

# K+S Q2/11 FACTS & FIGURES

11 AUGUST 2011



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## Q2/11 Highlights

- Persistent high demand leads to rising fertilizer prices worldwide
- COMPO disclosed as discontinued operation due to its sale
- Quarterly revenues rise by 11 % to € 1.05 billion
- Operating earnings EBIT I reach € 191.9 million in the second quarter (+38 %)
- Adjusted earnings per share from continued operations at € 0.66 (Q2/10: € 0.45)
- Adjusted earnings per share from continued operations for 2011 of between € 3.40 and € 3.75 expected (2010: € 2.34)

## Key Data Business Development

KEY FIGURES (IFRS) <sup>1)</sup>

€ million	Q2/11	Q2/10	%	Consensus Q2/11 <sup>6)</sup>	H1/11	H1/10	%
Revenues	1,049.8	948.1	+ 10.7	1,080.2	2,676.7	2,346.9	+ 14.1
EBITDA	247.5	198.2	+ 24.9	256.6	672.4	520.8	+ 29.1
EBITDA margin	23.6	20.9	-	23.8	25.1	22.2	-
EBIT I	191.9	138.9	+ 38.2	195.8	560.3	398.5	+ 40.6
EBIT margin	18.3	14.7	-	18.1	20.9	17.0	-
EBIT II	191.1	109.5	+ 74.5	-	589.7	364.3	+ 61.9
EBT	175.8	89.1	+ 97.3	-	559.2	314.6	+ 77.7
EBT, adjusted <sup>2)</sup>	176.6	118.5	+ 49.0	178.4	529.8	348.8	+ 51.9
Group earnings from continued operations	126.2	64.7	+ 95.1	-	409.5	231.7	+ 76.7
Group earnings from continued operations, adjusted <sup>2)</sup>	126.8	85.9	+ 47.6	130.9	388.4	256.4	+ 51.5
Group earnings after taxes <sup>3)</sup>	28.6	76.2	(62.5)	-	322.2	248.6	+ 29.6
Group earnings after taxes, adjusted <sup>2), 3)</sup>	29.2	97.5	(70.1)	46.0	301.1	273.3	+ 10.2
EPS from continued operations (€)	0.66	0.34	+ 94.1	-	2.14	1.21	+ 76.9
EPS from continued operations (€), adjusted <sup>2)</sup>	0.66	0.45	+ 46.7	0.68	2.03	1.34	+ 51.5
EPS <sup>3)</sup>	0.15	0.40	(62.5)	-	1.68	1.30	+ 29.2
EPS, adjusted <sup>2), 3)</sup>	0.15	0.51	(70.6)	0.24	1.57	1.43	+ 9.8
ROCE (LTM) in % <sup>4)</sup>	-	-	-	-	24.8	14.3	-
Capex <sup>5)</sup>	48.1	32.0	+ 50.3	-	76.1	57.0	+ 33.5
Gross cash flow	201.7	163.1	+ 23.7	-	534.1	473.7	+ 12.8
Delta net working capital	(82.8)	30.3	-	-	(65.6)	113.9	-
Operating cash flow	118.9	193.4	(38.5)	-	468.5	587.6	(20.3)
Investing cash flow	(114.6)	(30.7)	(273.3)	-	(386.7)	(54.6)	(608.2)
- thereof acquisitions / divestments	-	-	-	-	(242.8)	-	-
- thereof cash-effective capex	(50.0)	(36.6)	(36.6)	-	82.4	66.0	+ 24.8
Free Cash Flow	4.3	162.7	(97.4)	-	81.8	533.0	(84.7)
Net debt	-	-	-	-	768.6	862.1	(10.8)
- thereof net financial debt	-	-	-	-	153.3	247.6	(38.1)

<sup>1)</sup> Unless stated otherwise, information refers to the continued operations of the K+S Group. Due to its sale, COMPO is in accordance with IFRS disclosed as "discontinued operations". The income statement and the cash flow statement of the previous year were restated accordingly, while the balance sheet was not restated and also includes discontinued operations.

<sup>2)</sup> The adjusted key figures unalteredly only include the realised result from operating forecast hedges of 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. Related effects on deferred and cash taxes are also eliminated; tax rate for Q2/11: 28.3% (Q2/10: 27.9%).

<sup>3)</sup> Earnings from continued and discontinued operations.

<sup>4)</sup> Return on capital employed of the last twelve months as of 30 June.

