



SAP Ventures Overview

Paul Jozefak
Investment Director

SAP Ventures is SAP's corporate venture capital arm.

Located in Palo Alto, California and Walldorf, Germany the fund provides capital to technology startup companies in North America and Europe.

The US fund was established in 1997 and the European fund was formed in 1999.

- **Profile SAP Ventures**
- **The OSGi Environment and SAP Investment**
- **Summary**

North America

- Elizabeth Reeves
- Jeff Nolan
- Martina Jecker
- Jennifer Scholze
- Kathy Finch

Europe

- Paul Jozefak
- Tanja Pendic

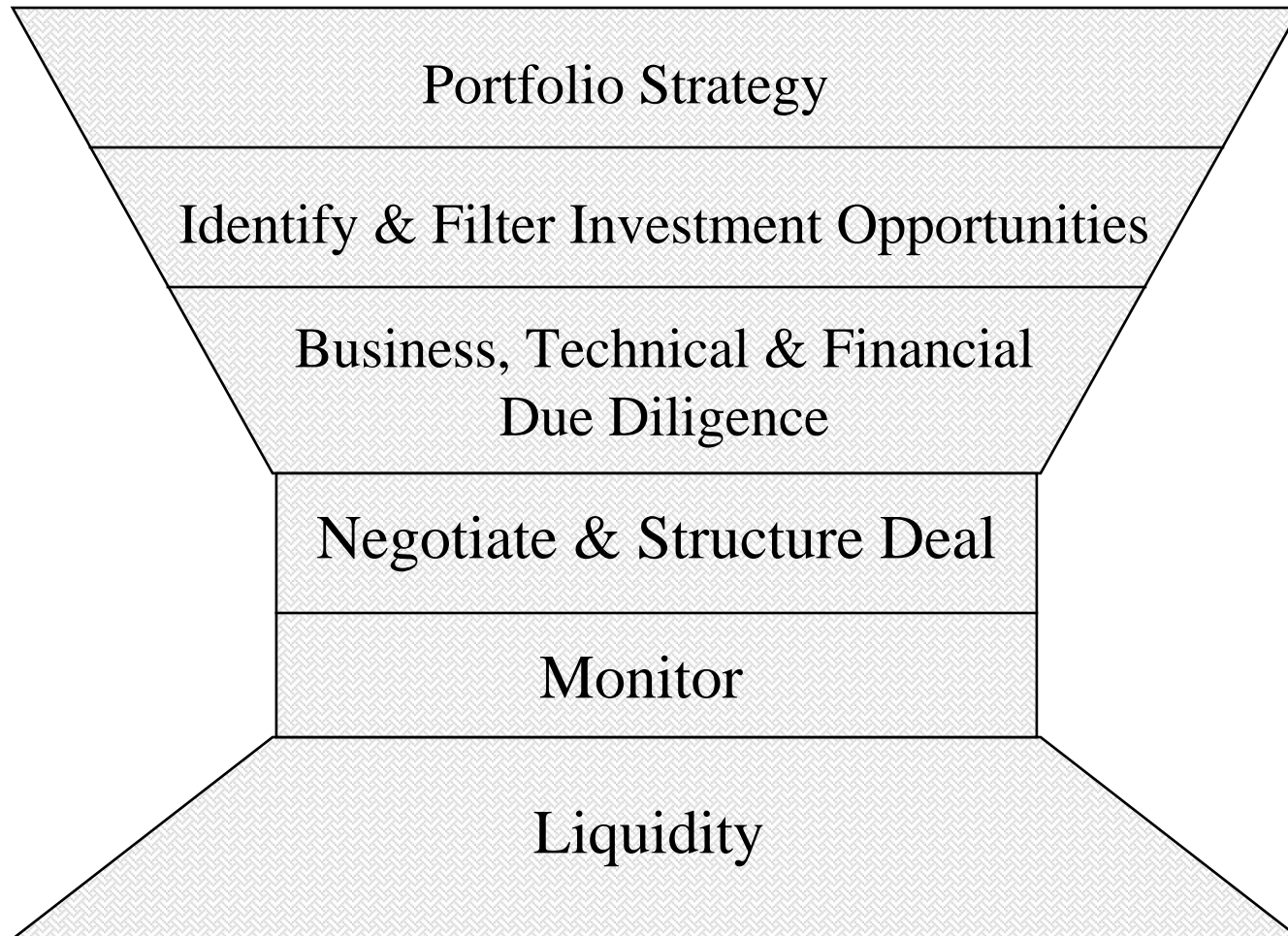
Return on Invested Capital (ROIC)

