SAP and IBM Team to Deliver Integrated Database and Business Management Offering for Midsize Enterprises

Tighter Integration with mySAPTM All-in-One Solutions Couples Reliable, Low-Cost DB2 Viper Database and Industry-Specific Business Management Applications

ORLANDO, Fla. — May 18, 2006 — SAP AG (NYSE: SAP) and IBM (NYSE: IBM) today announced a global agreement to offer midsize enterprises tighter and more seamless integration between mySAPTM All-in-One solutions and the upcoming version of DB2, code-named "Viper." Companies across the globe now have the option to select a reliable, low-cost database that is bundled together and tightly integrated with mySAP All-in-One solutions from SAP and its partners, thus making the selection of DB2 Viper a seamless and easy choice. Today's announcement, which also includes a one-year special maintenance offering, delivers on the promise SAP and IBM have made to help midsize enterprises maximize the capabilities of their existing IT investments while integrating new technologies. Based upon the tight integration of mySAP All-in-One solutions with this new offering from IBM, SAP highly recommends DB2 Viper for its midmarket customers. The announcement was made at SAPPHIRE® '06, SAP's international customer conference, being held in Orlando, Florida, May 16-18.

Scheduled for release in mid-2006, DB2 Viper for mySAP All-in-One solutions is designed to help midsize enterprises ease configuration, enhance performance and increase solution availability. DB2's outstanding functionality and low total cost of ownership, coupled with the expertise of SAP and its partners in meeting the industry-specific requirements of midsize enterprises, provides customers with a superior return on investment.

"The tight integration of DB2 and SAP has helped Fossil Partners to expand our global distribution network and our product line into belts, handbags, sunglasses, jewelry and apparel," said Mark Reynolds, director, IT Infrastructure and Operations, Fossil Partners LP. "We anticipate that the combination of the new DB2 Viper and SAP will further improve performance and speed our business decision-making process, allowing us to respond swiftly to demands of the marketplace."

Attractive One Year Offering for Midsize Enterprises

As part of a renewed commitment to joint efforts, SAP and IBM are offering one year free maintenance of DB2 for new customers of mySAP All-in-One solutions who wish to run their SAP applications on the latest version of DB2. Together with attractive pricing, pre-tuning and pre-configuration and high compatibility to work with existing databases, this offer makes DB2 Viper an excellent choice for midsize enterprises.

"SAP remains committed to working very closely with IBM to deliver tighter integration of mySAP All-in-One solutions on DB2 Viper so that our customers can achieve greater

application performance at low license and maintenance costs," said Donna Troy, executive vice president Global SME Indirect Channels, SAP. "Together with our channel partners serving SMEs, we look forward to having mySAP All-in-One customers benefit from one year of free maintenance of DB2 – a highly recommended database for the midmarket."

Customers using the new offering will benefit from embedded capabilities such as self-tuned memory, new compression technology, built-in high availability and advanced autonomic capabilities. DB2 Viper's new capabilities and added optimization for mySAP All-in-One solutions from SAP and its partners will enable customers to achieve greater performance at affordable license and maintenance costs.

"DB2 Viper will fundamentally change the rules of the database game," said Ambuj Goyal, general manager, Information Management Software, IBM. "With Viper at the heart of a customer's SAP infrastructure, midsize enterprises will be able to rapidly transition from conventional data management practices to unprecedented information management techniques that enable them to leverage information as a service."

IBM will continue working with SAP to incorporate additional optimizations and performance enhancements into DB2 to further drive down the total cost of ownership. These additional optimizations will extend DB2's ability to more fully leverage SAP application functionality and deliver on SAP and IBM's promise of tighter, more seamless integration for DB2.

About IBM

IBM (www.ibm.com) is the world's largest information technology company with more then 90 years of leadership in helping businesses innovate. Drawing on resources from across IBM and key business partners, IBM offers a wide range of services, financing, solutions and technologies that enable clients to take full advantage of the on demand era.

About SAP

SAP is the world's leading provider of business software solutions*. Today, more than 32,000 customers in more than 120 countries run SAP® software—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 business solutions help enterprises of all sizes around the world improve customer relationships, enhance partner collaboration and create efficiencies across their supply chains and business operations. SAP industry solutions support the unique business processes of more than 25 industries, including high tech, healthcare, retail, public sector and financial services. 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 https://www.sap.com)

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

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