



25 November 2020

K+S Aktiengesellschaft

Bank of America European Credit Conference 2020

Julia Bock, CFA

Senior Investor Relations Manager

Janina Rochell

Investor Relations Manager

Disclaimer

No reliance may be placed for any purpose whatsoever on the information or opinions contained in the Presentation or on its completeness, accuracy or fairness. No representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its respective directors, officers, employees, agents or advisers as to the accuracy, completeness or fairness of the information or opinions contained in the Presentation and no responsibility or liability is accepted by any of them for any such information or opinions. In particular, no representation or warranty, express or implied, is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, ambitions, estimates or forecasts contained in this Presentation and nothing in this Presentation is or should be relied on as a promise or representation as to the future.

This presentation 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 not to be correct or should certain risks – such as those referred to in the Annual Report – materialize, actual developments and events may deviate from current expectations. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forecasts.

This Presentation is subject to change. In particular, certain financial results presented herein are unaudited, and may still be undergoing review by the Company's accountants. The Company may not notify you of changes and disclaims any obligation to update or revise any statements, in particular forward-looking statements, to reflect future events or developments, save for the making of such disclosures as are required by the provisions of statute. Thus statements contained in this Presentation should not be unduly relied upon and past events or performance should not be taken as a guarantee or indication of future events or performance.

This presentation has been prepared for information purposes only. It does not constitute an offer, an invitation or a recommendation to purchase or sell securities issued by K+S Aktiengesellschaft or any company of the K+S Group in any jurisdiction.

K+S at a Glance

K+S Group financials 2019

Revenues
€ 4.07 billion

EBITDA
€ 640 million

EBITDA-Margin
16%

Earnings after taxes, adj.
€ 78 million

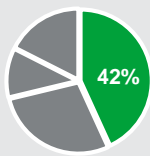
OU Europe+: Revenues: € 2.54 billion; EBITDA: € 437 million; Margin: 17%

