



Moving to Business Connectivity with Enterprise SOA

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Business Trends and Challenges:

Accelerate to Compete

Blueprint for Working with Financial Information:

Connectivity across a Business Network

Enterprise SOA:

Innovate at Lower TCO



➔ **Business Trends and Challenges:**

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Two Key Business Trends

Pace of Change is accelerating

Every 20 Minutes:
M&A

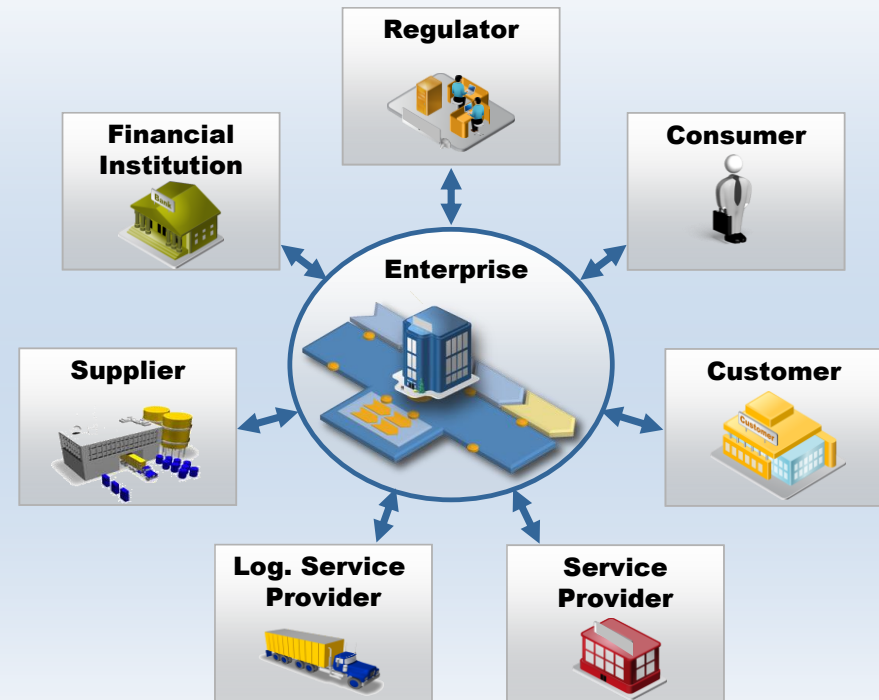
Every 3.5 minutes:
new consumer product

Every 0.1 second:
Container shipped

Business Network Environment

**From Supplier of Products to
Solution Provider**

**Decision Making and Risk
Assessment in Global
Capital Markets**



Business Network Transformation Needs Innovation on Multiple Levels

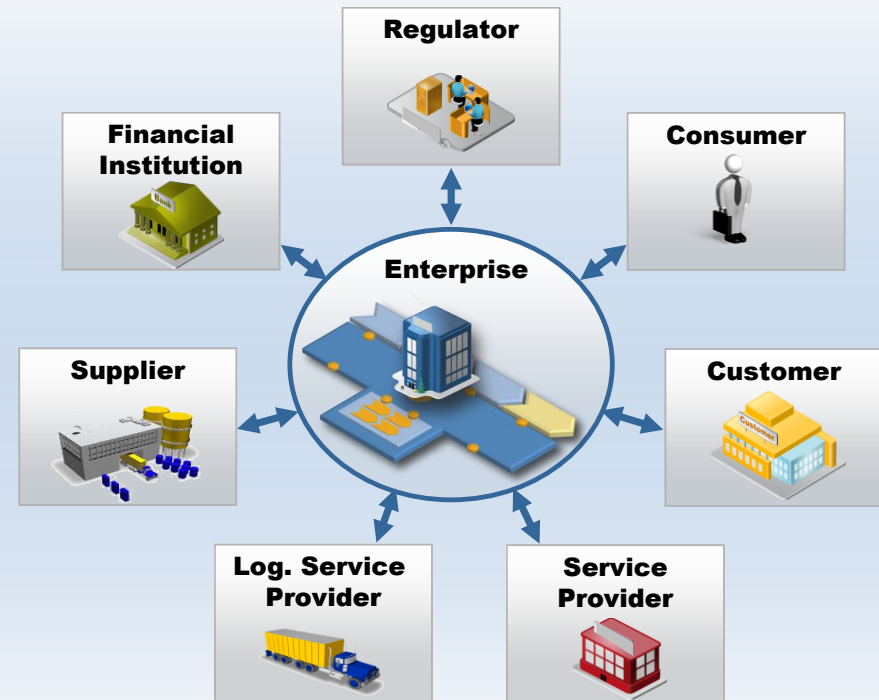
BUSINESS NETWORK TRANSFORMATION

All **Company Processes**

All **Industries**

All **Company Sizes**

All **Market Players**



Added Demands on Financial Reporting in a rapidly evolving Global Economy

GLOBAL ECONOMY

General Aspects of Internationalization

- Multi language support
- Time zones
- Multiple currencies
- Calendars

Global Standards

- IFRS Standards and SME exposure Draft
- Basel II
- SOX

Local Legal Requirements

- Taxes
- Import / Export regulations

- Requirements to companies come from countries around the world
- Companies have to handle increasing regulation in international business
- Companies must adhere to global standards to participate in global capital markets
- Information must be sufficiently accessible to many investors and other stakeholders



