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SUBSTANCE

**1st Quarter 2010 Results
CONFERENCE CALL**

12 May 2010, 3:00 p.m. CEST

1:1
SCALE



Experience growth.

Fertilizer Business Sector

- **Preparation for the spring season** - Northern hemisphere trade sector demand rose considerably
- **Regained confidence in the stability of prices** - Chinese and Indian potash contract conclusions at the end of last year and the beginning of this year supported demand
- **Majority of potash producers back at almost full utilization of production capacity**

Salt Business Sector

- **Overall good de-icing salt business with high demand in Western Europe balancing the very mild winter in Canada**
- **North American price level for de-icing salt lower** – Prices in the same period of the previous year had benefited from supply bottlenecks
- **Both food grade and industrial salt saw high demand as they were used as de-icing agents**
- **Demand for salt for chemical use slightly improved**

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Key Figures in Q1/10



€ million	Q1/10	Q1/09	%
Revenues	1,533.6	1,075.7	+ 42.6
Operating earnings (EBIT I)	267.7	174.0	+ 53.9
Financial result	(30.2)	(8.4)	(259.5)
Earnings before income taxes (EBT), adjusted ¹⁾	237.5	165.6	+ 43.4
Group earnings after taxes, adjusted ¹⁾	175.8	122.5	+ 43.5
Capital expenditure	27.3	29.1	(6.2)
Free cash flow before acquisitions/divestments ²⁾	326.5	34.7	+ 840.9
Earnings per share, adjusted (€) ¹⁾	0.92	0.74	+ 24.3
Average number of shares (million)	191.23	164.84	+ 16.0

¹⁾ The adjusted figures only contain the earnings actually realised on operating forecast hedges for the respective reporting period. The changes in the market value of operating forecast hedges still outstanding, however, are not taken into account in the adjusted earnings. Any resulting effects on deferred and cash taxes are also eliminated

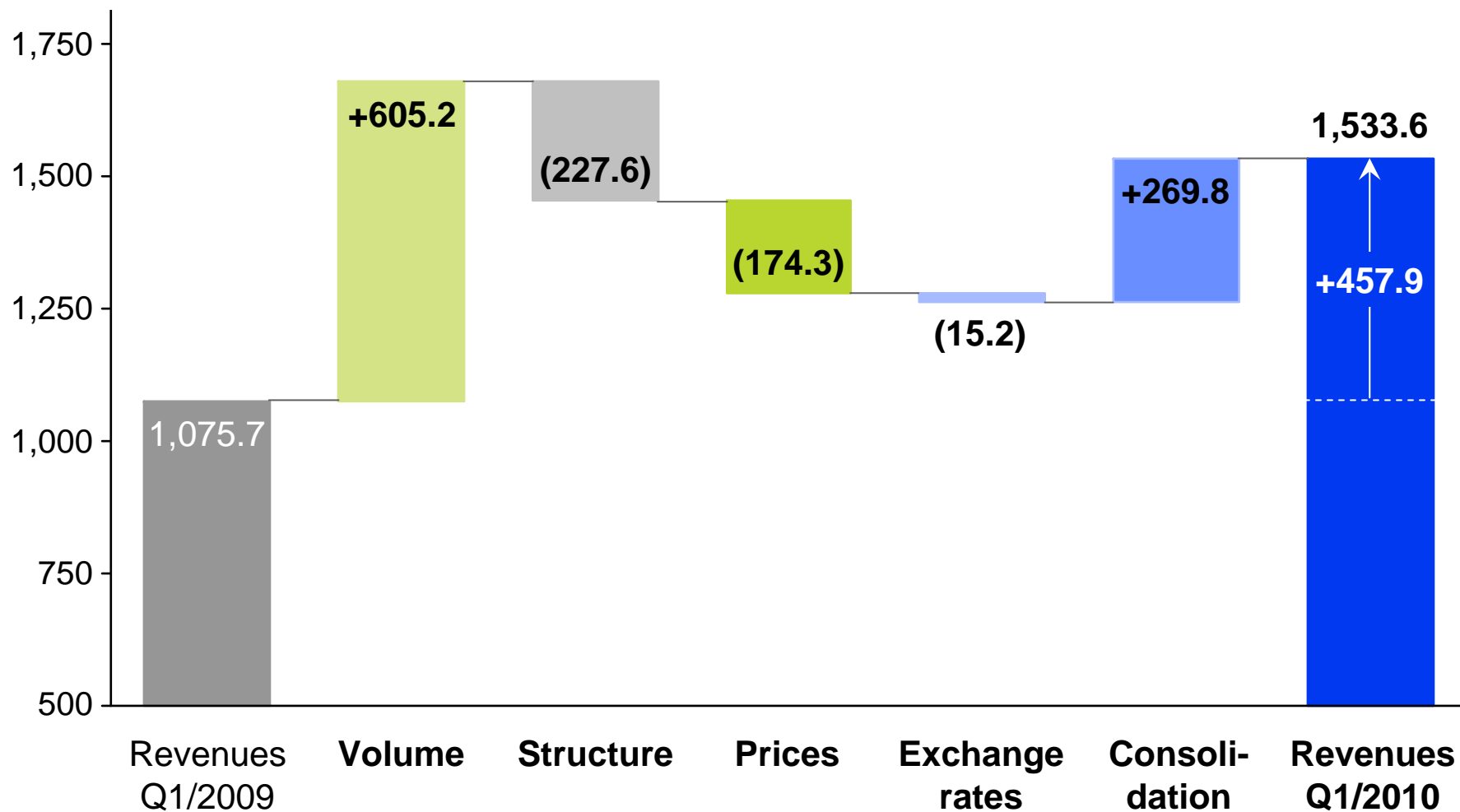
²⁾ Adjusted for the change in the tie-up of funds for hedging transactions

