

HIGHLIGHTS

- + EBITDA significantly down mainly due to disposal limitations and higher freight costs
- + Adjusted FCF significantly up on the previous year
- + Positive trend in demand for potash continues
- + Bethune mine performance improved
- + Expansion of tailings pile capacity for the Hattorf site approved
- + Good early fills business for de-icing salt in North America

OUTLOOK 2018

- + Outlook for 2018 adjusted: EBITDA between € 570 and € 630 million expected, mainly weather-related
- + Further production stoppages cannot be ruled out in Q4

- and are not included in the named range
- + Upper and lower end of the range essentially reflects the weather-related opportunities and risks that arise from the de-icing salt business, but also from the water levels and associated domestic transports in Q4
- + Potash and Magnesium Products business unit: Significant increase in EBITDA (2017: € 269 million) assuming no further outage days in Q4
- + Salt business unit: EBITDA should now decline moderately compared to 2017 (€ 325 million) (previously: unchanged) due in particular to higher logistics costs
- + CapEx now expected to be around € 500 million, mainly due to liquidity discipline

KEY INDICATORS (IFRS)

		Q3/17	Q3/18	%	9M/17	9M/18	%
Revenues	€ million	726.5	840.1	+ 15.6	2,594.9	2,821.8	+ 8.7
– of which Potash and Magnesium Products business unit	€ million	357.7	422.2	+ 18.0	1,218.5	1,351.4	+ 10.9
– of which Salt business unit	€ million	328.8	375.0	+ 14.0	1,255.4	1,337.5	+ 6.5
– of which Complementary Activities	€ million	39.5	41.7	+ 5.6	119.8	130.4	+ 8.8
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	€ million	76.7	36.4	– 52.5	389.5	378.3	– 2.9
– of which Potash and Magnesium Products business unit	€ million	42.4	3.4	– 92.0	195.0	214.8	+ 10.2
– of which Salt business unit	€ million	37.3	41.5	+ 11.3	201.7	185.7	– 7.9
– of which Complementary Activities	€ million	7.1	6.2	– 12.7	22.5	24.1	+ 7.1
EBITDA margin	%	10.6	4.3	–	15.0	13.4	–
– Potash and Magnesium Products business unit	%	11.9	0.8	–	16.0	15.9	–
– Salt business unit	%	11.3	11.1	–	16.1	13.9	–
– Complementary Activities	%	18.0	14.9	–	18.8	18.5	–
Operating earnings (EBIT I)	€ million	12.3	– 58.1	–	178.1	102.3	– 42.6
– of which Potash and Magnesium Products business unit	€ million	1.7	– 68.5	–	75.0	5.1	– 93.2
– of which Salt business unit	€ million	16.8	21.7	+ 29.2	123.1	127.9	+ 3.9
– of which Complementary Activities	€ million	5.9	5.0	– 15.3	16.9	20.4	+ 20.7
Earnings after tax, adjusted ¹	€ million	1.5	– 60.6	–	115.0	13.6	– 88.2
Earnings per share, adjusted ¹	€	0.01	– 0.32	–	0.60	0.07	– 88.2
Capital expenditure ²	€ million	157.5	124.4	– 21.0	567.8	278.1	– 51.0
Depreciation and amortisation ²	€ million	64.4	94.5	+ 46.7	211.4	276.0	+ 30.6
Net cash flows from operating activities	€ million	– 1.9	– 16.3	–	382.5	275.9	– 27.9
Adjusted free cash flow ³	€ million	– 215.2	– 153.8	+ 28.5	– 240.8	– 59.6	+ 75.2
Net debt as of 30 September	€ million	–	–	–	3,939.2	4,299.2	+ 9.1
Net debt/EBITDA (LTM)		–	–	–	8.1	7.6	–
Equity ratio	%	–	–	–	43.9	40.7	–
Return on capital employed (LTM)	%	–	–	–	2.6	2.3	–
Book value per share as of 30 September	€	–	–	–	22.28	21.90	– 1.7
Average number of shares	million	191.4	191.4	–	191.4	191.4	–
Employees as of 30 September ⁴	number	–	–	–	14,765	15,018	+ 1.7
Market capitalisation as of 30 September	€ billion	–	–	–	4.4	3.5	– 21.6
Enterprise value (EV) as of 30 September	€ billion	–	–	–	8.4	7.8	– 7.1

¹ The adjusted key indicators include the result from operating forecast hedges in the respective reporting period, which eliminates effects from fluctuations in the market value of the hedges. Related effects on deferred and cash taxes are also eliminated; tax rate in Q3/18: 30.0% (Q3/17: 29.6%).

