

K+S Q1/2020 FACTS & FIGURES

HIGHLIGHTS

- + K+S Group's revenues of €1.1 billion in the first quarter (Q1/2019: €1.3 billion)
- + EBITDA of €201 million (Q1/2019: €270 million)
- + Adjusted free cash flow at €204 million (Q1/2019: €233 million)
- + OU Europe+: Increase in sales volumes cannot compensate for lower prices in the customer segment Agriculture and mild winter in the Communities customer segment
- + OU Americas: Higher earnings contributions of In-

dustry and Consumer customer segments and better cost discipline lead to only a slight decline in EBITDA despite mild winter

OUTLOOK 2020

- + EBITDA expected at about € 520 million (previously: € 500 to € 620 million; 2019: € 640.4 million)
- + Adjusted free cash flow expected to be at break even
- + OU Europe+: EBITDA tangibly down (2019: € 437m)
- + OU Americas: EBITDA moderately down (2019: € 230m)

KEY INDICATORS

		Q1/2019	Q1/2020	%
K+S Group				
Revenues	€ million	1,263.5	1,089.1	-13.8
EBITDA ¹	€ million	269.9	201.1	-25.5
EBITDA margin	%	21.4	18.5	-
Depreciation and amortization ²	€ million	99.5	107.7	+ 8.2
Operating unit Europe+ ³				
Revenues	€ million	691.8	645.0	-6.8
EBITDA ¹	€ million	177.1	114.2	-35.5
EBITDA margin	%	25.6	17.7	-
Depreciation and amortization ²	€ million	77.6	83.6	+ 7.7
Operating unit Americas ³				
Revenues	€ million	571.2	443.5	-22.4
EBITDA ¹	€ million	107.6	101.9	-5.3
EBITDA margin	%	18.8	23.0	-
Depreciation and amortization ²	€ million	19.8	21.6	+ 9.3
Customer segment Agriculture ⁴				
Revenues	€ million	461.0	453.7	-1.6
EBITDA ¹	€ million	124.2	97.1	-21.8
EBITDA margin	%	26.9	21.4	-
Customer segment Industry ⁴				
Revenues	€ million	281.8	294.1	+ 4.3
EBITDA ¹	€ million	58.5	55.1	-5.9
EBITDA margin	%	20.8	18.7	-
Customer segment Consumers ⁴				
Revenues	€ million	119.6	122.2	+ 2.2
EBITDA ¹	€ million	16.4	21.2	+ 29.2
EBITDA margin	%	13.7	17.3	-
Customer segment Communities ⁴				
Revenues	€ million	400.6	218.5	-45.4
EBITDA ¹	€ million	85.6	42.7	-50.1
EBITDA margin	%	21.4	19.5	-
Earnings after tax, adjusted ⁵	€ million	107.7	25.6	-76.2
Earnings per share, adjusted ⁵	€	0.56	0.13	-76.1
Capital expenditure ⁶	€ million	72.6	87.8	+ 21.0
Net cash flows from operating activities	€ million	324.4	255.0	-21.4
Adjusted free cash flow	€ million	233.1	204.4	-12.3
Net financial debt as of 31 March	€ million	2,934.8	2,917.2	- 0.6
Net financial debt/EBITDA (LTM) ⁷		4.6	5.1	+ 11.2
Equity ratio	%	42.5	41.6	-2.0
Return on capital employed (LTM) ⁷	%	2.9	1.5	-49.2
Book value per share as of 31 March	€	23.3	22.3	- 4.4
Average number of shares	million	191.40	191.40	-
Employees as of 31 March ⁸	number	14,654	14,694	+ 0.3
Market capitalization as of 31 March	€ billion	3.1	1.0	-67.5
Enterprise value (EV) as of 31 March	€ billion	7.4	5.4	-27.7

¹ EBITDA is defined as earnings before interest, taxes, depreciation and amortization, adjusted for depreciation and amortization of own work capitalized recognized directly in equity, gains/losses from fair value changes arising from operating anticipatory hedges still outstanding and changes in the fair value of operating anticipatory hedges recognized in prior periods.

² Relates to amortization of intangible assets and depreciation of property, plant and equipment, adjusted for depreciation and amortization of own work capitalised recognised directly in equity.

³ Segments according to IFRS 8. ⁴ No segments according to IFRS 8. ⁵ 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 for 2019: 30.0%). ⁶ Relates to cash payments for investments in property, plant and equipment and intangible assets, excluding leases in accordance with IFRS 16. ⁷ LTM= Last twelve months ⁸ FTE = Full-time equivalents; part-time positions are weighted in accordance with their respective share of working hours.



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CUSTOMER SEGMENT INFORMATION ⁴

CUSTOMER SEGMENT AGRICULTURE

- + Decline of EBITDA from € 124.2 million to € 97.1 million on the back of lower prices despite higher volumes
- + Significant improvement of the operating performance, especially at the Werra plant, also significant improvement of product quality at the Bethune mine

CUSTOMER SEGMENT AGRICULTURE: DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES BY REGION

		Q1/2019	Q2/2019	Q3/2019	Q4/2019	2019	Q1/2020
Revenues	€ million	461.0	440.1	425.0	389.5	1,715.6	453.7
Europe	€ million	274.4	209.5	182.6	208.2	874.6	263.6
Overseas	US\$ million	211.9	259.2	269.6	200.8	941.5	217.8
Sales volumes	t million (product)	1.64	1.61	1.52	1.53	6.30	1.90
Europe	t million (product)	0.98	0.75	0.66	0.78	3.16	0.93
Overseas	t million (product)	0.66	0.87	0.86	0.75	3.14	0.97
Average price	€/t (product)	281.7	272.6	279.7	254.9	272.4	239.2
Europe	€/t (product)	281.2	280.5	277.5	267.9	277.0	283.8
Overseas	US\$/t (product)	320.8	298.7	312.9	267.5	299.8	225.0

CUSTOMER SEGMENT INDUSTRY

- + EBITDA down from € 58.5 million to € 55.1 million due to lower average prices for potash-containing products for the chemical industry

CUSTOMER SEGMENT CONSUMER

- + EBITDA increased to € 21.2 million (Q1/2019: € 16.4 million). Increased sales of higher priced end products were the main reason

CUSTOMER SEGMENT COMMUNITIES

- + Significant decline in revenues to € 218.5 million (Q1/2019: € 400.6 million) on the back of sales volumes almost 50% below the previous year's high level
- + EBITDA down from € 85.6 million to € 42.7 million

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