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Changes in Revenues in Q1/10



€ million



Potash and Magnesium Products Business Segment

Volumes and Average Prices in Q1/10



	Year on Year			Quarter on Quarter		
	Q1/10	Q1/09	%	Q1/10	Q4/09	%
Volume (million tonnes)	1.94	0.90	+ 115.6	1.94	1.29	+ 50.4
- Europe	1.26	0.45	+ 180.0	1.26	0.60	+ 110.0
- Overseas	0.68	0.45	+ 51.1	0.68	0.69	(1.4)
Average price (€ per tonne)	256.2	409.2	(37.4)	256.2	280.1	(8.5)
- Europe (€ per tonne)	250.6	425.0	(41.0)	250.6	266.4	(5.9)
- Overseas (US\$ per tonne)	367.5	511.6	(28.2)	367.5	431.2	(14.8)

- Y-o-Y: Due to strong demand from distributors in preparing for the spring season, volume increases were exceptionally sharp in Europe (+180% YoY). Overseas markets also saw a normalising demand. Average European prices fell more strongly than the overseas price, as the level of prices in Q1/09 was higher in Europe than in overseas markets.
- Q-o-Q: European volumes saw a strong recovery after price stability was achieved following the Chinese and Indian contract settlements. Overseas volumes remained at the good level achieved in Q4/09. International potash prices in Q1/10 have likely bottomed out.

Salt Business Segment

Volumes and Average Prices in Q1/10



	Year on Year			Quarter on Quarter		
	Q1/10	Q1/09 ¹⁾	%	Q1/10	Q4/09	%
¹⁾ without Morton Salt						
Volume (million tonnes)	9.25	5.15	+ 79.6	9.25	6.37	+ 45.2
- De-icing salt	7.05	3.95	+ 78.5	7.05	4.11	+ 71.5
- Industrial salt for chemical use and food grade salt	2.20	1.20	+ 83.3	2.20	2.26	(2.7)
Average price (€ per tonne)						
- De-icing salt	53.4	60.6	(11.9)	53.4	53.1	+ 0.6
- Industrial, salt for chemical use and food grade salt	98.9	67.7	+ 46.1	98.9	90.5	+ 9.3

- Y-o-Y: Volumes in the de-icing salt business increased significantly, mainly due to the consolidation of Morton Salt and a good winter overall. Prices for de-icing salt normalized compared to the previous year's higher prices which were caused by supply bottlenecks. The prices of the remaining product groups improved with the inclusion of Morton Salt.
- Q-o-Q: Prices in de-icing salt remained stable due to seasonal contracts and positive currency effects. Following the normal winter patterns, Q1 volumes significantly exceeded Q4.

