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Press Release

Kassel, Germany, 14 May 2018

Figures for the first quarter of 2018

K+S Starts the Current Financial Year with Growth

- Revenues up 4% to € 1.17 billion
- EBITDA climbs more than 12% to € 237 million
- Adjusted free cash flow significantly higher; net debt/EBITDA ratio reduced further
- Implementation of the new ‘Shaping 2030’ Group strategy proceeding according to plan
- Outlook reiterated: Significant increase in EBITDA expected

The K+S Group began the 2018 financial year with improvement in its key performance indicators. Revenues rose by 4% year-on-year to € 1.17 billion. Operating earnings before interest, taxes, depreciation and amortisation (EBITDA) improved by more than 12% to € 237 million, helped in particular by deliveries from the new potash mine in Bethune, Canada, and higher market prices for potassium chloride.

“All in all, we witnessed a solid quarter. We remain confident for the remainder of the year. Operating earnings are expected to increase significantly compared with the previous year,” said K+S CEO Dr Burkhard Lohr.

Business Units’ EBITDA: Strong increase in Potash; Salt down

Deliveries from the new Bethune potash mine in Canada far outweighed the lost sales volumes in Europe resulting from a late start to the spring fertilizing season. Higher prices for potassium chloride also had a positive effect. This increase was partially eroded by lower production volumes at the Werra plant resulting from limited personnel and machinery availability. EBITDA for the Potash and Magnesium Products business unit improved by around 50% to € 121 million compared with the prior-year period.

In the Salt business unit, sales volumes of de-icing salt in North America increased significantly. However, due to the mild winter in the previous year, prices were at a lower level on average. Added to this were higher logistics costs in North America due to freight capacity challenges. Currency effects likewise acted as a damper on earnings. EBITDA for the Salt business unit fell to € 121 million in the first quarter (Q1/2017: € 135 million).

Improved financial position

The adjusted free cash flow improved in the first quarter to € 143 million (Q1/2017: € 55 million) on the back of significantly lower capital expenditure. The net debt/EBITDA ratio decreased in the same period from a factor of 8.1x to a factor of 6.7x.

KCF facility starts operations on schedule

A further milestone in relation to water protection on the Werra was achieved on 17 January 2018 with the commissioning of the KCF facility at the Hattorf site. The new facility will reduce the volume of saline wastewater generated by the Werra plant by around 20%, and around 260,000 additional tonnes of saleable product can be produced each year if the facility is running to full capacity.

‘Shaping 2030’: ‘One K+S’ is taking shape

The Group is continuing to make good progress with the systematic implementation of its new ‘Shaping 2030’ strategy and is on schedule. A detailed concept for the new organisational structure is currently being developed.

Outlook for 2018 reiterated

A tangible increase in revenues compared with the previous year is still predicted for the 2018 financial year. Earnings before interest, taxes, depreciation and amortisation (EBITDA) is expected to be significantly higher than the prior-year figure.

In the Potash and Magnesium Products business unit, the increase in production at the new plant in Bethune, Canada, and at the Werra plant should lead to a significant earnings increase. In the Salt business unit, a moderate increase in EBITDA is now expected owing to higher logistics expenses and in spite of a tangible increase in sales volumes.

Against this backdrop, we expect further improvements in the adjusted free cash flow for 2018 compared with the previous year and forecast a positive free cash flow in 2019.

Information for Editorial Departments

Further information and data on developments in the first quarter of 2018 can be found in the Quarterly Report on our website at www.k-plus-s.com/2018q1en. An interview on business development with K+S CEO Dr Burkhard Lohr is also available there.

A conference call with Dr Burkhard Lohr and K+S CFO Thorsten Boeckers for investors and analysts will also take place today in English at 10:00 am. Press representatives and interested parties from the general public are invited to follow the conference via a live webcast (www.k-plus-s.com/en/audio-und-video/cc.html). The conference will be recorded and made available as a podcast.

This year’s Annual General Meeting of K+S Aktiengesellschaft will be held on Tuesday, 15 May in Kassel, Germany. More information about this is available at www.k-plus-s.com/agm.

About K+S

K+S considers itself as a customer-focused, independent minerals company for the segments of Agriculture, Industry, Consumers, and Communities and wants to grow the EBITDA to € 3 billion in 2030. Our approximately 15,000 employees enable farmers to provide nutrition for the world, provide solutions that keep industries going, improve daily life for consumers and provide safety in the winter. We continually meet the growing demand for mineral products from production sites in Europe, North and South America as well as a worldwide sales network. We strive for sustainability because we are deeply committed to our responsibilities to people, environment, communities and economy of the regions in which we operate. Learn more about K+S at www.k-plus-s.com.

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Forward-looking Statements

This press release contains facts and forecasts that relate to the future development of the K+S Group and its companies. The forecasts are estimates that we have made on the basis of all the information available to us at this moment in time. Should the assumptions underlying these forecasts prove incorrect or should certain risks – such as those referred to in the Risk Report – materialise, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this press release, save for the making of such disclosures as required by law.