Business Trends and Challenges:

Accelerate to Compete

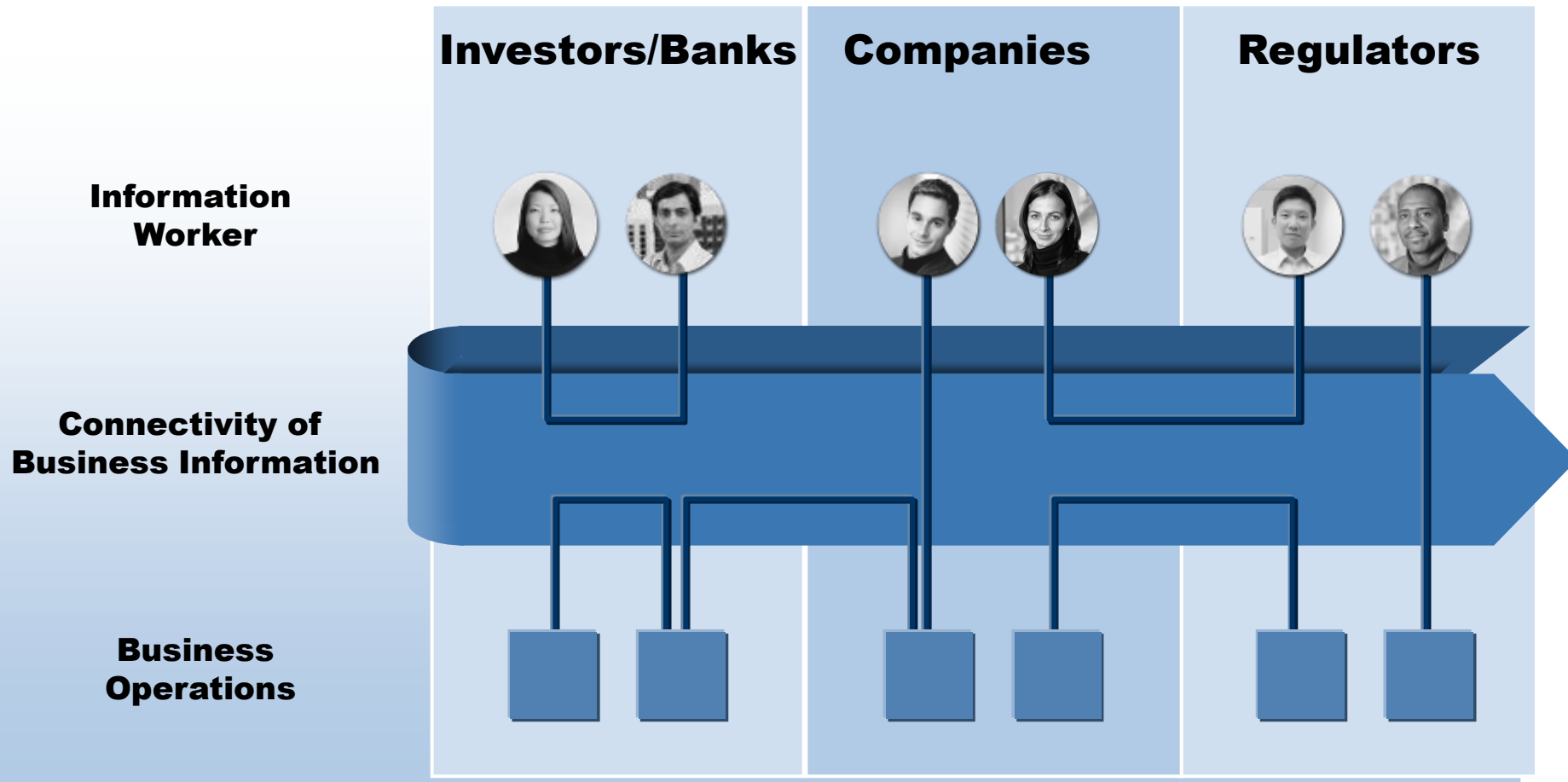
→ Blueprint for Working with Financial Information:

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Financial Information—Blueprint for Accelerated Pace of Business Connectivity



Financial Information Network—Pushing Users the Right Information at the Right Time

Access to Financial Business Information leads to collective intelligence



Create Financial Reports



Event Driven Alerts



Context Specific Reports / Analytics



Aggregate and Exchange



Comparative Information at a Glance

Investors/Banks



Companies



Regulators



BUSINESS CONNECTIVITY



Business Trends and Challenges:

Accelerate to Compete

Blueprint for Working with Financial Information:

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➔ **Enterprise SOA:**
Innovate at Lower TCO

Enterprise SOA—Common Business Language for Processes and Information across Business Networks