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Segment development in Q1/10

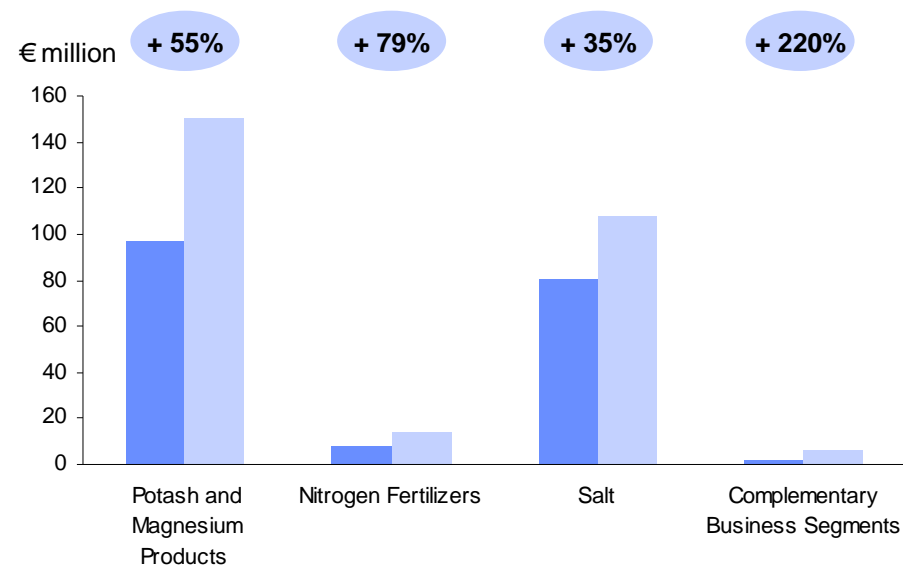
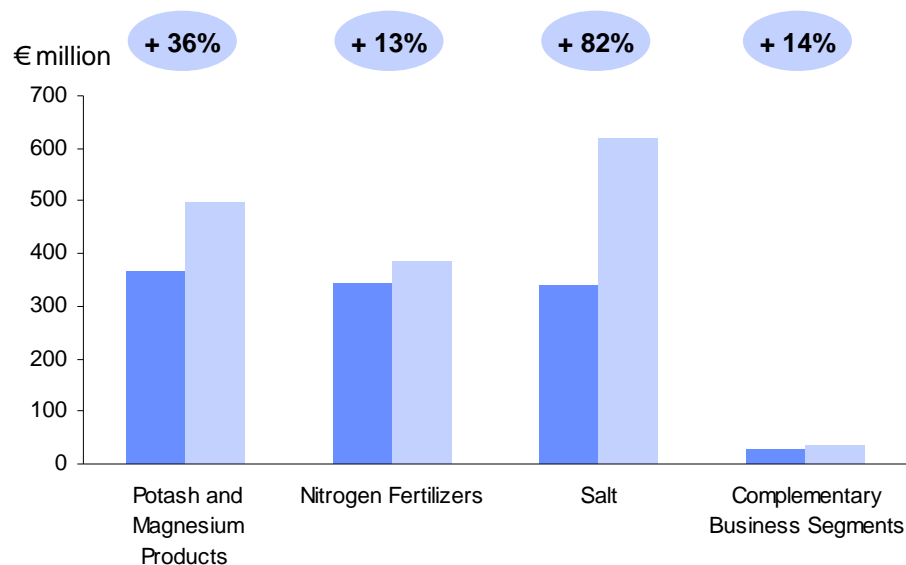


Revenues

€ million	Q1/10	Q1/09	%
Potash and Magnesium Products	498.4	366.0	+ 36
Nitrogen Fertilizers	385.5	342.1	+ 13
Salt	616.4	338.3	+ 82
Complementary Business Segments	33.2	29.1	+ 14