<sup>5)</sup> Capital expenditure in property, plant and equipment, intangible and financial assets of the continued operations.

<sup>6)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

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## Earnings Forecast

### DEVELOPMENT OF FORECASTS FOR 2011 AS A WHOLE

	Unit	Actual 2010	Forecast Financial Report 2010 <sup>1)</sup>	Forecast Q1/11 <sup>1)</sup>	Forecast H1/11	Consensus 2011 <sup>2)</sup>
<b>K+S Group</b>						
Revenues	€ billion	4.63	tangible increase	significant increase	5.00 to 5.30	5,279.7
EBITDA	€ million	953.0	significant increase	strong increase	1,150 to 1,300	1,304.7
Operating earnings (EBIT I)	€ million	714.5	significant increase	strong increase	950 to 1,050	1,063.6
Financial result	€ million	(120.0)	significantly better	significantly better	significantly better	(65.9)
Group tax rate adjusted	%	24.7	26 - 27	26 - 27	26 - 27	–
Group earnings from continued operations, adjusted	€ million	447.8	significant increase	strong increase	650 to 720	707.0
Earnings per share from continued operations, adjusted	€	2.34	significant increase	strong increase	3.40 to 3.75	3.69
Group earnings after taxes, adjusted <sup>3)</sup>	€ million	445.3	significant increase	strong increase	560 to 630	629.6
Earnings per share, adjusted <sup>3)</sup>	€	2.33	significant increase	strong increase	2.95 to 3.30	3.29
Capital expenditure <sup>4),5)</sup>	€ million	188.6	>300	>300	280	–
Depreciation and amortisation <sup>4)</sup>	€ million	238.5	250	250	230	241.1
Energy costs	€ million	259.6	tangible increase	tangible increase	tangible increase	–
Personnel expenses	€ million	938.3	tangible increase	tangible increase	moderate increase	–
Freight costs	€ million	838.5 <sup>6)</sup>	stable <sup>6)</sup>	stable <sup>6)</sup>	stable	–
<b>Potash and Magnesium Products business segment</b>						
Sales volume	t million	7.06	7.0	7.0	7.0	7.06
<b>Salt business segment</b>						
Sales volume crystallised salt	t million	22.53	22 to 23	22 to 23	about 23	–
- of which de-icing salt	t million	13.49	13 to 14	13 to 14	about 14	–

<sup>1)</sup> Forecast still includes the discontinued operations of COMPO.

<sup>2)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

<sup>3)</sup> Earnings from continued and discontinued operations.

<sup>4)</sup> Capital expenditure in and depreciation on property, plant and equipment, intangible and financial assets.

<sup>5)</sup> Plus investments for the Legacy Project. In 2011, we assume to spend +/- € 50 million. Exact distribution of disbursements between capex and opex under evaluation.

<sup>6)</sup> Freight costs for the year 2010 adjusted due to changed allocation of cost types.

### Our forecast is based on the following assumptions:

- an average US dollar estimate for 2011 of 1.42 USD/EUR (previously: 1.40 USD/EUR);
- continued attractive agricultural prices;
- in comparison to the previous year, significantly higher average prices and stable sales volumes in the Potash and Magnesium Products business segment (expected sales volume: 7.0 million tonnes);
- sales volume of about 23 million tonnes (previously: 22 to 23 million tonnes) of crystallised salt in the Salt business segment, of which 14 million tonnes (previously: 13 to 14 million tonnes) should be accounted for by de-icing salt. For the fourth quarter, this, as customary, assumes the average of multi-year de-icing salt sales volumes;
- significantly rising energy costs in 2011 on the basis of an oil price level of about 105 US\$ (Brent, previously: 120 US\$) per barrel. As a result of the energy supply clauses agreed with our suppliers, changes in energy prices in the Potash and Magnesium Products business segment are often reflected in our cost accounting only with a delay of six to nine months. Against this background, the expected oil price level should only affect the energy costs of the K+S GROUP in the second half of the year.
- a significantly better financial result, after this had been negatively impacted by special effects in 2010 and
- a domestic Group tax rate of 28.3% and an adjusted Group tax ratio of about 26% to 27% (2010: 26.2%).

## Potash and Magnesium Products Business Segment

- From today's perspective very attractive prospects for the global development of demand for fertilizers containing potash and magnesium.
- We expect a full utilisation of our plants and a sales volume of 7.0 million tonnes of goods (2010: 7.06 million tonnes).
- Based on the currently achieved potash price level, a significantly higher average price than in the previous year can be expected.
- On this basis, **revenues** of the Potash and Magnesium Products business segment too should increase significantly year on year.
- Even if energy costs were to rise significantly, total costs might only increase moderately. The positive effect on revenues should more than make up for the expected rise in costs and enable strong **earnings** growth.