**Open standards,
choices, and
options**

**Cross company
collaboration and
flexibility**



ENTERPRISE SOA



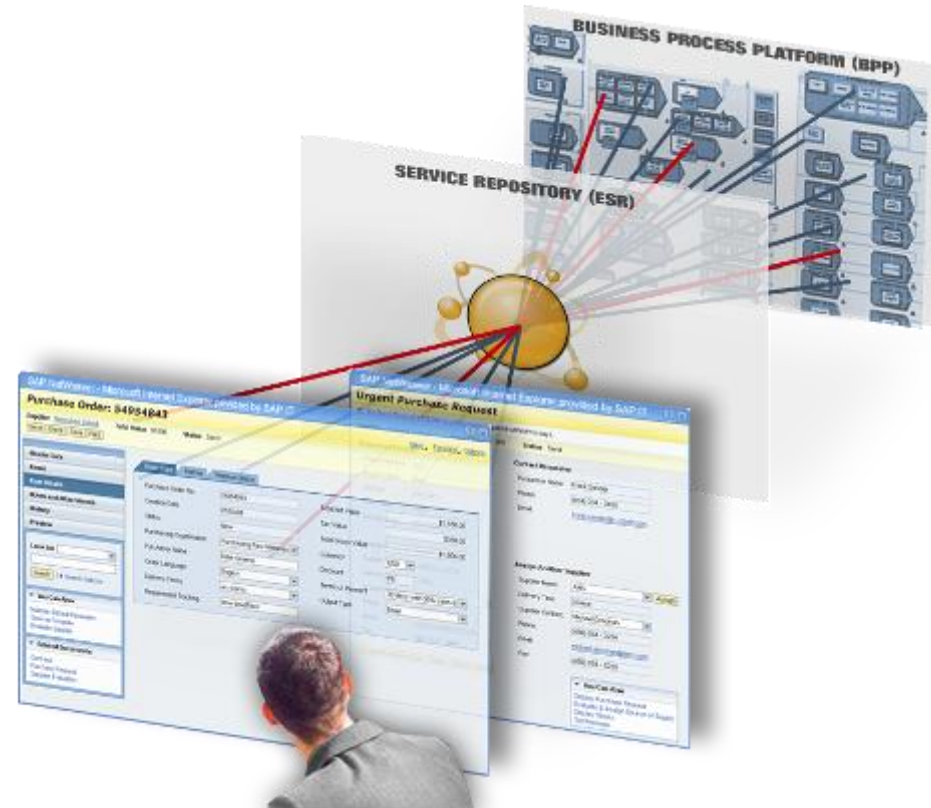
**Consolidation and
low TCO**

**Services that are
reusable and
ready-to-execute**



Enterprise SOA—delivers what Business requires

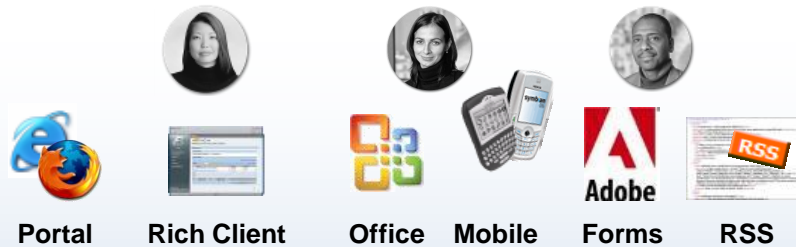
$$\begin{array}{r} \text{SOA} \\ + \text{ES} \\ \hline \text{ESA} \end{array}$$



SAP's Enterprise Services Architecture delivers flexibility and productivity/low TCO at the same time