Minority stakes in technology companies

“Window on Technology”

Innovative Technologies

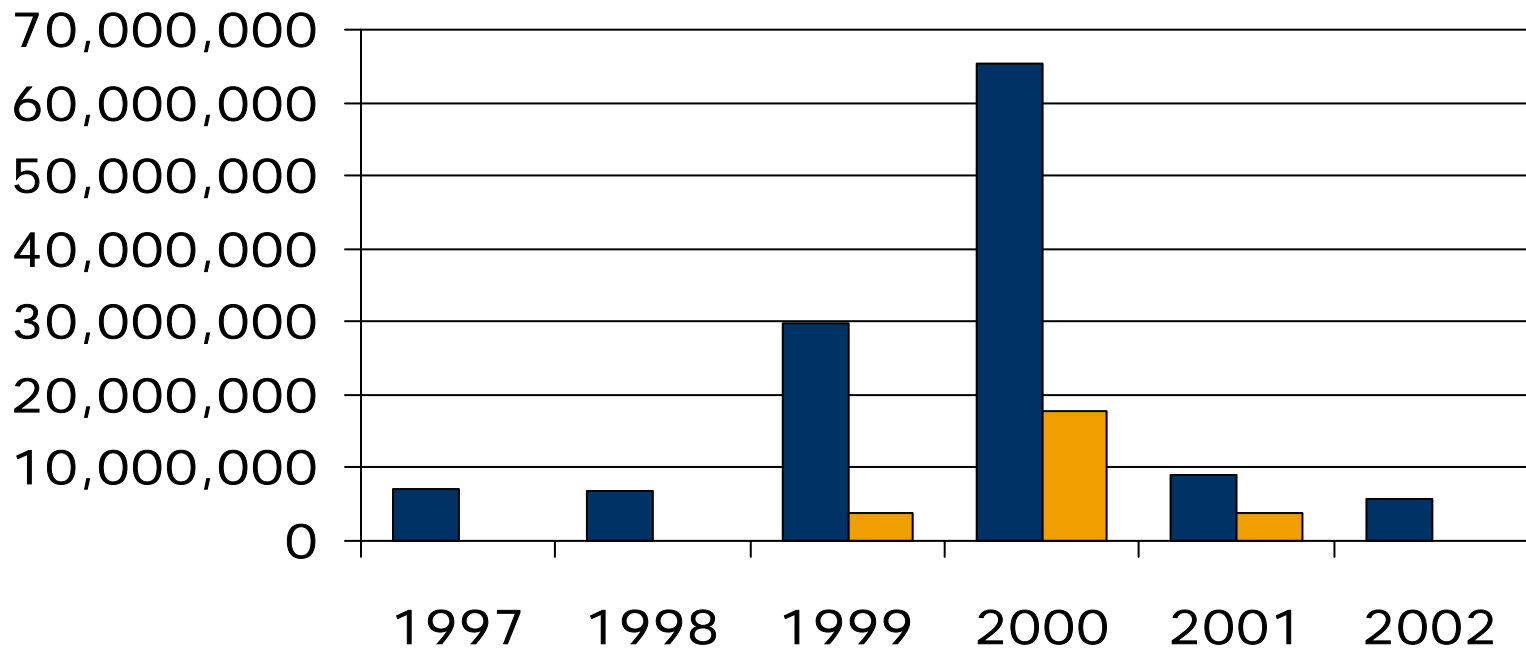
- **Balanced portfolio of early to expansion stage funding**
- **Typical initial investment is \$1-3 million with capital reserved for follow-on rounds**
- **Board observation rights**
- **Do not lead funding round; always part of a syndicate**
- **Traditional VC involvement**
- **Excellent management and technical team**
- **Large, sustainable market opportunity**
- **Innovative, defensible solution**
- **Attractive valuation**
- **Promising exit strategy**



