not later than 30 April 2008.

This grant to you is governed exclusively by the STAR 2008 Plan Conditions in this letter. You can find a more detailed description in the "STAR program 2008" brochure.

There is more information about the Plan in SAP Corporate Portal, please visit SAP Corporate Portal -> Employee Services -> Compensation & Equity -> Equity -> STAR.

We are sure we can count on your efforts in 2008 and 2009 to keep our Company – and the STAR 2008 Plan – on track for success.

Yours sincerely,

SAP HR Operations APJ

## STAR 2008 Plan Conditions

### 1. STAR performance calculation

- a) The calculation will be based on the price of an SAP share in the Frankfurt Stock Exchange XETRA trading system. Performance in 2008 and 2009 will be measured with reference to the grant value and end value determined by the method described in b) and c) (below).
- b) The **grant value** applicable at the beginning of the measurement period in 2008 has been determined and is the average closing price of the SAP share in the Frankfurt Stock Exchange XETRA trading system on the first 20 business days after the announcement of the preliminary results for fiscal year 2007 on 01/30/2008. That grant value is € 32.69.
- c) The quarterly values for all fiscal quarters in the measurement period for the 2008 Plan will be included in the calculation of the **end value** and will be subject to the differentiated weightings in the following table:

2008		2009	
Q1	05%	Q5	10%
Q2	05%	Q6	10%
Q3	10%	Q7	10%
Q4	20%	Q8	30%
Total: 40%		Total: 60%	

The **quarterly values** are the average closing price in the Frankfurt Stock Exchange XETRA trading system on the first five business days after the announcement of the final SAP AG results for the quarter concerned (this will apply in respect of Plan quarters 1, 2, 3, 5, 6, and 7). In respect of the year-end quarters (Plan quarters 4 and 8) the quarterly value is the average closing price in the Frankfurt Stock Exchange XETRA trading system on the first 20 business days after the announcement of the preliminary results for fiscal year 2008 (Plan quarter 4) and for fiscal year 2009 (Plan quarter 8) respectively.

- d) The amount paid out for each STAR in respect of each calendar quarter will be calculated as follows:

Stock Appreciation (quarterly value minus grant value)	Amount Paid Out as a Percentage of the (Additional) Stock Appreciation
First € 12.50	100%
From € 12.50 to € 25.00	50%
Above € 25.00	25%

The total payout value of each STAR will be the sum of these quarterly payout amounts.

- e) Payment will be in two installments.
1. With the salary for March 2010: 50% of the payout, if any, calculated in accordance with d).
  2. With the salary for January 2011: 50% of the payout, if any, calculated in accordance with d).

Payments will be made in the currency of the country of payment. The exchange rate from euros to the country currency will be the inter bank reference exchange rate on the Frankfurt foreign exchange market on the last day in the calculation period for Plan quarter 8 as defined in c) (above).

### 2. Termination, retirement, permanent incapacity, death

- a) STAR grants that have not yet been paid out shall be forfeited, if you are not continuously employed by an SAP Group subsidiary participating in the STAR program from January 1, 2008, up to and including January 31, 2011. The same applies, if at the time of one of the payments you are under notice of termination or there exists a termination agreement between you and the company, even if the termination date is after the relevant payment date.
- b) Notwithstanding a), employees remain entitled to each installment if they leave the SAP Group by reason of permanent incapacity to work or retirement at the legal retirement age.
- c) Rights under the STAR 2008 Plan are nontransferable and cannot be pledged as security, but such rights may form part of the estate of a deceased employee.

### 3. Taxes and social insurance contributions

The Company reserves the right to withhold all taxes and social insurance contributions arising out of payments under the STAR Plan. Employees undertake to honor all obligations in respect of taxes and contributions.

### 4. Voluntary nature of benefits

Payments made under the STAR 2008 Plan are voluntary payments and do not count toward salary for the purpose of calculating the amount of other compensation, for example pensions. Participation in the STAR 2008 Plan does not raise any contractual right to participation in similar plans in the future. The management of the Company reserves the right at its sole and exclusive discretion to augment, suspend, change, improve, or end STAR plans in whole or in any part in the future.