Enterprise SOA—SAP Netweaver evolved into a Business Process Plattform

New Ways to Work



Competitive Differentiation

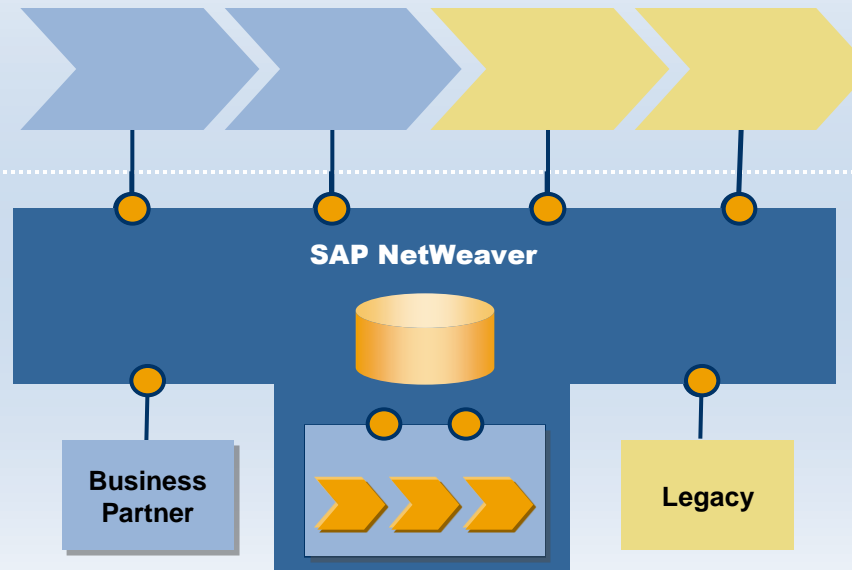


Increased Productivity

100% Compliance

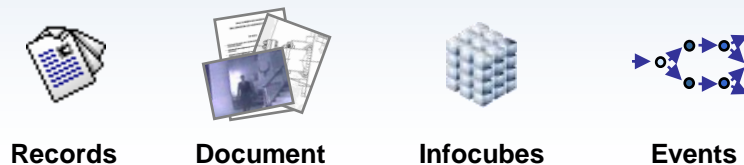
More Innovation

- ➔ Next Practices
- ➔ Differentiation
- ➔ Co-innovation
- ➔ Added Value



Lower Costs

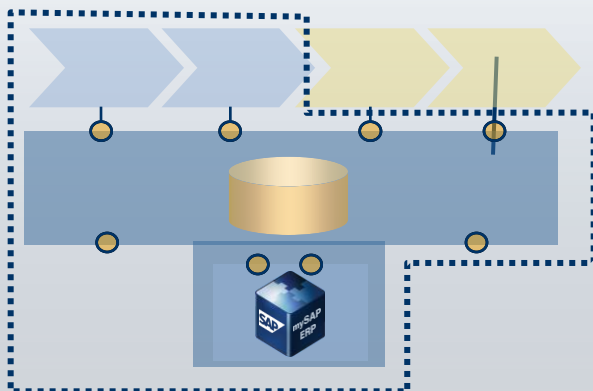
- ➔ Best Practices
- ➔ Process Standardization
- ➔ Embedded Compliance
- ➔ Open Standards
- ➔ Reduced TCO



Two Platform Implementations Based on Enterprise SOA Delivered on Common SAP NetWeaver Technology

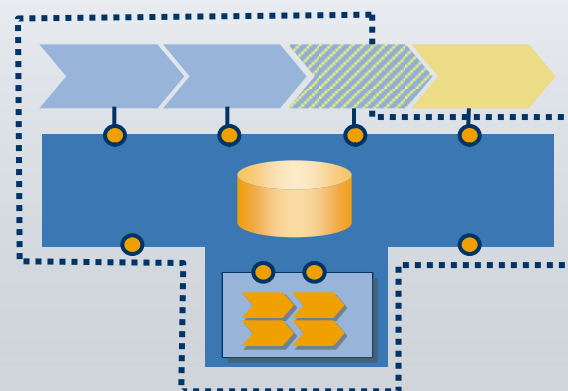
Enterprise SOA By Evolution

- Enterprise service-enabled SAP ERP 6.0 for large companies and current customers



