



# Die Finanzierung von M&A Transaktionen bei SAP

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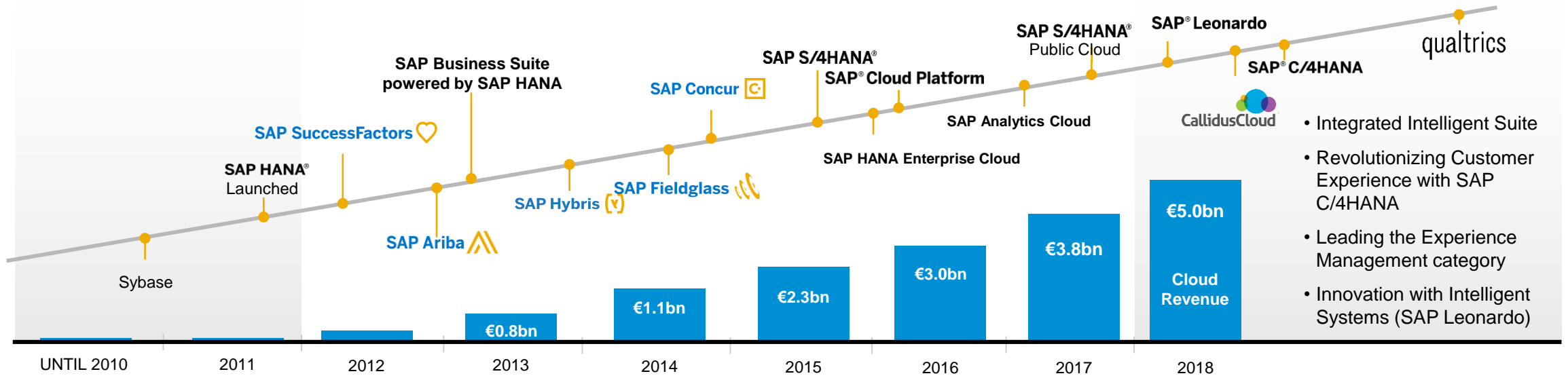
January 16, 2020

# Rapid expansion into cloud since 2010

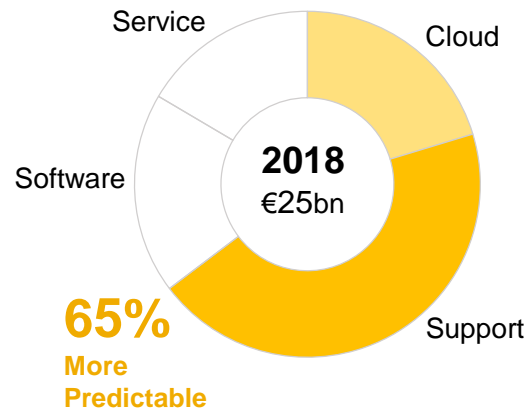
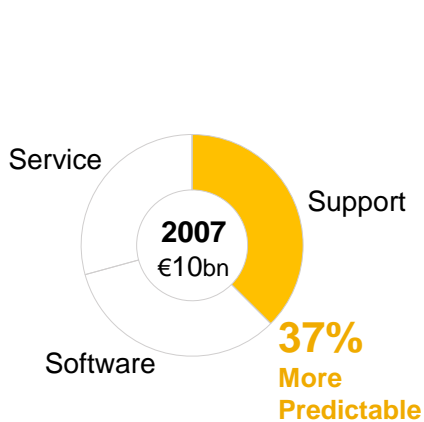
Doubled addressable market

Be the most innovative cloud company powered by SAP HANA

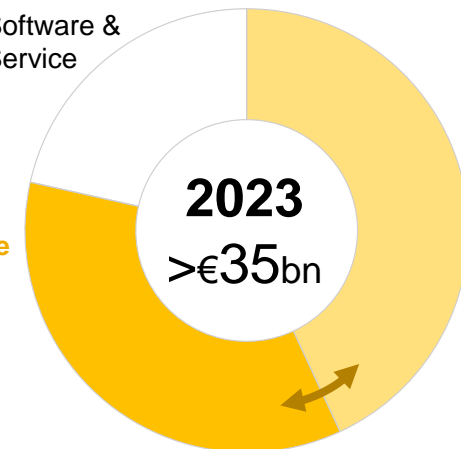
Intelligent enterprise



- Integrated Intelligent Suite
- Revolutionizing Customer Experience with SAP C/4HANA
- Leading the Experience Management category
- Innovation with Intelligent Systems (SAP Leonardo)



