

/ Press Release

Kassel (Germany) – May 14, 2019

Figures for the first quarter of 2019

K+S has a successful start to the financial year

- **Revenues up by 8 % to € 1.3 billion (Q1/2018: € 1.2 billion)**
- **EBITDA of € 270 million, + 14 % (Q1/2018: € 237 million)**
- **Free cash flow again up significantly: + 63 % to € 233 million (Q1/2018: € 143 million)**
- **Positive demand and pricing trends in the customer segment Agriculture continue**
- **Continuous increase in production volume at the Bethune site**
- **Good de-icing salt business in North America**
- **Outlook for 2019 confirmed: Significant increase in EBITDA to € 700 – 850 million and positive free cash flow expected**

The K+S Group started the current 2019 financial year with significant growth. In the first quarter of the year, revenues rose by 8 % to € 1.3 billion compared to the same period last year. Earnings before interest, taxes, depreciation and amortization (EBITDA) improved by 14 % to € 270 million. The sustained favorable market environment in the Agriculture customer segment contributed significantly to the increase in earnings. Free cash flow reached € 233 million in the first quarter, up 63 % year-on-year.

"We have started the new financial year with great momentum," says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft. "Our strategic measures are taking effect and we are also on track operationally. We continue to expect a significant increase in EBITDA for 2019 compared with the previous year."

New structure increases transparency of business development

Within the implementation of the new Shaping 2030 corporate strategy, K+S has recently started working in a matrix organization. In this new structure, two regionally oriented operating units, Europe+ and Americas, are linked with four market-oriented customer segments: Agriculture, Industry, Consumers and Communities.

Earnings growth in both operating units

Almost two-thirds of Group EBITDA was generated by the Europe+ operating unit and about one-third by the Americas operating unit. Europe+ increased EBITDA by 14 % compared with the prior-year period to € 177 million. Americas achieved a 12 % increase in EBITDA to € 108 million in the first quarter.

Strong demand in all customer segments

Agriculture

In Agriculture, the largest customer segment, higher prices particularly for potassium chloride contributed to a 7 % increase in revenues to € 461 million, while EBITDA improved significantly by 31 % to € 124 million.

Industry

There was high demand from the food processing, oil and gas industries in the Industry customer segment last quarter. Revenues increased by 2 % to € 282 million, however higher freight costs lowered EBITDA by almost 9 % to € 59 million.

Consumers

Higher prices and positive currency effects increased revenues in the Consumer customer segment by 9 % to € 120 million. EBITDA rose by 63 % year-on-year to € 16 million.

Communities

Higher sales volumes of de-icing salt in Canada and on the US East Coast, as well as positive price and currency effects, caused revenues in the Communities customer segment to rise by 14 % to € 401 million and EBITDA by 4 % to € 86 million compared with the previous year.

Free cash flow significantly improved

In the first quarter of the current year, the adjusted free cash flow of the K+S Group rose by 63 % year-on-year to € 233 million. Adjusted Group earnings after taxes improved by 29 % to € 108 million (Q1/2018: € 84 million).

Outlook for 2019 confirmed: Significant increase in EBITDA

K+S continues to be positive about 2019 and still expects EBITDA to be significantly higher than last year's figure and in a range between € 700 million and € 850 million (2018: € 606 million). The main reasons are the favorable market environment in the Agriculture customer segment as well as the higher production volume at the Bethune site in Canada. In addition, for the remaining year of 2019, no wastewater-related production cuts due to prolonged low water periods in the Werra are expected. For the first time since 2013, K+S wants to achieve a positive free cash flow again this year.

All assumptions underlying this forecast are described in the [Q1/19 Quarterly Report](#) on page 9.

Note for editors

More information and data on developments in the first quarter of 2019 can be found in the quarterly report on our website at www.k-plus-s.com/2019q1en. An interview with Dr. Burkhard Lohr, CEO of K+S, on business development is also available there.

A conference call for investors and analysts with Dr. Burkhard Lohr and Thorsten Boeckers (CFO) will take place in English today at 10:00 a.m.. Press representatives and interested members of the public are invited to follow the conference via the live webcast:

www.k-plus-s.com/en/audio-und-video/cc.html. The conference will be recorded and available as a podcast.

This year's Annual General Meeting of K+S Aktiengesellschaft will be held in Kassel on Wednesday, May 15. More information can be found at: www.k-plus-s.com/en/agm.

About K+S

K+S is a customer-focused, independent minerals company for the Agriculture, Industry, Consumers, and Communities segments and wants to grow the EBITDA to € 3 billion by 2030. Our approximately 15,000 employees enable farmers to provide nutrition for the world, solutions that keep industries going, improve daily life for consumers and provide safety in 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 in 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 information and forecasts relating to the future development of the K+S Group and its companies. The forecasts represent estimates that we have made on the basis of all the information available to us at the present time. Should the assumptions underlying these forecasts prove to be incorrect or should risks - such as those mentioned in the risk report of the current Annual Report - materialize, actual developments and results may deviate from current expectations. The company does not assume any obligation to update the statements contained in this press release outside the statutory publication requirements.