

SAP NetWeaver™ Master Data Management Enhanced with A2i Acquisition

Strategic Acquisition Integrates Enterprise-Wide Product Content Management and Data Aggregation Capabilities into SAP NetWeaver Platform; Solution to Deliver Global Data Synchronization for Consumer Products and Retail Industries

WALLDORF, Germany - July 13, 2004 - SAP AG (NYSE: SAP) today announced that it has acquired substantially all of A2i, Inc., a privately held software company, to broaden the master data management capabilities of the SAP NetWeaver™ open integration and application platform. The acquisition is part of SAP's continuing strategy to identify and acquire businesses that can help SAP deliver the most innovative suite of products available, helping customers address specific business challenges for competitive advantage. Financial terms of the agreement were not disclosed.

Founded in 1993 and based in Los Angeles, California, A2i, Inc. develops and markets xCat™, the industry-leading platform for enterprise-wide product content management and cross-media catalog publishing. As a result of the transaction, SAP acquires an experienced team with deep domain expertise and a world-class solution with proven success in a wide range of verticals including industrial goods, manufacturing, automotive, medical and retail. True to the strategy of SAP NetWeaver as one unified platform, the A2i xCat solution will become a fully integrated part of the SAP NetWeaver stack, eliminating the need for customers to engage in technology integration projects.

“This acquisition is a perfect example of SAP's continued strategy to deliver the most complete and innovative set of products available to our customers,” said Henning Kagermann, chairman and CEO, SAP AG. “We are not looking for huge acquisition targets, nor do we want to buy market share or customers; rather we will seek to acquire and integrate those complementary technologies that we do not yet have or cannot develop at comparable cost or speed ourselves. The guiding principle for our strategy is the expressed customer expectation for truly integrated and complete offerings from their strategic trusted advisor. This acquisition strategy allows SAP to continue to provide solutions that seamlessly integrate, helping customers leverage their existing IT investments, keeping down technology costs while maximizing return on investment.”

Available in the fall of 2004 as an update to the 2004 version of SAP NetWeaver, SAP® Master Data Management (SAP MDM) will incorporate new capabilities gained from the acquisition of A2i's xCat suite. Specifically, xCat will complement and extend the existing capabilities of SAP MDM with comprehensive support for enterprise-wide product content management (PCM), more powerful data aggregation and harmonization and improved Web-based electronic catalogs for both sell-side and procurement deployments. The enhanced solution will also add entirely new functionality in the areas of high-performance search, intelligent image and document management and print catalog publishing. In addition, illustrating the capabilities of a well-designed horizontal platform that can be used to deliver vertical solutions, SAP will deliver an integrated global data synchronization (GDS) solution for the retail and consumer product vertical markets that conforms to the EAN.UCC standard with specific support for UCCnet and Transora data pools.

Rather than addressing the market with point solutions for product or customer data management, SAP and A2i share a common vision of an open technology platform approach. The acquisition creates an innovative solution for managing any kind of master data through a proven, highly scalable and flexible architecture. Adaptable to the needs of a broad range of vertical industries, the extended SAP MDM solution is designed to be seamlessly integrated into a customer's existing enterprise architecture, eliminating all data duplication and making centralized customer, supplier or product information available to other applications across the organization.

"As business applications have grown in scope, there has been a proliferation of data sources within the enterprise," said Yvonne Genovese, vice president and research area leader, Gartner Research. "Achieving consistent interpretation of this data has become an inhibitor to improved business processes. Harmonization of cleansed data provides greater efficiency and tighter integration across the value chain while maintaining or reducing the cost of the heterogeneous application environment."

"For 10 years, our vision and direction at A2i has been to create a true enterprise platform for product content management with the simplicity and accessibility of desktop applications," said Ariel Hazi, founder and CEO, A2i, Inc. "SAP's complementary vision for SAP Master Data Management made the acquisition of xCat a natural fit. Looking forward, we are confident that our vision, people and software have found a secure and appropriate future as a strategic addition to the SAP portfolio of solutions."

For more information on SAP MDM, see <http://www.sap.com/solutions/netweaver/masterdata/>

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About SAP

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