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Form 11-K
June 27, 2006

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K

(Mark One)

þ **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]**

For the fiscal year ended December 31, 2005

OR

o **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]**

For the transition period from ____________________ to ____________________

Commission file number 001-14251

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

SAP America, Inc. 401(k) Plan
SAP America, Inc.
3999 West Chester Pike
Newtown Square, PA 19073

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

SAP AG
Dietmar-Hopp-Allee 16
69190 Walldorf
Federal Republic of Germany

Index to Exhibit appears on page II-3

SAP AMERICA, INC.
401(k) PLAN
Table of Contents

Report of Independent Registered Public Accounting Firm

The Plan Administrator
SAP America, Inc. 401(k) Plan:

We have audited the accompanying statements of net assets available for benefits of SAP America, Inc. 401(k) Plan (the Plan) as of December 31, 2005 and 2004, and the related statements of changes in net assets available for benefits for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2005 and 2004 and the changes in net assets available for benefits for the years ended December 31, 2005 and 2004 in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s *Rules and Regulations for Reporting and Disclosure Under the Employee Retirement Income Security Act of 1974*. The supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Philadelphia, Pennsylvania
June 16, 2006

SAP AMERICA, INC.
401(k) PLAN
Statements of Net Assets Available for Benefits
December 31, 2005 and 2004

	2005	2004
Assets:		
Investments, at fair value	$ 540,723,334	$ 454,365,966
Participant loans	5,208,519	4,160,525
Receivables:		
Employer contributions	365,365	289,721
Participant contributions	1,455,086	1,107,846
Total receivables	1,820,451	1,397,567
Net assets available for benefits	$ 547,752,304	$ 459,924,058

See accompanying notes to financial statements.

SAP AMERICA, INC.
401(k) PLAN
Statements of Changes in Net Assets Available for Benefits
Years ended December 31, 2005 and 2004

	2005	2004
Additions:		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 13,833,235	$ 34,798,723
Interest and dividend income	22,688,798	12,566,501
	36,522,033	47,365,224
Contributions:		
Employer	15,352,261	12,991,690
Participant	64,284,743	50,326,913
	79,637,004	63,318,603
Plan merger (Note 1)		3,582,698
Total additions	116,159,037	114,266,525
Deductions:		
Deductions from net assets attributed to:		
Benefits paid to participants	28,306,196	22,176,644
Administrative expenses	24,595	14,095
Total deductions	28,330,791	22,190,739
Net increase	87,828,246	92,075,786
Net assets available for benefits:		
Beginning of year	459,924,058	367,848,272
End of year	$ 547,752,304	$ 459,924,058

See accompanying notes to financial statements.

SAP AMERICA, INC.
401(k) PLAN
Notes to Financial Statements

(1) Description of Plan

The following description of SAP America, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan s provisions.

(a) General

The Plan is a defined contribution plan covering all employees of SAP America, Inc., SAP International, Inc., SAP Labs LLC, SAP Public Services, Inc., SAP Global Marketing, Inc., SAP Government Support and Services, Inc., TomorrowNow, Inc., and SAP Systems Integration America LLC (collectively, the Company or the Companies). There are no minimum age or service requirements for employees to become eligible to participate in the Plan. The Plan is subject to the provisions of the *Employee Retirement Income Security Act* (ERISA). The Plan is also subject to certain provisions of the *Internal Revenue Code of 1986* (the Code). The Companies are subsidiaries of SAP AG (the Parent Company or SAP).

The Plan initiated a merger with SAP Systems Integration America LLC, which was effective on January 1, 2004. The fair value of the assets transferred into the Plan on January 1, 2004 totaled $3,582,698.