OU Americas: € 1.53 billion; EBITDA: € 230 million; Margin: 15%

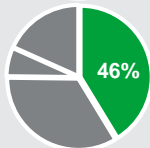
Customer Segments



Agriculture



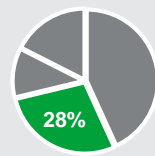
Revenues
€ 1.72 billion



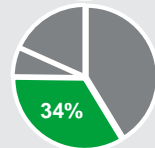
EBITDA
€ 295 million
Margin 17%



Industry



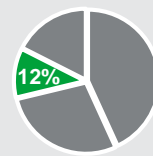
Revenues
€ 1.15 billion



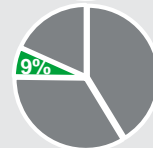
EBITDA
€ 218 million
Margin 19%



Consumers



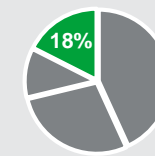
Revenues
€ 0.48 billion



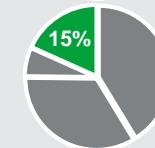
EBITDA
€ 60 million
Margin 12%



Communities



Revenues
€ 0.72 billion

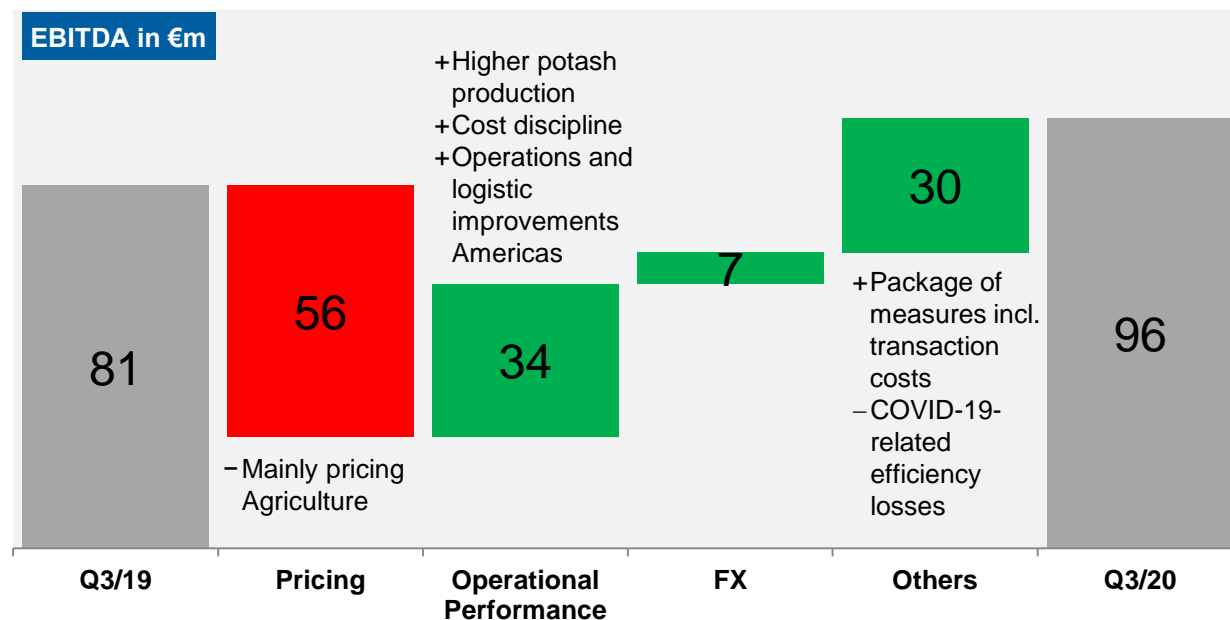


EBITDA
€ 94 million
Margin 13%

Q3/20 EBITDA significantly improved YoY

Highlights

- Q3/20 EBITDA increased to €96m (Q3/19: €81m)
- COVID-19:** Minor efficiency losses
- One-off benefit from package of measures in Q3/20
- Adj. net profit** affected by non-cash impairment of ~€2bn