- **Linux**
- **Analytics / rules based engines / business intelligence**
- **Software applications below the MES layer**
- **Price, profit, markdown optimization / demand management**
- **Security**
- **Wireless / RFID**
- **Multimodal**
- **Net Weaver related technologies and X-Apps**
- **BPM / BAM**
- **Grid Computing**
- **Semantic Web**
- **Virtual Machine Software**
- **Storage Management Software**

SAP Ventures Capital Invested

■ North America (in Millions) ■ Europe (in Euro)



ProSyst Software AG

ProSyst is a leading provider of embedded Java and OSGi-compliant software and offers end-to-end solutions for the network-based control and delivery of services and applications to vehicles, homes and mobile devices. ProSyst's open and scalable software enables time and cost effective development, deployment, and management of new applications and services such as remote control, remote maintenance, remote diagnosis, data readout and software updates via the internet and wireless networks

Garderos GmbH

Garderos was founded in March 2002 to further develop the i250 Access Gateway product line. The i250 Public Wireless LAN Platform has successfully been introduced and set up in Germany, Norway, Belgium and Switzerland

OnVentis AG

ONVENTIS is an (e)Procurement Service Provider for mid-size and large companies. Onventis focuses on simplifying the procurement functions under full control of the customers, starting with the specification of the demand, up to payment as the last phase.

Grau Datastorage AG

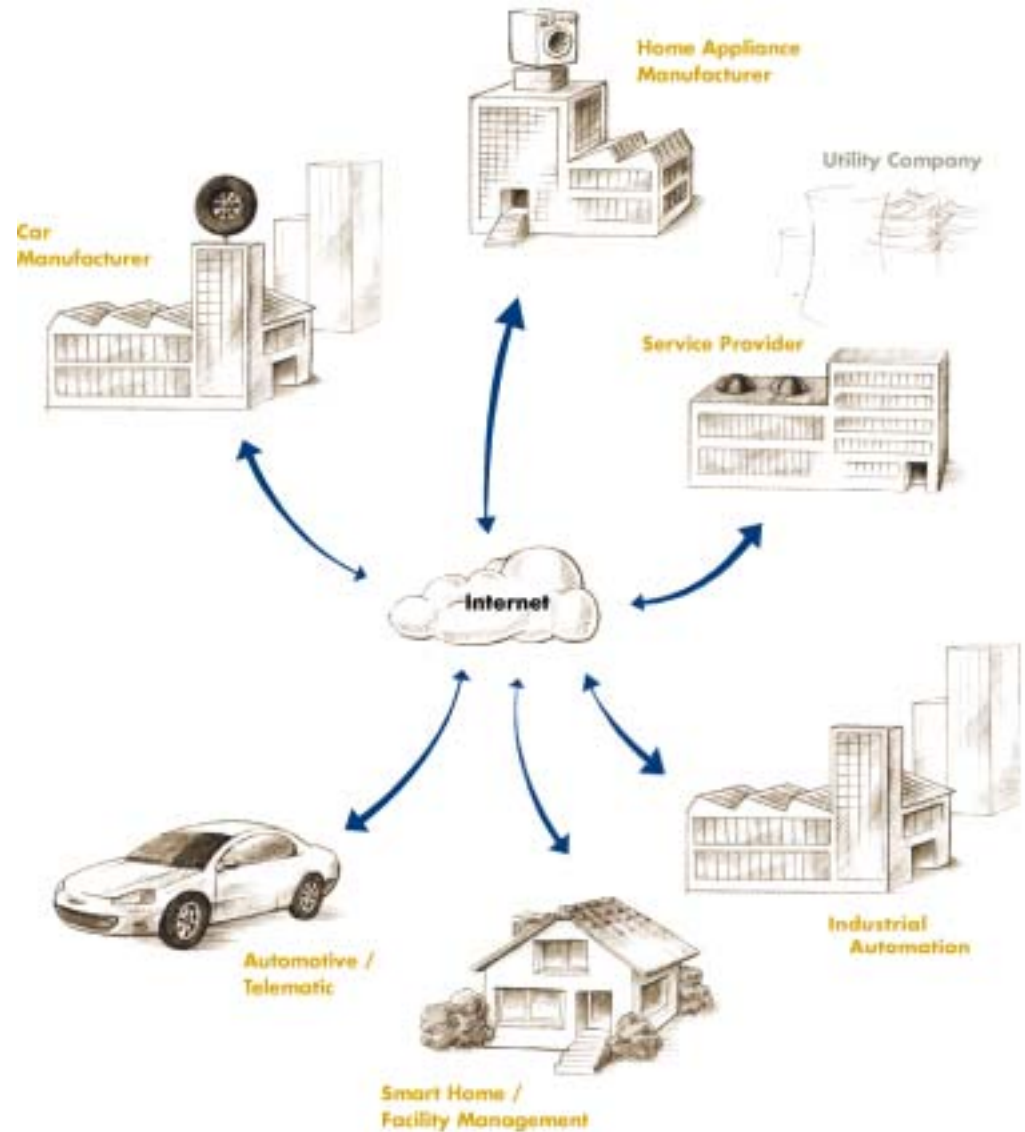
GRAU Data Storage provides Network Attached Storage (NAS). GRAU has developed an innovative storage system Infinistore - Virtual Disk