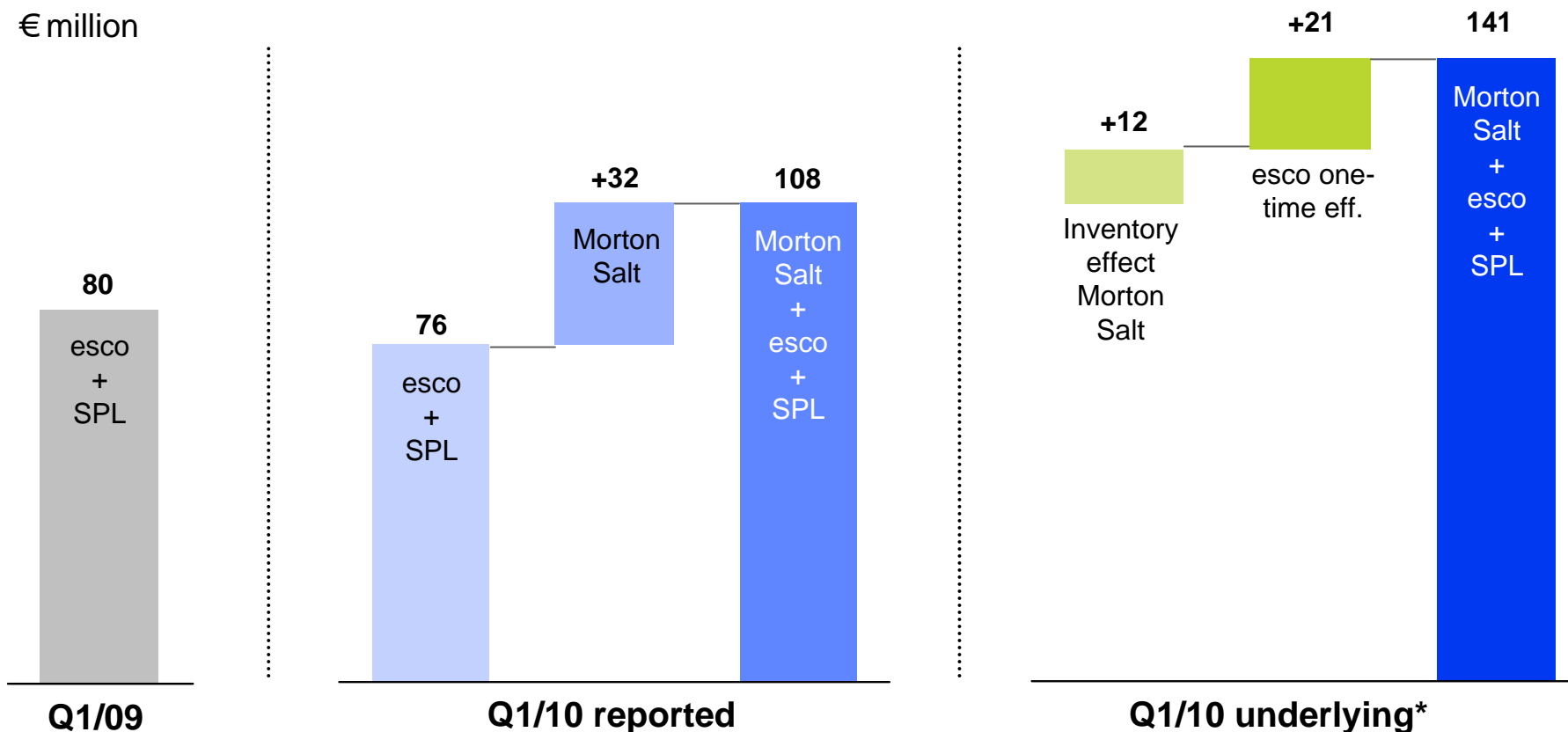
EBIT I

€ million	Q1/10	Q1/09	%
Potash and Magnesium Products	150.6	97.0	+ 55
Nitrogen Fertilizers	14.5	8.1	+ 79
Salt	107.9	80.2	+ 35
Complementary Business Segments	6.4	2.0	+ 220





€ million



- Earnings of esco in Europe were adversely affected by one-time effects (€ 21 million)
- Earnings of Morton Salt were burdened by effects from the revaluation of inventory measured according to IFRS (€ 12 million)
- EBIT I of Morton Salt already includes PPA depreciation of € 16.2 million