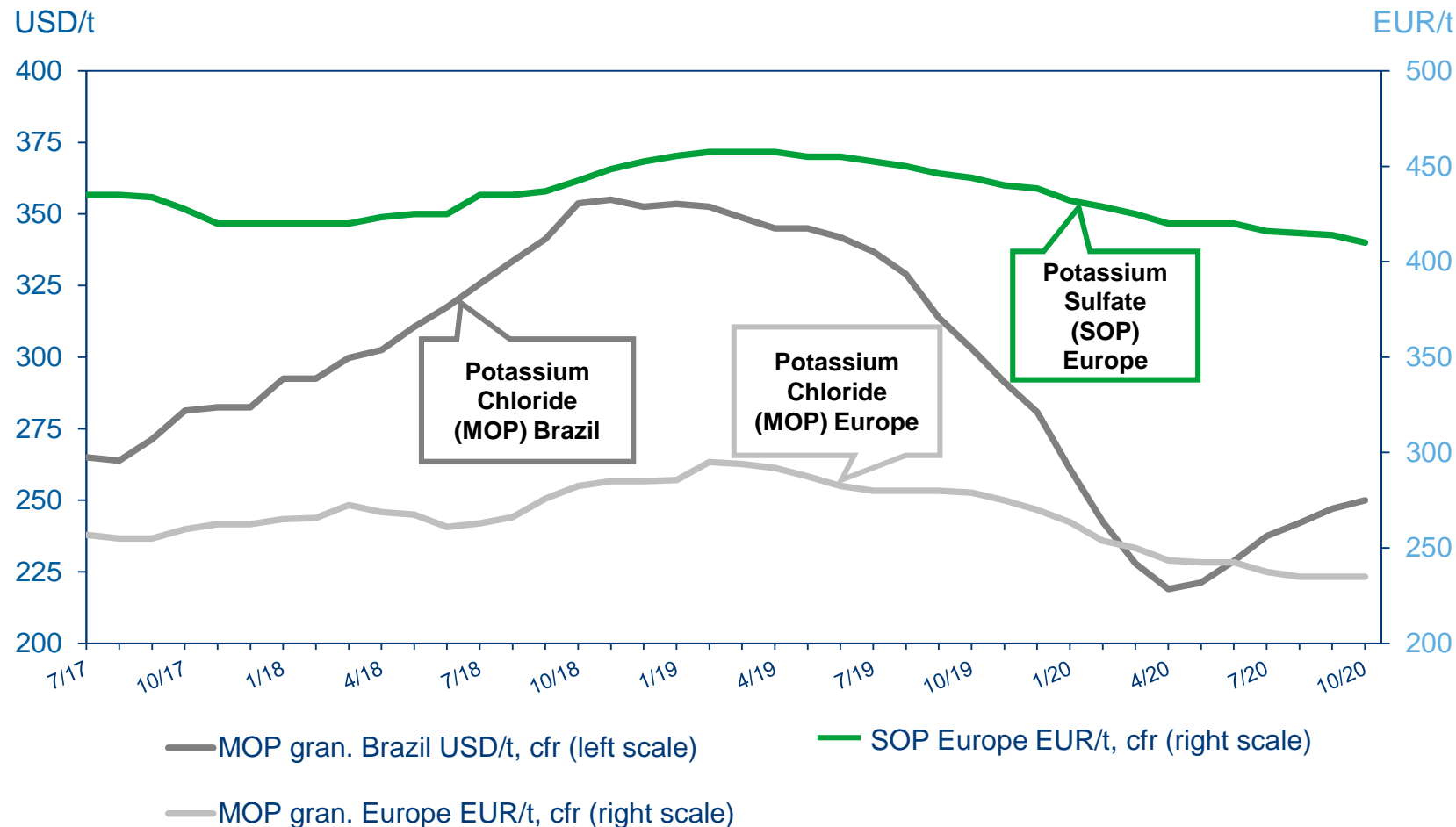
Financials

€ million	Q3/2019	Q3/2020	%
Revenues	905	822	-9
<i>t/o Europe+</i>	621	563	-9
<i>t/o Americas</i>	283	258	-9
D&A	107	102	-4
EBITDA	81	96	+19
<i>t/o Europe+</i>	67	85	+26
<i>t/o Americas</i>	25	24	-4
Adj. net profit	-42	-1,975	-
Adj. EPS (€)	-0.22	-10.32	-
Operating cash flow	-8	5	-
Adj. FCF	-131	-116	-11
CapEx	144	136	-6
NFD/EBITDA (LTM)	4.3x	5.7x	-

Customer Segment Agriculture