Enterprise SOA By Design

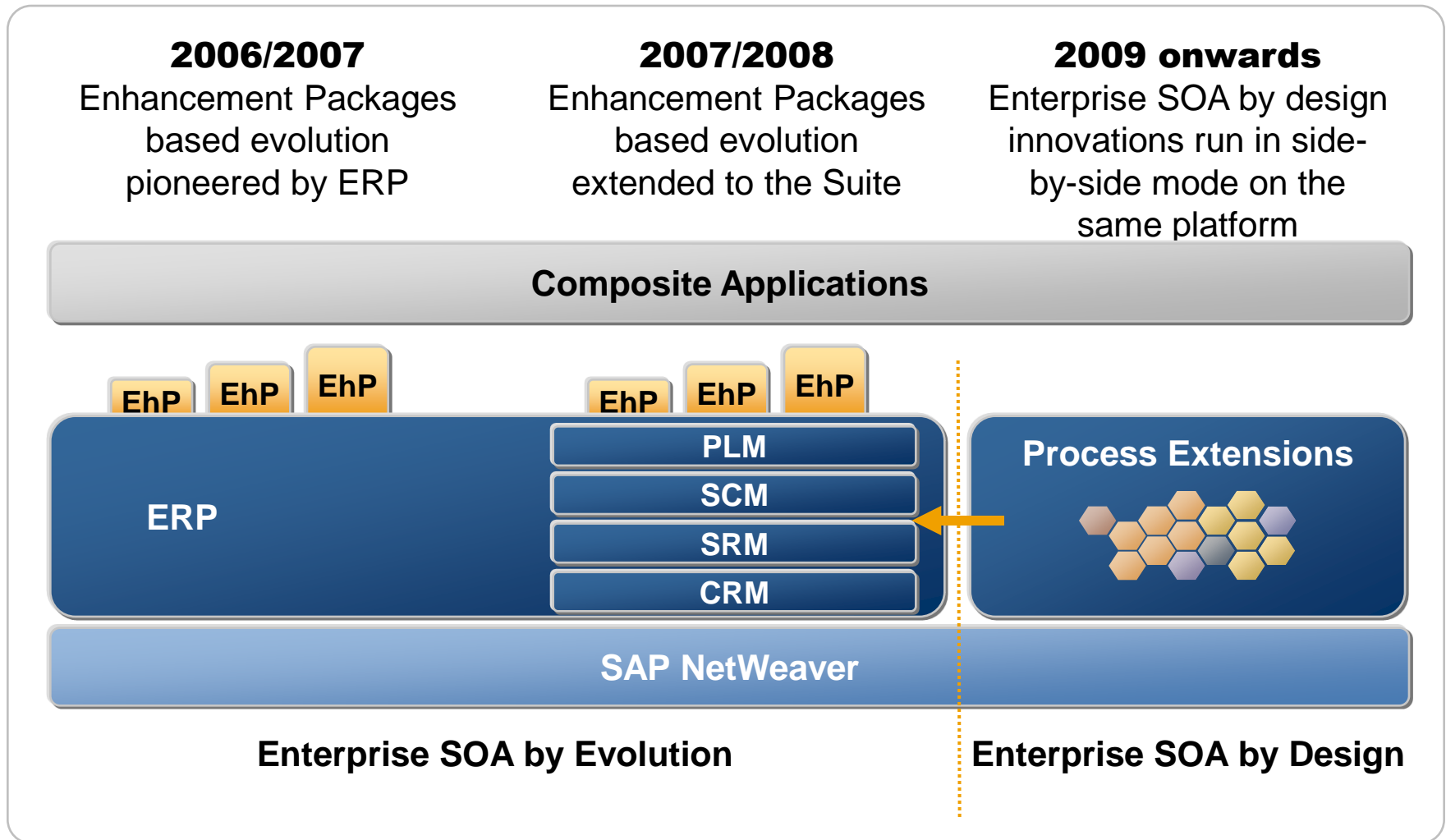
- Platform for SMEs



Common Blueprint for Business Innovation

- Both powered by NetWeaver, allowing continuous innovation through composition.
- Implementing the same Enterprise Services means leveraging the same eco-system
- Hybrid deployment of both solution types in A2A and B2B scenarios

SAP's Customer Evolution Strategy



EhP = Enhancement Packages

A1

Configure to Needs



Composite Applications

EhP

EhP

EhP

EhP

ERP

PLM

SCM

SRM

CRM

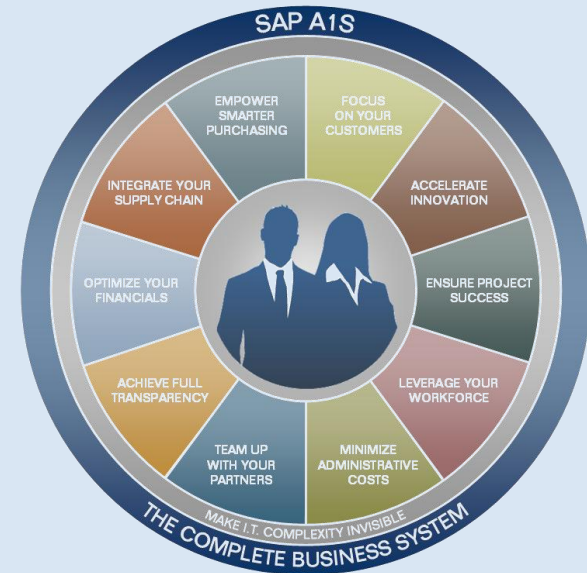
SAP NetWeaver

Enterprise SOA by Evolution

EhP = Enhancement Packages

“A1S”