(b) Contributions

Participants may contribute a portion of their eligible annual compensation, as defined in the Plan, not to exceed $14,000 for 2005 and $13,000 for 2004. The Plan limits eligible compensation to the amount prescribed by Section 401(a)(17) of the Code for purposes of compensation reduction contributions and limits the amount of annual additions to the amount prescribed by Section 415(c) of the Code. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers 13 mutual funds, the Parent Company s ADR Stock Fund and one common collective trust as investment options for participants. The Company matches 50% of the first 6% of eligible compensation that a participant contributes to the Plan. For purposes of employer matching and employer discretionary contributions, the Company limited the eligible compensation to $150,000 in 2005 and 2004. Non-highly compensated employees are permitted to make pre-tax and after-tax contributions of up to 25% of compensation, while highly compensated employees are permitted to make pre-tax and after-tax contributions of up to 15% of compensation. Participants are permitted to make different contribution elections for (a) compensation consisting of bonuses and commissions, and (b) all other wages. The matching employer contribution is invested as directed by the participant.

Additional employer discretionary contributions may be contributed at the option of the Company and are invested as directed by the participant. Employer discretionary contributions were not made in 2005 or 2004. The employer discretionary contributions are allocated to participants who, with respect to the plan year for which a contribution is made, are employed by the Company on the last day of the plan year, have worked 1,000 hours in that year, and have elected a deferral contribution. The employer discretionary contributions are allocated as an additional matching contribution.

The applicable dollar limits on pre-tax contributions allow individuals who have reached age 50 by the end of the plan year, and who may no longer make pre-tax contributions because of limitations imposed by the Code or the Plan, to make catch-up contributions for that year. Eligible individuals may make catch-up contributions up to the lesser of (a) the individual s compensation for the year less any other deferrals, or (b) $4,000 for 2005 and $3,000 for 2004.

(Continued)

(c) Participant Accounts

All employer and employee contributions made to the Plan on behalf of a participant will be credited to the account established in that participant s name. As of each valuation date, each participant s account, after taking into account any contributions made on behalf of that participant and allocated to their account, is credited with earnings/losses in the proportion that the amount in the participant s account bears to the total amount in the accounts of all Plan participants. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account. All amounts credited to the participant s account are invested as directed by the participant. All dividends, capital gain distributions, and other earnings received on investment options are specifically credited to a participant s account and are immediately used to invest in additional shares of those investment options.

(d) Vesting

Participants are vested immediately in their contributions plus actual earnings/losses thereon. Vesting in the employer contribution to their accounts is based on years of service as defined in the Plan. A participant is 50% vested after two years of service and 100% vested after three years of service.

(e) Forfeitures

Forfeitures are first applied to pay administrative expenses and then to offset required employer contributions. For the years ended December 31, 2005 and 2004, forfeitures of $164,661 and $8,521, respectively, were used to pay administrative expenses and to offset required employer contributions. At December 31, 2005 and 2004, forfeited nonvested accounts totaled $516,159 and $251,744, respectively.

(f) Participant Loans

Participants may borrow up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. The loans are secured by the vested balance in the participant s account with original terms of up to 120 months; however, the majority of the Plan s outstanding loans are due in 60 monthly installments. The loans bear interest at rates which are commensurate with local prevailing rates as determined quarterly by the Plan Administrator. A maximum of two loans with outstanding balances is permitted at any time.

(g) Payment of Benefits

Upon termination of employment, a participant may elect to receive a distribution equal to the value of the participant s vested interest in their account in the form of a lump-sum amount, agreed upon installments, or a life annuity with or without a survivor option. Employees (other than 5% owners) who attain the age of $70^1/2$ years will not be required to commence minimum distributions until they terminate employment. Employees who are 5% owners must commence minimum distributions by April 1st of the calendar year after they attain the age of $70^1/2$ years. Employees may elect withdrawals during employment subject to Article 11 of the Plan document.

(2) Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Plan:

(a) Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

(Continued)

(b) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(c) Investment Valuation and Income Recognition

The Plan s investments are stated at fair value. Shares of registered investment companies and the SAP ADR Stock Fund are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Units of the Retirement Savings Trust are valued at net asset value at year-end. Participant loans are valued at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is accrued when earned.

(d) Payment of Benefits

Benefits are recorded when paid.