² Concerns cash investments as well as depreciation of property, plant and equipment and amortisation of intangible assets, taking claims for reimbursement from claim management into account.

³ Adjusted for purchases/sales of securities and other financial investments.

⁴ FTE: Full-time equivalents; part-time positions are weighted in accordance with their respective share of working hours.

BUSINESS SEGMENT INFORMATION

POTASH AND MAGNESIUM PRODUCTS BUSINESS UNIT

DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES BY REGION											
		Q1/17	Q2/17	Q3/17	9M/17	Q4/17	2017	Q1/18	Q2/18	Q3/18	9M/18
Revenues	€ million	473.7	387.1	357.7	1,218.5	485.0	1,703.5	488.7	440.5	422.2	1,351.4
Europe	€ million	304.0	227.9	213.4	745.3	257.5	1,002.8	306.0	244.2	214.3	764.6
Overseas	US\$ million	180.7	175.5	170.9	527.1	264.4	791.5	224.7	233.6	242.0	700.9
Sales volumes	t million	1.82	1.54	1.41	4.77	1.94	6.71	1.94	1.71	1.56	5.22
Europe	t million	1.14	0.86	0.80	2.80	0.97	3.77	1.11	0.89	0.75	2.75
Overseas	t million	0.68	0.68	0.62	1.98	0.97	2.94	0.84	0.83	0.81	2.47
Average price	€/t	259.8	252.0	253.0	255.3	250.1	253.8	251.6	257.2	270.0	258.9
Europe	€/t	265.6	265.3	268.9	266.4	264.6	266.0	276.3	274.4	285.7	278.5
Overseas	US\$/t	266.2	259.0	273.4	266.8	276.5	269.0	269.1	282.8	297.5	283.3

- + Revenues up on the back of higher volumes and potash prices
- + Bethune production performance improved over the course of the year
- + At 1.56 million tonnes in the quarter under review, sales volumes were tangibly higher than the prior-year figure (Q3/17: 1.41 million tonnes)
- + EBITDA fell to € 3.4 million in the third quarter (Q3/17: € 42.4 million) due to production stoppages and higher costs for the remote disposal of wastewater resulting from the extreme drought (in total approximately € 80 million in Q3/18)

SALT BUSINESS UNIT

DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES BY PRODUCT GROUP											
		Q1/17	Q2/17	Q3/17	9M/17	Q4/17	2017	Q1/18	Q2/18	Q3/18	9M/18
De-icing salt											
Revenues	€ million	310.9	30.5	51.2	392.6	220.6	613.2	361.4	48.3	88.8	498.5
Sales volumes	t million	5.07	0.57	1.02	6.66	4.00	10.66	6.89	0.94	1.59	9.42
Average price	€/t	61.3	53.6	50.4	59.0	55.1	57.5	52.5	51.4	55.9	52.9
Consumer products, food processing, industrial salt and salt for chemical use											
Revenues	€ million	290.1	275.9	270.9	836.9	275.9	1,112.9	262.4	271.5	277.4	811.3
Sales volumes	t million	2.43	2.26	2.49	7.18	2.48	9.66	2.45	2.51	2.54	7.50
Average price	€/t	119.6	122.0	108.8	116.5	111.3	115.2	107.1	108.2	109.4	108.2

- + Revenues for the Salt business unit saw a tangible increase year-on-year to € 375.0 million (Q3/17: € 328.8 million), due mainly to higher revenues in the North American de-icing salt business resulting from volume and price effects
- + De-icing: Biddings showed mixed picture; supportive indications for the next winter season in US-Midwest, stable in Canada and Europe and competitive at the US East Coast
- + Non de-icing: Quarterly volumes and prices about stable year-on-year
- + EBITDA rose by more than 11% to € 41.5 million (Q3/17: € 37.3 million) on the back of the overall encouraging early fills business in North America for the coming winter; partly offset by higher logistics costs

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