Stable specialty business and regional diversification paying-off



Q3/2020

- Price recovery in Brazil continued on the back of very strong demand despite strong supply
- Improved demand in SEA
- This also alleviates pressure from European market

Outlook

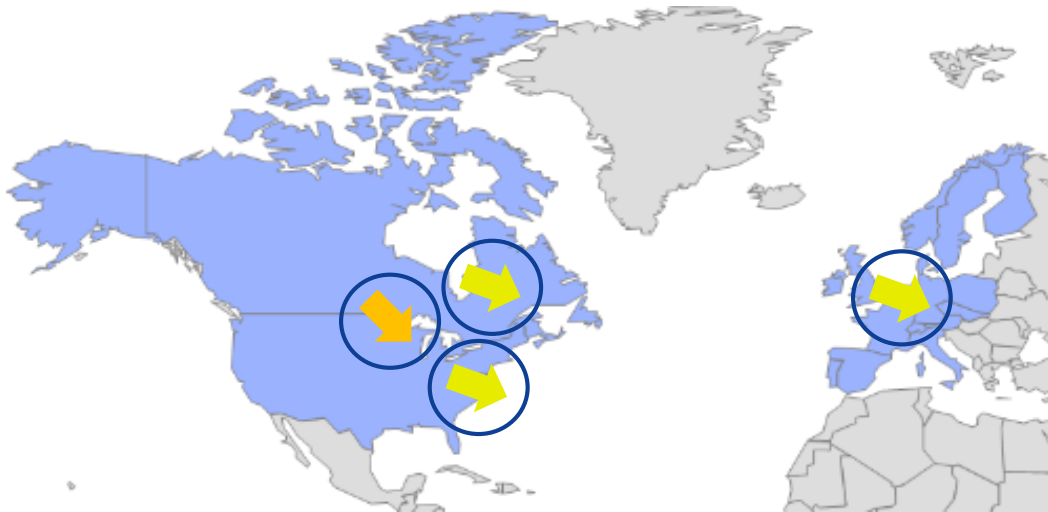
- Price recovery in Brazil expected to continue
- Producers widely committed until at least the end of the year