## Nitrogen Fertilizers Business Segment

- Deviating from the outlook given in the Financial Report 2010 and the Quarterly Financial Report Q1/2011, the outlook for the Nitrogen Fertilizers business segment exclusively relates to the continued operations.
- In financial year 2011, **revenues** should grow strongly in comparison to the restated figure for the previous year due to the price-related increase in the case of straight nitrogen fertilizers, complex fertilizers and ammonium sulphate.
- A high level of capacity utilisation and attractive price prospects should, despite increasing input costs, facilitate a strong increase in **operating earnings** compared to the good earnings in the previous year.

## Salt Business Segment

- As a result of the good start to the de-icing business both in North America and Europe due to weather conditions, we are expecting stable **revenues** at a high level for the Salt business segment in 2011 in comparison to the peak year 2010.
- This forecast assumes an average de-icing salt business in the fourth quarter as well as an overall relatively stable development in revenues in the food grade and industrial salt segments and in the salt for chemical use segment.
- On this basis, we expect a total sales volume level in the Salt business segment of about 23 million tonnes (previously: 22 to 23 million tonnes) of crystallised salt in 2011, of which about 14 million tonnes (previously: 13 to 14 million tonnes) should be accounted for by de-icing salt (long-term average sales volume based on historical de-icing salt sales volumes: crystallised salt 21 million tonnes; of which de-icing salt 12 million tonnes).
- On the cost side, in particular a lower building-up of stocks should result in moderately declining **operating earnings**.

## Complementary Business Segments

- From today's perspective, we assume moderately higher **revenues** for 2011.
- **Operating earnings** should rise tangibly (previously: moderately) due to an improved margin situation in the Waste Management segment.

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## Business Segment Performance

### DEVELOPMENT OF REVENUES, EBITDA & OPERATING EARNINGS (EBIT I)

€ million	Q1/10	Q2/10	H1/10	Q3/10	Q4/10	2010	Q1/11	Q2/11	H1/11	Consensus Q2/11 <sup>1)</sup>
Potash and Magnesium Products	504.7	468.9	973.6	422.7	470.7	1,867.0	578.0	502.4	1,080.4	518.5
Nitrogen Fertilizers	244.3	171.5	415.8	240.3	246.3	902.4	328.1	228.5	556.6	246.1
Salt	616.4	275.3	891.7	305.2	531.9	1,728.8	682.5	282.4	964.9	279.3
Complementary Business Segments	33.3	32.3	65.6	31.9	36.5	134.0	38.2	36.4	74.6	33.0
Reconciliation	0.1	0.1	0.2	0.3	0.0	0.5	0.1	0.1	0.2	0.1
<b>Revenues K+S Group</b>	<b>1,398.8</b>	<b>948.1</b>	<b>2,346.9</b>	<b>1,000.4</b>	<b>1,285.4</b>	<b>4,632.7</b>	<b>1,626.9</b>	<b>1,049.8</b>	<b>2,676.7</b>	<b>1,080.2</b>
Potash and Magnesium Products	171.5	139.9	311.4	100.0	155.7	567.1	224.2	205.9	430.1	206.4
Nitrogen Fertilizers	6.9	10.0	16.9	12.1	16.2	45.2	34.2	10.4	44.6	15.7
Salt	146.4	56.3	202.7	60.8	106.2	369.7	169.9	40.9	210.8	39.5
Complementary Business Segments	7.9	7.8	15.7	5.8	6.2	27.7	9.7	6.2	15.9	7.9
Reconciliation	(10.1)	(15.8)	(25.9)	(7.7)	(23.1)	(56.7)	(13.1)	(15.9)	(29.0)	(13.1)
<b>EBITDA K+S Group</b>	<b>322.6</b>	<b>198.2</b>	<b>520.8</b>	<b>171.0</b>	<b>261.2</b>	<b>953.0</b>	<b>424.9</b>	<b>247.5</b>	<b>672.4</b>	<b>256.6</b>
Potash and Magnesium Products	150.6	119.2	269.8	79.4	126.7	475.9	202.4	184.4	386.8	185.6
Nitrogen Fertilizers	6.4	9.4	15.8	11.5	16.0	43.3	33.7	9.9	43.6	13.5
Salt	107.9	21.8	129.7	31.8	76.6	238.1	139.1	11.0	150.1	7.8
Complementary Business Segments	6.4	6.2	12.6	4.3	4.3	21.2	8.1	4.6	12.7	6.2
Reconciliation	(11.7)	(17.7)	(29.4)	(9.6)	(25.0)	(64.0)	(14.9)	(18.0)	(32.9)	(15.0)
<b>EBIT I K+S Group</b>	<b>259.6</b>	<b>138.9</b>	<b>398.5</b>	<b>117.4</b>	<b>198.6</b>	<b>714.5</b>	<b>368.4</b>	<b>191.9</b>	<b>560.3</b>	<b>195.8</b>