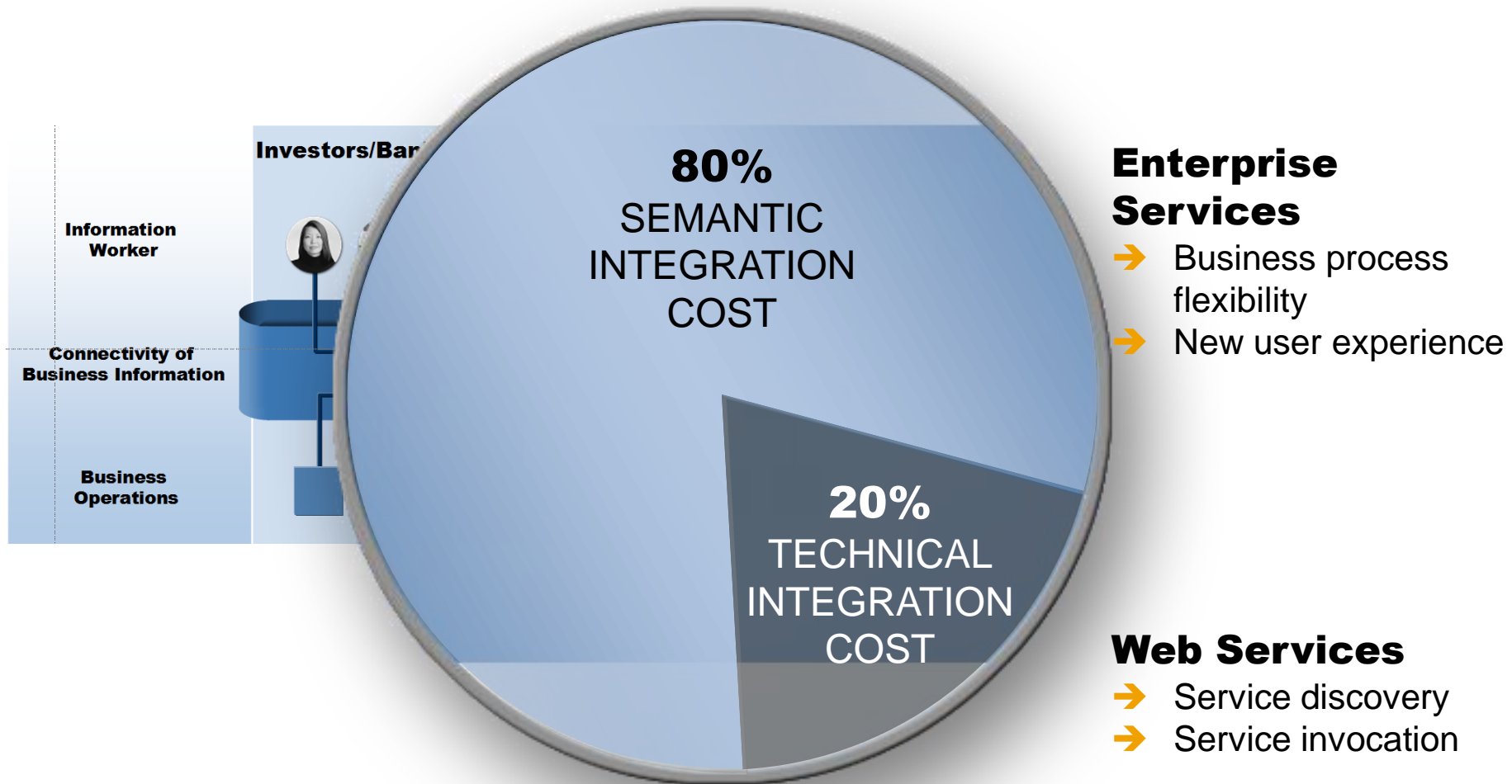
On-Demand



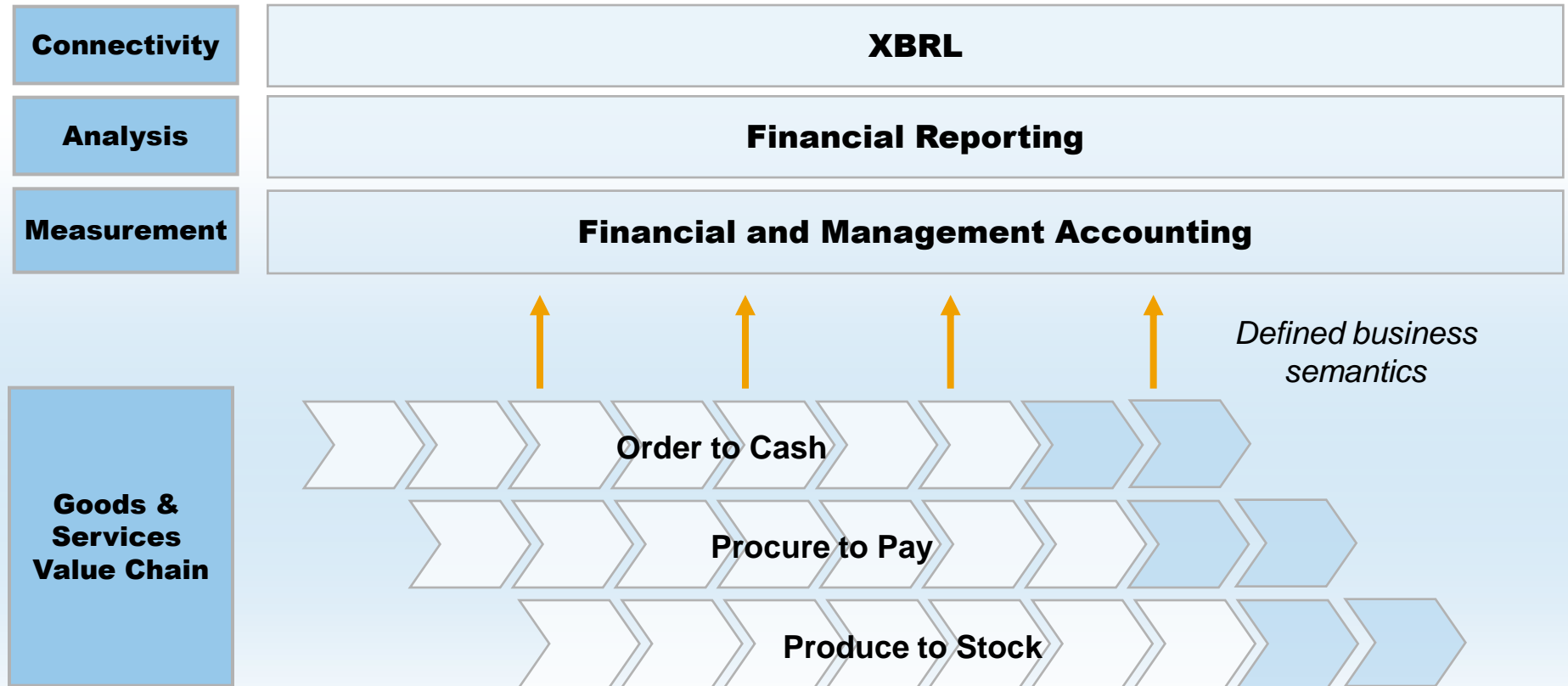
Enterprise SOA by Design

Enterprise SOA will offer decisive Advantage

Move to Business Connectivity via a Common **Business** Language



Semantic Integration from Process to Information Connectivity/Collaboration

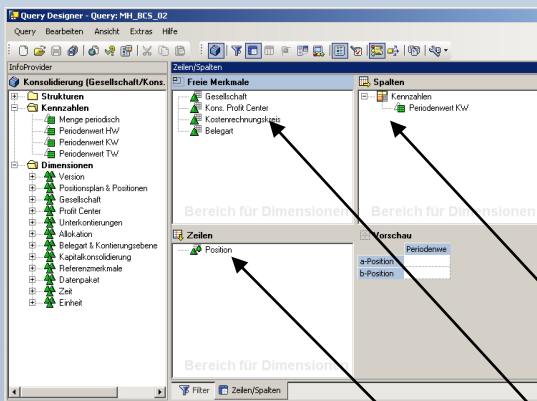


SAP Portfolio supports Integrity and Innovation in a global Network