Source: FMB Argus Potash

Trading update: Communities



Pricing trends for next winter season



Q3/20 update:

- Sales volume ~30% below previous year.
- Weak early-fills business due to high customer inventory levels
- However, multi-year contracts helped us prevent stronger price declines
- Some contracts in higher price regions (e.g. Canada) already settled end of 2019

Outlook:

- For Q4/20, we expect average prices to decline slightly to moderately YOY across all regions
- Expected sales volumes ~ 8 million tonnes for 2020 (Ø-year: 12.5 – 13.0 million tonnes)

Current Trading Customer Segments Industry + Consumers

Industry



- Stable demand of animal nutrition products.
- Demand for products for the oil and gas and chemical industries declined.
- Lower demand from the food service and food processing industries in the wake of the corona pandemic.

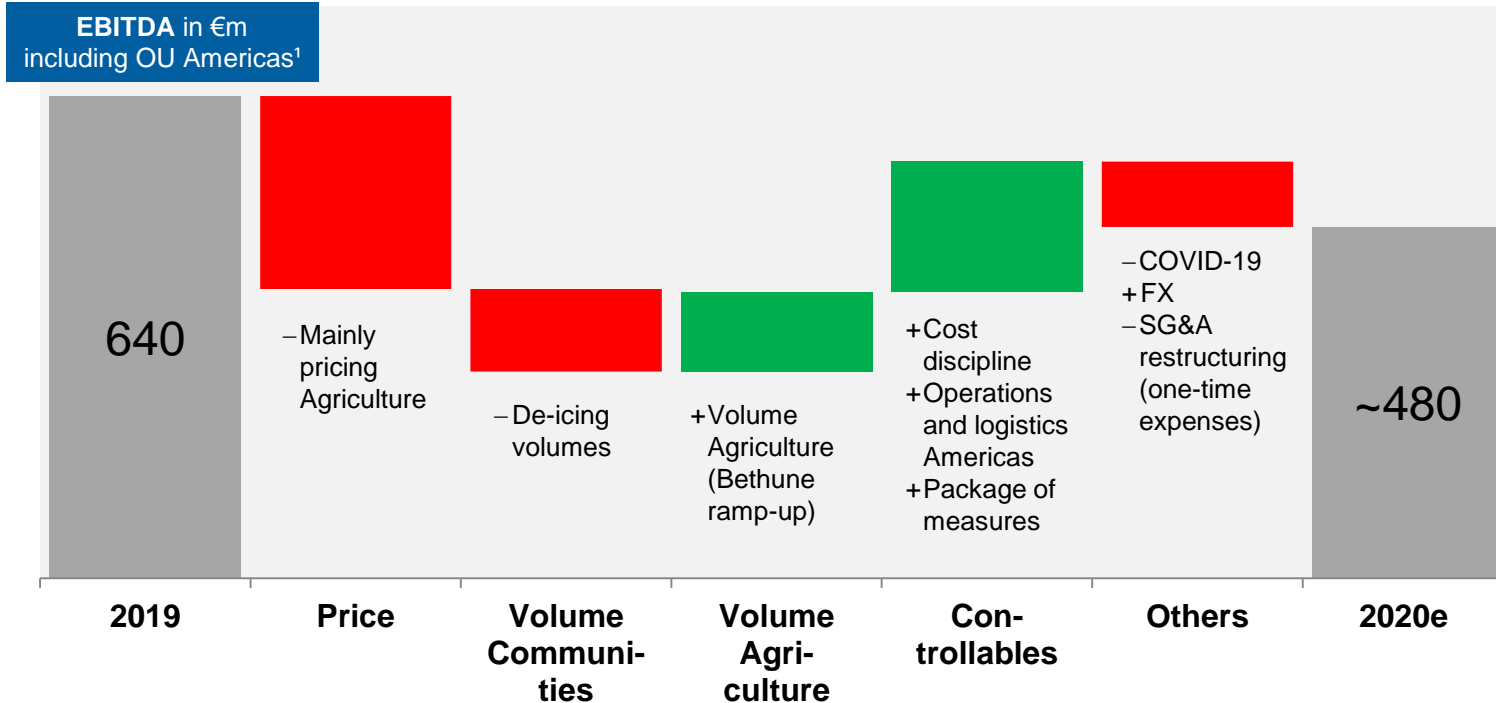
Consumers



- Strong demand for “stay-at-home products”, e.g. table salt, water softening and pool salt on the back of the corona pandemic.
- Trend to premium products with higher margins
- Good progress in the rollout of the German premium table salt brand Saldoro®.

Robustness of the business proven during corona pandemic with categories balancing each other out

Outlook 2020 for EBITDA confirmed



Main assumptions

- FY/20 Agriculture ASP expected to be slightly above Q3/20 level (€225/t)
- FY/20 Agriculture sales volume expected to be >7mt (2019: 6.3 mt)
- FY/20 Communities sales volume of 8 mt (normal year 12.5-13.0 mt); normal winter conditions in Q4
- COVID-19-related efficiency losses and project costs compensated by positive effects from package of measures; larger unforeseeable effects not assumed (e.g. shutdown)

We expect free cash flow to be at **break even**

¹OU Americas will be shown as discontinued operations as of 31 December 2020



K+S Cleans Up Balance Sheet

- Potash prices expected to continue to rise in the short and medium term
- Long-term assumptions for potash prices and cost of capital were adjusted
- Higher market risk premium increasing WACC
- Non-cash impairment losses on assets of around EUR 2 billion

Signing achieved for complete OU Americas sale



Key data of the signed agreement:

- Buyer: Stone Canyon Industries Holdings LLC, Mark Demetree and affiliates
- Gross proceeds: USD 3.2 bn
- EV/EBITDA: 12.5x 2019 EBITDA of USD 257m
- Closing timeline: Summer 2021
- Exp. net proceeds: €~2.5bn after tax (currency risk fully hedged)