- **117 million broadband equipped homes worldwide by 2005**
 - 75% will run home networks: initially PCs, followed by STB and media devices
 - Over 25% of US broadband equipped homes will have some form of home network (2008: 44%)
 - 20% of the European households will be equipped with a network in 2005
 - Explosive growth of networking devices, especially for the segments data and entertainment networks
- **Increasing percent of electronics and software use in the car**
 - 90% of innovations: electronics; 80% of car functionality enabled by SW
 - Percentage of total manufacturer costs in 2003: 22% - in 2010: 35%
 - Turnover of in-car infotainment technologies in Europe will rise from 2,6 billion to 9 billion Euros in 2010
- **Consumers consider the current network of computers and devices too difficult and expensive**

- **Increasing consumer requirements**
- **Need for strategic market differentiation**
 - State of the art, extensible devices on a variety of models
 - Addressing costly remote diagnosis and maintenance as well as tele-services
- **Substantial increase in system complexity**
 - Life-cycle mismatch (SW/HW)
 - SW is becoming predominant technology
 - Complexity leads to exponential integration & testing efforts
 - System maturity is difficult to achieve
 - Implementation risks are high
 - Time to market uncertainties

Prosyst's Vision

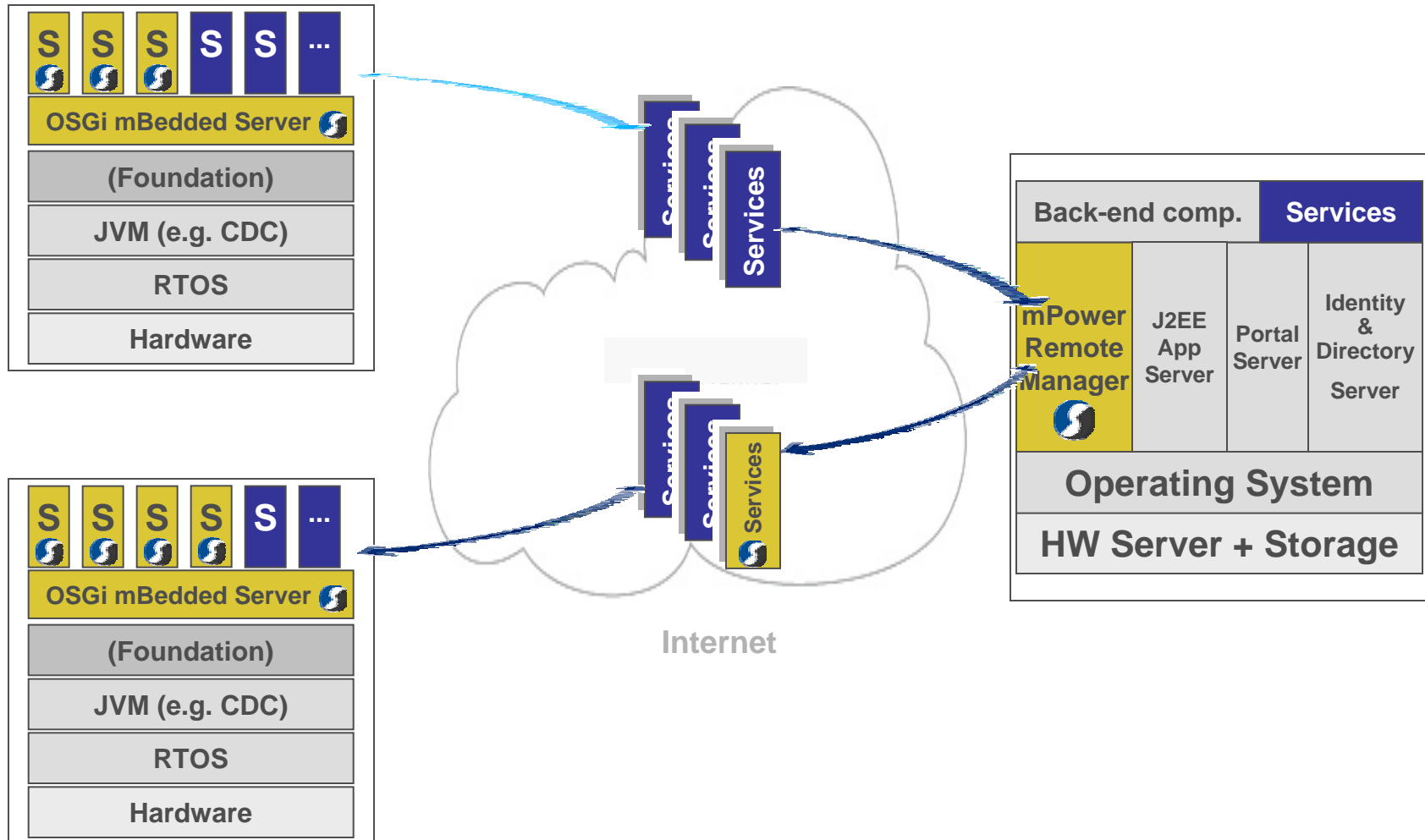
- Embedded technology is starting to play a major role in the mass market
- Java/OSGi will be the key enabling technology/ standard
- Europe is taking the lead
- Embedded technology will radically change the way goods and services are marketed and create truly amazing business opportunities across a wide range of players