Lean compliant Operations are integrated with Accounting and Financial Reporting

XBRL Reporting from SAP for Existing Customers with Internal XBRL Application

SAP World

BI Query



XBRL World

XBRL Report

Concept

Concept

Concept

XBRL Taxonomy Schema

Mapping

BI InfoCubes

EhP

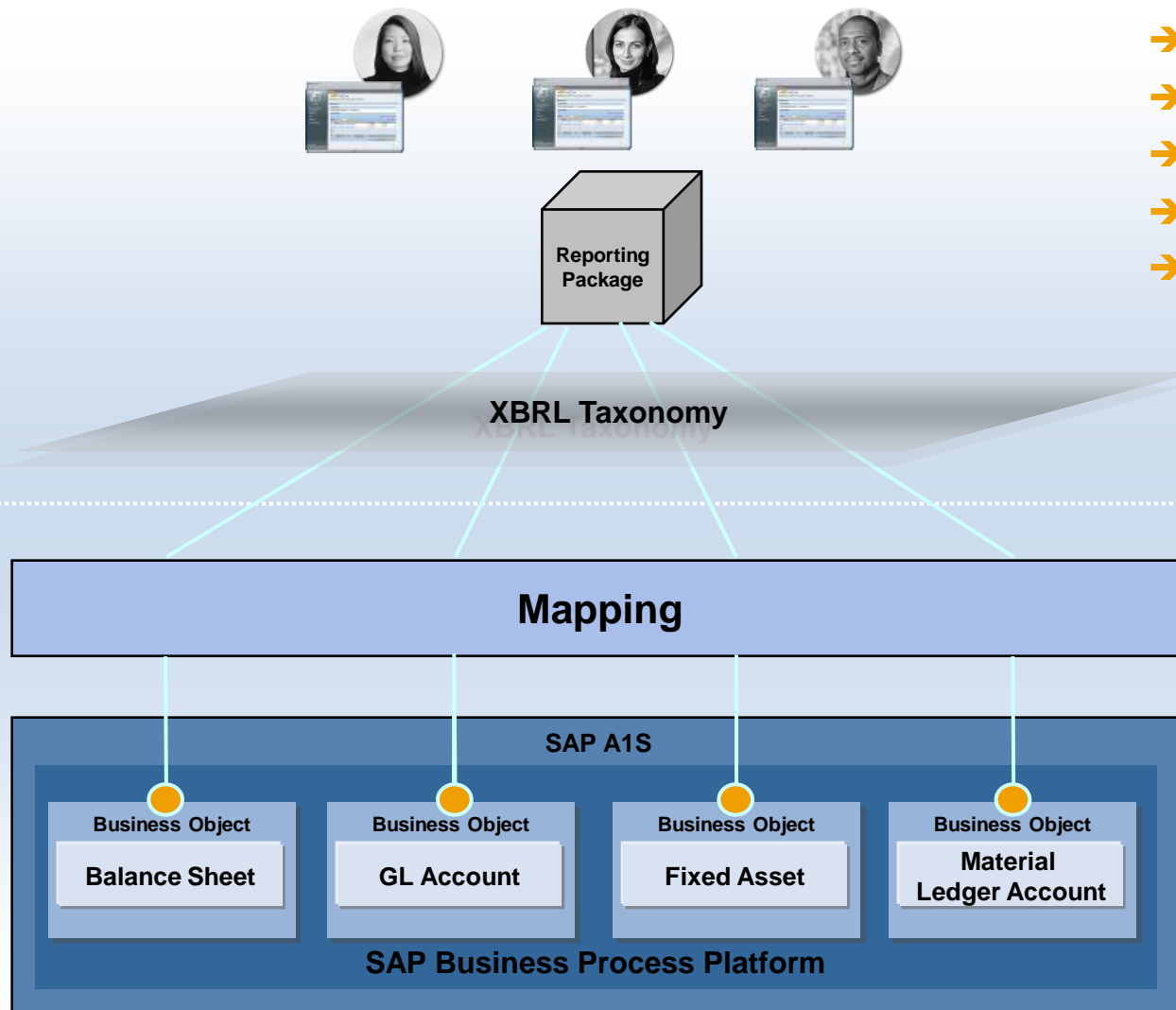
EhP

SAP ERP

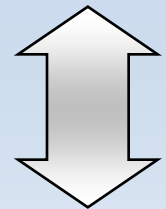
Optimize the Business Network of Financial Reporting by Mapping Enterprise SOA Semantics with the XBRL Taxonomy