K+S investment case: Lean and more efficient K+S with solid financials



Mega trends intact

→ Products to secure world nutrition



Financial and administrative restructuring

→ More room to maneuver



Focus on cash and value generation

→ Gain value for our shareholders



Optimized production footprint

→ Positive free cash flow at all sites



Ambitious sustainability goals

→ Secure license to operate



Sustainable growth with specialties

→ Less dependent on MOP

Housekeeping items / Financial calendar

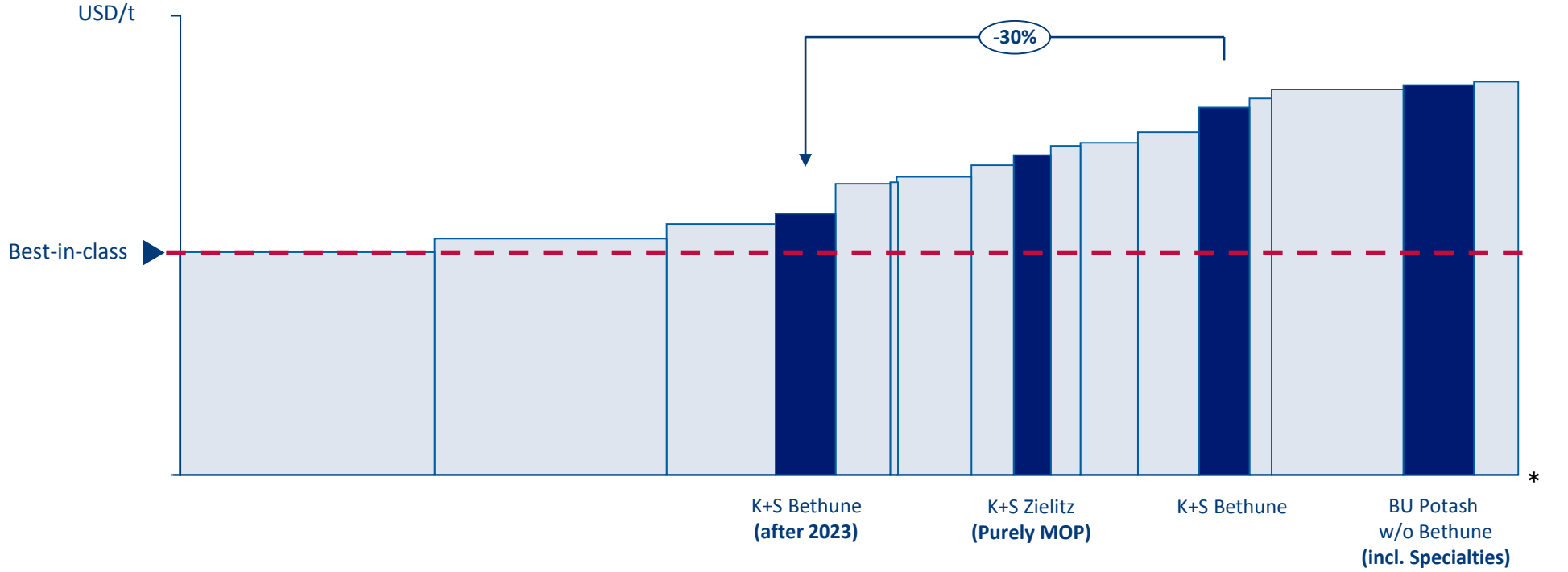
Additional information on FY 2020 outlook

- Tax rate: 3-5%
- Financial result: ~€-140m-€-150m
- CapEx: significantly up
- D&A: ~€450m
- Reconciliation (EBITDA): €-90m to €-110m

Financial calendar

Kepler Cheuvreux Digital Roadshow Madrid	26 Nov 2020
Credit Suisse Specialty Chemicals Year End London Conference	1 Dez 2020
Citi 2020 Basic Materials Virtual Conference	2-3- Dez 2020

Site costs (FOB) in comparison (2020)



Source: CRU Report 2016, K+S

* column width = production capability in million tonnes

The Bethune ramp-up to 2.86 million tons in the mid 2020s (production capability) significantly improves K+S's competitive position.

IR Contact Details



Dirk Neumann

Head of Investor Relations

Phone: +49 561 / 9301-1460
Fax: +49 561 / 9301-2425
d.neumann@k-plus-s.com



Christiane Martel

Roadshow Management

Phone: +49 561 / 9301-1100
Fax: +49 561 / 9301-2425
christiane.martel@k-plus-s.com

K+S Aktiengesellschaft

Bertha-von-Suttner-Str. 7
34131 Kassel (Germany)

e-mail: investor-relations@k-plus-s.com

homepage: www.kpluss.com

IR-website: www.kpluss.com/ir



Julia Bock, CFA

Senior Investor Relations Manager

Phone: +49 561 / 9301-1009
Fax: +49 561 / 9301-2425
julia.bock@k-plus-s.com



Lutz Ackermann

Senior Investor Relations Manager

Phone: +49 561 / 9301-2422
Fax: +49 561 / 9301-2425
lutz.ackermann@k-plus-s.com



Alexander Enge

Investor Relations Manager

Phone: +49 561 / 9301-1885
Fax: +49 561 / 9301-2425
alexander.enge@k-plus-s.com



Janina Rochell

Investor Relations Manager

Phone: +49 561 / 9301-1403
Fax: +49 561 / 9301-2425
Janina.rochell@k-plus-s.com