- **The only standardized integration platform for different protocols and for service/ application delivery**
- **Offers connectivity, device interoperability, and security**
- **Offers remote reconfiguration and download of new applications**
- **Enhanced life cycle management**
- **Cost savings via...**
 - ➔ Open platform based on open standards
 - ➔ Modularity and scalability
 - ➔ Reusability of SW, therefore shorter development time/ lower implementation risks

- **600+ man-years of technology development → leader in OSGi**
 - Customer focused
 - Quality driven
 - Cost efficient
- **Commercial off-the-shelf products for an end-to-end solution**
 - Client Solutions:
 - Most comprehensive OSGi implementation
 - Broadest variety of ready-to-use service packages on top of OSGi framework
 - Widest range of supported platforms
 - Server/Back-end:
 - Modular, secure, scalable (management of an unlimited number of gateways)
 - Configurable system (easy to integrate with existing back-end systems, such as billing, payment, CRM, ERP)
 - Integration with J2EE application servers via JCA

End-to-End Architecture



- **OSGi can streamline the platformization process in local area networks and is becoming the global standard for service delivery**
- **Development by global leaders guaranty future-proof and cross-industrial use**
- **The modular architecture supports multiple service providers on one common platform leading to new business models**
- **The open platform enables the integration of different devices via plug-&-play capabilities**
- **Manufacturer cost savings of 30-50%**
 - **Development on OSGi standard service platform vs. a proprietary solution**
 - **Subsequent costs (SW re-use and post sale)**

- **Stable Technology – 3rd release of OSGi Service Platform specification**
- **Relevant to ‘triple play’ (voice, video und high-speed data) service aggregation and delivery**
- **Strong traction in Consumer Electronics, Service Provision, and Telematics/Automotive segments**
- **Addresses the trend towards ‘network capable’ CE and mobile devices**
 - **Need to remotely and dynamically deploy, provision and manage new and add-on applications and services**

- **Investment of SAP Ventures in the OSGi environment: ProSyst Software positioned as a leading niche player**
- **ProSyst is best positioned to meet SAP Ventures investment objectives**
 - **ProSyst offers the most comprehensive OSGi solution and the widest range of commercial off-the-shelf products**
 - **ProSyst has experience from a wide range of projects and superior competence in the field**
 - **ProSyst is highly customer focused, extremely flexible, with a roadmap that reflects actual customer requirements and needs**
 - **ProSyst is strongly committed to maintenance its technological leadership**

SAP Ventures Europe

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