(3) Investments

The following presents investments that represent 5% or more of the Plan s net assets:

	December 31	
	2005	**2004**
Vanguard Wellington Fund	$106,681,185	$85,911,448
Vanguard 500 Index Fund	76,120,836	71,097,720
Vanguard Windsor II Fund	65,116,845	56,482,065
Vanguard Explorer Fund	46,452,814	42,737,316
Vanguard Strategic Equity Fund	45,226,034	34,021,886
Vanguard U.S. Growth Fund	42,823,844	40,180,888
Vanguard Retirement Savings Trust	40,817,223	35,159,172

During 2005 and 2004, the Plan s investments, including gains and losses on investments bought and sold, as well as held during the year, appreciated in fair value as follows:

	2005	**2004**
Mutual Funds	$ 13,599,285	$ 34,357,385
SAP ADR Stock Fund	233,950	441,338
	$ 13,833,235	$ 34,798,723

(4) Related-Party Transactions

Certain Plan investments are shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company. Vanguard Fiduciary Trust Company is the Trustee as defined by the Plan (Plan Trustee) and, therefore, these transactions qualify as party-in-interest transactions. All fees for the investment management services are paid by the Company. The Company may be reimbursed for reasonable Plan expenses paid by the Company on behalf of the Plan, provided the Company advises the Plan Trustee of the liability owed to the Company.

Additionally, participants can invest in the Parent Company s ADR Stock Fund. The Parent Company is a related party.

(5) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to amend, modify, or terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

(6) Tax Status

On October 16, 2002, the Internal Revenue Service issued a favorable determination letter to the Company indicating that the Plan, as amended and restated as of January 1, 1997, remains in compliance with the applicable provisions of the Code and the regulations thereunder. The Plan has been amended since January 1, 1997; however, the Plan Administrator and the Plan s counsel believe that the Plan, both in form and in operation, remains in compliance with applicable provisions of the Code and the regulations thereunder.

(7) Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Schedule 1

SAP AMERICA, INC.
401(k) PLAN
Schedule H, Line 4i Schedule of Assets (Held at End of Year)
December 31, 2005

Identity of issue, borrower, lessor, or similar party	**Description of investment**	**Current value**
* Vanguard Funds:		
Wellington	Registered Investment Company	$ 106,681,185
500 Index	Registered Investment Company	76,120,836
Windsor II	Registered Investment Company	65,116,845
Explorer	Registered Investment Company	46,452,814
Strategic Equity	Registered Investment Company	45,226,034
U.S. Growth	Registered Investment Company	42,823,844
International Growth	Registered Investment Company	27,276,092
Global Equity	Registered Investment Company	25,357,139
Total Bond Market Index	Registered Investment Company	21,528,966
LifeStrategy Growth	Registered Investment Company	16,832,930
LifeStrategy Moderate Growth	Registered Investment Company	9,167,270
LifeStrategy Income	Registered Investment Company	5,429,798
LifeStrategy Conservative Growth	Registered Investment Company	4,773,201
* Vanguard Retirement Savings Trust	Common Collective Trust	40,817,223
* SAP ADR Stock Fund	American Depository Receipts	7,119,157
* Participant loans	Participant loans bearing interest at rates ranging from 5% to 10.5% due through the year 2015.	5,208,519
		$ 545,931,853

*Denotes party-in-interest.
See accompanying Report of Independent Registered Public Accounting Firm.

Exhibit

The following exhibit is filed herewith.

Exhibit No.	Description
23.1	Consent of Independent Registered Public Accounting Firm

II-1

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Plan Administrator has duly caused this Annual Report to be signed on the SAP America, Inc. 401(k) Plan s behalf by the undersigned hereunto duly authorized.

SAP America, Inc. 401(k) Plan

By: /s/ Pat Pettinati

Pat Pettinati
Plan Administrator
Date: June 26, 2006

Exhibit Index

Exhibit No.	Description
23.1	Consent of Independent Registered Public Accounting Firm