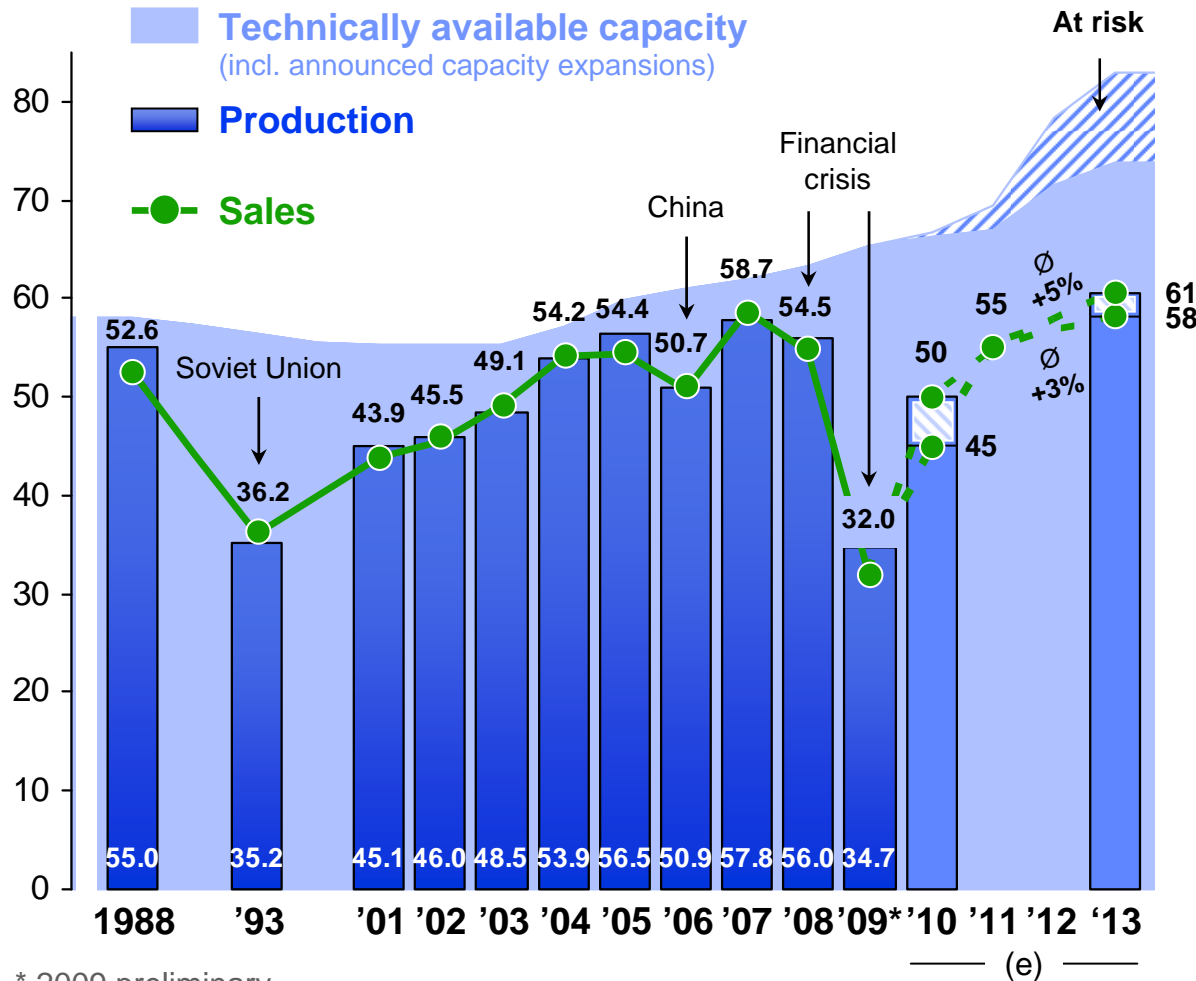
* without non-recurrent effects

Potash and Magnesium Products

World Potash Capacity, Production and Sales



Million tonnes



- 2009 with worst volume decline ever recorded
- 2010 a transitional year: significant demand pick-up expected, but not back at full capacity
- Announced new capacity expected to be re-assessed given new reality – postponements and cancellations likely
- Long-term growth rates continued to be expected at around 3-5% annually

* 2009 preliminary
 Incl. sulphate of potash and low grade potash
 Sources: IFA, K+S



K+S Group: Significant increase in revenues and significantly higher operating earnings EBIT I due to volume recovery and consolidation effects

Fertilizer Business Sector

Potash and Magnesium Products

Tangible increase in revenues together with a significant increase in earnings

- Sales volume of a good 6.5 million tonnes of product (previously: just under 6 million tonnes)
- Significantly lower potash price than in the previous year
- Total costs to rise to less than full extent due to fixed-cost degression and already launched cost-reduction measures

Nitrogen Fertilizers

Significant increase in revenues accompanied by a moderately positive result

- Incipient turnaround with significant increase in sales volumes
- Average mineral fertilizer prices lower than in the previous year

Salt Business Sector

Salt

Significant increase in revenues and significantly higher operating earnings

- Consolidation effect of over € 500 million of revenues due to the first-time inclusion of Morton salt for a whole year
- Average de-icing salt business in Q4/10
- Stable development in revenues in the food grade and industrial salt segments
- Moderate sales volume increase in the case of salt for chemical use

*Outlook statement as of 5 May 2010

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Forward-Looking Statements



This presentation contains facts and forecasts that relate to the future development of the K+S Group and its companies. Those 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 the forecasts prove not to be correct, or should certain risks – such as those referred to in the recent Risk Report – materialise, actual developments and events may deviate from current expectations. The Company assumes no obligation to update the statements contained in this presentation, save for making such disclosures as are required by the provisions of law.

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