Approaching  
**80%**  
More Predictable



# One decade of M&A driven external debt financing

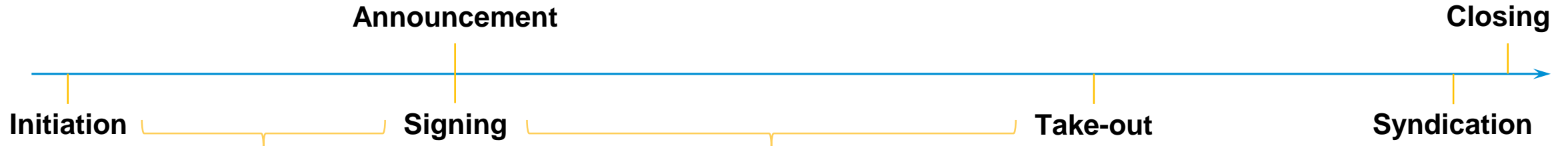


Acquisition price	€4.2bn	\$5.8bn	\$3.4bn	\$4.3bn	~ €1.0bn	< €1.0bn	\$8.3bn	\$2.4bn	\$8.0bn
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## Financing instruments

Term Loan	€3bn	€2.75bn	€1.0bn	€2.4bn	€1.0bn	€0.5bn	€7.0bn	€1.8bn	€7.0bn
Schuld-schein	€0.7bn		No capital market transaction		No capital market transaction	No capital market transaction			
US PP		\$1.25bn		\$1.4bn					
Eurobond		€2.2bn		€1.3bn			€4.5bn	€1.5bn	€4.5bn
EMTN Program	---	---	---	€ 2.4bn	€ 4.0bn	€ 6.0bn	€ 6.0bn	---	---

# End to end: Timeline and considerations



## Structural considerations:

- *Timeline*
- *Structure of credit facility*
- *Takeout instruments*
- *Hedging*
- *Participating banks and roles*
- ...

## To Dos:

- *Prospectus*
- *Market update calls*
- *Investor presentation*
- *Take-out strategy*
- *Communication (internal & external)*
- *Due Diligence Call*
- *Investment of take-out proceeds*
- *Management of uncertainty*
- ...

## Eurobond transaction:

- *Execution: 1 day*
- *Marketing: Net roadshow with voice recording*
- *Offering: 5 tranches*
- *Communication: "at least benchmark" for tranches and "expected 4.0bn" for total size*
- *Weighted avg. maturity: 7.5yrs*
- *Weighted avg. yield: 1.0%*
- ...

# Structure of acquisition finance – Qualtrics (2018) vs. Concur (2014)

## Same structure ...

- Bridge & term loan structure
- Number of underwriters
- Choice of take-out instruments
- Take-out before closing
- M&A risk management
- Take-out volume
- Number of participating banks
- Bridge EUR 4.0bn (12+6+6m) & Term Loan EUR 3.0bn (3yrs), optional currency USD
- 1 bank as sole underwriter
- Eurobonds
- Early refinancing certainty, attractive coupons, fast project management
- “M&A Call” at 101% in case acquisition doesn’t close
- EUR 4.5bn
- 19 banks

## ... but different details

- Documentation
- Denomination of notes
- Bank roles
- Execution
- Number of take-out transactions
- Syndication of credit facility
- Time between initiation and take-out
- Standalone prospectus
- 100.000 EUR
- Only active & passive bookrunners
- One-day execution
- One transaction before closing
- 2.5bn EUR after take-out
- 6 weeks
- Debt Issuance Program (EMTN)
- 1.000 EUR
- Active & passive bookrunners & co-leads
- Two-day execution for the 1<sup>st</sup> transaction
- One transaction before and one after closing
- Full 7.0bn EUR before take-out
- 9 weeks until 1<sup>st</sup> and 28 weeks until 2<sup>nd</sup> take-out



# Thank you.

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