

Press Release

Kassel (Germany), August 12, 2021

Strong second quarter in 2021

EBITDA doubled - 2021 forecast raised

- Revenues increase to €664 million (Q2/2020: €590 million)
- EBITDA of €112 million significantly above previous year (Q2/2020: €53 million)
- Successful sale of the Americas operating unit:
 - Cash inflow: around €2.6 billion; gain on disposal: €742 million
 - Financial liabilities reduced by around €1.7 billion; termination of KfW credit line
 - Net financial debt/EBITDA sharply reduced to 2.0 times
 - Equity ratio rises to 48% (Dec. 31, 2020: 27%)
- 2021 outlook:
 - EBITDA forecast from continuing operations increased to between €700 million and €800 million (previously: between €500 million and €600 million, in each case including REKS one-off gain of around €200 million).

K+S more than doubled its operating earnings EBITDA from continuing operations to €112 million in the second quarter. Revenues rose by about 13% year-on-year. Higher prices and increased sales volumes for fertilizers as well as strong business in the Industry+ customer segment were the drivers of the positive development in the reporting period.



"In the second quarter too, we benefited in particular from the positive development of agricultural markets and further reduced our costs," says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft. "In the remainder of the year, we expect a continued positive development in the fertilizer business and in industrial products, so that we have once again been able to raise our earnings forecast."

Positive revenues development in both customer segments

Demand in the **Agriculture customer segment** continued to be very high in all sales regions in the second quarter. Prices for potassium chloride rose sharply in important overseas markets such as Brazil and North America. Europe also saw a significant price increase. Higher prices were likewise realized for fertilizer specialties. As a result, revenues in the second quarter rose significantly to €474 million (Q2/2020: €405 million). Sales volumes increased by more than 8% to just under 1.9 million tonnes. Production was running at full speed.

In the **Industry+ customer segment**, revenues of €191 million in the second quarter were moderately higher than in the prior-year quarter (Q2/2020: €186 million). Demand for de-icing salt remained strong into April due to the wintry weather conditions. Revenues from industrial and chemical salts increased in response to the economic situation, while revenues from consumer products normalized compared with the strong prior-year quarter. Overall, sales volumes for Industry+ rose significantly by 22% to around 1.5 million tonnes year-on-year.

2021 outlook: EBITDA forecast raised again

The sustained recovery of potash prices since the beginning of the year, above-average de-icing salt business, measures to streamline administration as well as the one-off gain associated with the closing of the REKS joint venture of about €200 million in the fourth quarter should lead to a significant improvement in EBITDA. K+S now expects an increase to €700 million to €800 million (previous forecast: €500 million to €600 million; 2020: €267 million).



Notes

For further information and data on the development in the second quarter of 2021 and the first half of 2021, respectively, please refer to the [Half-Yearly Financial Report](#) on our website as well as to the [interview](#) on business development with Dr. Burkhard Lohr, Chairman of the K+S Board of Executive Directors.

A video conference for capital market participants with Dr. Burkhard Lohr, CEO, and Thorsten Boeckers, CFO, will be held today at 10:00 a.m. in English. Members of the press and interested members of the public are invited to follow the conference via a live [webcast](#). The conference will be recorded and is also available as a podcast.

About K+S

K+S considers itself a customer-focused, independent supplier of mineral products for the Agriculture, Industry, Consumers, and Communities segments. We enable farmers securing the world's food supply, provide solutions that keep industries running, enrich consumers' daily lives, and ensure safety in winter. From production sites in Europe, North America, as well as through a global distribution network, we serve the ever-increasing demand for mineral products. We strive for sustainability because we are deeply committed to our responsibilities towards people, the environment, communities, and the economy in the regions in which we operate. Learn more about K+S at www.kpluss.com.

Forward-looking statements

This press release contains statements and forecasts relating to the future development of the K+S Group and its companies. The forecasts represent assumptions that we have made on the basis of all the information available to us at the present time. Should the assumptions on which the forecasts are based 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 differ from current expectations. The Company assumes no obligation to update the statements contained in this press release, other than as required by law.

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