Semantic Integration

- Process standardization
- Delivered content
- Embedded compliance
- Open standards
- Reduced TCO



Standardized
Business Semantics



Defined Business
Semantics

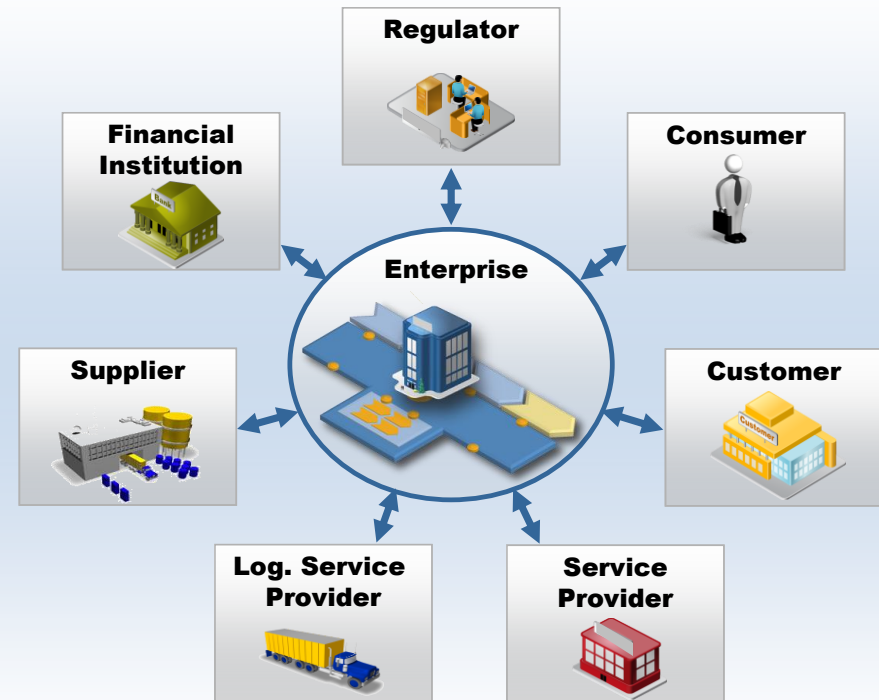
Next Steps on the Way to Business Connectivity (1)

SAP has supported and will continue to support XBRL

- In the past, based on limited customer demand
- Idea whose time has come

Stabilization and standardization of XBRL technology

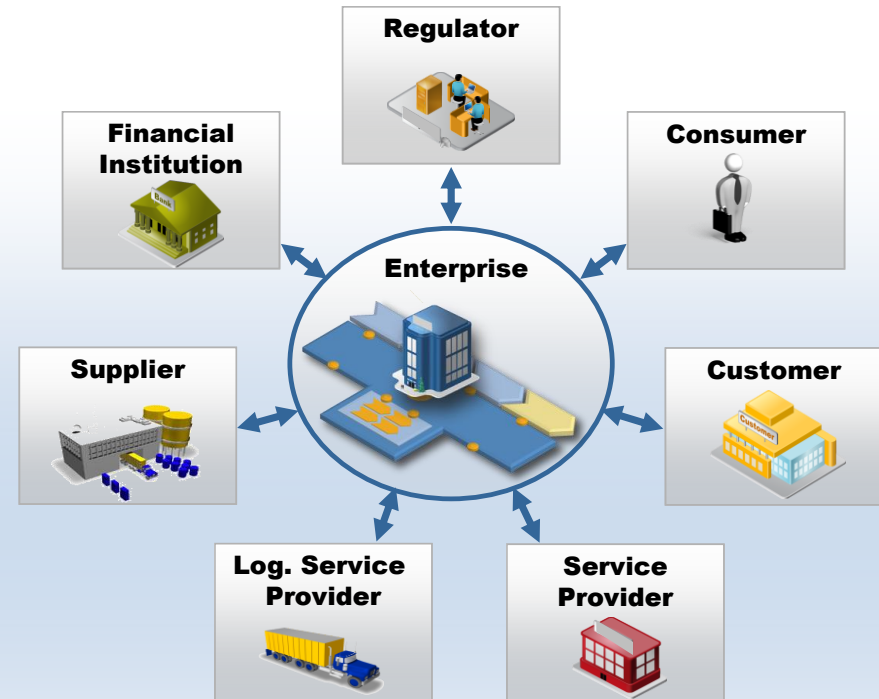
- Preparers of financial information and software developers need stable platform to control costs and effort
- Need clear guidance on implementation options



Next Steps on the Way to Business Connectivity (2)

Standardization of Semantics

- Acceptance by business community will depend on ease of use
- Standardization of semantics across taxonomies needed to reduce cost
 - Positive example: IFRS-U.S. Taxonomy Convergence Project
- Number of taxonomies must be manageable



Together, we can make the Financial Information Network reality!



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