<sup>1)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

## Business Segment Information

### K+S Group

€ million	Q2/11	Q2/10	%	Consensus <sup>1)</sup>
Revenues	1,049.8	948.1	+ 10.7	1,080.2
- volume/structure (%)	-	-	+ 3.6	-
- prices/price-related (%)	-	-	+ 12.7	-
- exchange rates (%)	-	-	(5.6)	-
- consolidation (%)	-	-	-	-
EBITDA	247.5	198.2	+ 24.9	256.6
EBIT I	191.9	138.9	+ 38.2	195.8

<sup>1)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

- At € 1,049.8 million, second-quarter **revenues** were up € 101.7 million or 11 % on the figure for the same period last year. This increase is attributable to price and volume factors. The Potash and Magnesium Products and Nitrogen Fertilizers business segments achieved tangible and significant revenue increases respectively, after the prices for fertilizers increased in comparison to the same quarter last year. The Salt business segment managed to increase its revenues slightly due to volume factors. The regional distribution of Group revenues continues to be very balanced. Thus, about 49% of total revenues were generated in Europe and 51% overseas.
- In the second quarter of 2011, **operating earnings EBIT I** reached € 191.9 million and were able to increase by € 53.0 million or 38% year on year. At € 55.6 million, depreciation and amortisation taken into account in EBIT I decreased by € 3.7 million in comparison to the previous year's figure, which had been adversely affected by special depreciation. The Potash and Magnesium Products business segment was able to strongly improve its result year on year; the deci-

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sive factor was the significantly higher level of potash prices. In the Nitrogen Fertilizers business segment, rising prices could more than make up for higher input costs. Against this backdrop, earnings rose by 5%. The Salt business segment achieved a lower result than in the previous year, which, however, had been favoured by non-recurrent effects in the area of provisions of € 16.2 million.

## Potash & Magnesium Business Segment

€ million	Q2/11	Q2/10	%	Consensus <sup>1)</sup>	€ million	Q2/11	Q2/10	%
Revenues	502.4	468.9	+ 7.1	518.5	Revenues	502.4	468.9	+ 7.1
- volume/structure	-	-	(3.5)	-	- Potassium chloride	245.9	234.0	+ 5.1
- prices/price-related	-	-	+ 15.8	-	- Fertilizer specialities	185.9	165.8	+ 12.1
- exchange rates	-	-	(5.2)	-	- Industrial products	70.6	69.2	+ 2.0
- consolidation	-	-	-	-				
EBITDA	205.9	139.9	+ 47.2	206.4				
EBIT I	184.4	119.2	+ 54.7	185.6				

<sup>1)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

- In the second quarter, **revenues** of the Potash and Magnesium Products business segment rose by € 33.5 million or 7% to € 502.4 million. Significantly positive price effects were able to more than compensate for negative volume and currency effects. In the case of our most important product in terms of volumes, potassium chloride, revenues rose by € 11.9 million or 5% to € 245.9 million in the quarter under review. This is mainly attributable to a significant increase in the average price, while the sales volume was lower than it had been a year before. In the second quarter, revenues for fertilizer specialities increased by € 20.1 million to € 185.9 million (+ 12%) primarily due to price factors. In the case of industrial products too, positive price effects led to higher revenues of € 70.6 million, an increase of € 1.4 million or 2%. In the second quarter, total sales volume of potash and magnesium products were almost 5% below the figure for the previous year and reached 1.66 million tonnes (Q2/10: 1.74 million tonnes). This decrease is attributable to production bottlenecks for some product groups as well as slight delays in delivery.
- It proved possible to increase **operating earnings EBIT I** in the Potash and Magnesium Products business segment by € 65.2 million or 55% to € 184.4 million in the second quarter. The improvement in earnings can be attributed in particular to higher average prices for potash and magnesium products. The less favourable conversion rate of the US dollar in comparison to the previous year, despite the hedging instruments, had a slightly negative impact on earnings.

## DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES BY REGION <sup>1)</sup>

		Q1/10	Q2/10	H1/10	Q3/10	Q4/10	2010	Q1/11	Q2/11	H1/11	Consensus Q2/11 <sup>2)</sup>
<b>Revenues</b>	€ million	<b>504.6</b>	<b>468.9</b>	<b>973.6</b>	<b>422.8</b>	<b>470.7</b>	<b>1,867.0</b>	<b>578.0</b>	<b>502.4</b>	<b>1,080.4</b>	<b>518.5</b>
Europe	€ million	322.8	238.8	561.7	229.7	254.1	1,045.5	337.5	276.1	613.6	-
Overseas	US\$ million	250.5	292.4	542.9	249.2	294.3	1,086.4	329.0	325.6	654.6	-
<b>Sales volumes</b>	t eff. million	<b>1.97</b>	<b>1.74</b>	<b>3.71</b>	<b>1.59</b>	<b>1.76</b>	<b>7.06</b>	<b>2.01</b>	<b>1.66</b>	<b>3.67</b>	<b>1.70</b>
Europe	t eff. million	1.29	0.91	2.19	0.84	0.96	3.99	1.19	0.87	2.06	-
Overseas	t eff. million	0.68	0.84	1.52	0.75	0.80	3.07	0.82	0.79	1.61	-
<b>Average prices</b>	€/t eff.	<b>256.6</b>	<b>269.0</b>	<b>262.4</b>	<b>266.2</b>	<b>267.1</b>	<b>264.4</b>	<b>287.6</b>	<b>302.3</b>	<b>294.2</b>	<b>302.0</b>
Europe	€/t eff.	251.3	263.1	256.1	273.8	264.5	261.8	284.4	314.7	297.3	-
Overseas	US\$/t eff.	367.5	350.0	357.9	332.6	367.0	354.1	399.7	414.9	407.1	-

<sup>1)</sup> Revenues include prices both inclusive and exclusive of freight costs and, in the case of overseas revenues, are based on the respective USD/EUR spot rates. For most of these revenues, hedging transactions have been concluded. The price information is also affected by the respective product mix and is therefore to be understood as providing a rough indication only.

<sup>2)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

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## Nitrogen Fertilizers Business Segment

€ million	Q2/11	Q2/10	%	Consensus <sup>1)</sup>	€ million	Q2/11	Q2/10	%
Revenues	228.5	171.5	+ 33.2	246.1	Revenues	228.5	171.5	+ 33.2
- volume/structure	-	-	+ 9.9	-	- Complex fertilizers	81.4	63.4	+ 28.4
- prices/price-related	-	-	+ 26.8	-	- Straight nitrogen fertilizers	91.1	61.4	+ 48.4
- exchange rates	-	-	(3.5)	-	- Ammonium sulphate	56.0	46.7	+ 19.9
- consolidation	-	-	-	-				
EBITDA	10.4	10.0	+ 4.0	15.7				
EBIT I	9.9	9.4	+ 5.3	13.5				

<sup>1)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

- **Revenues** in the Nitrogen Fertilizers business segment rose by 33% year on year to € 228.5 million in the second quarter primarily due to price and volume factors. For complex fertilizers, revenues totalled € 81.4 million (Q2/10: € 63.4 million), for straight nitrogen fertilizers € 91.1 million (Q2/10: € 61.4 million) and for ammonium sulphate € 56.0 million (Q2/10: € 46.7 million). In all three product sectors, significant price increases in comparison to the same quarter of the previous year could be achieved. While revenues for complex and straight nitrogen fertilizers also grew due to volume factors, in the case of ammonium sulphate there was a volume-related decrease in revenues due to the lower availability of goods. The sales volumes of complex fertilizers, straight nitrogen fertilizers and ammonium sulphate reached 0.97 million tonnes in the second quarter (Q2/10: 0.93 million tonnes).
- **Operating earnings EBIT I** rose in the second quarter by € 0.5 million to € 9.9 million, which includes depreciation and amortisation of € 0.5 million (Q2/10: € 0.6 million). It proved possible to more than make up for higher input costs through price-related significantly higher revenues.

## Salt Business Segment

€ million	Q2/11	Q2/10	%	Consensus <sup>1)</sup>	€ million	Q2/11	Q2/10	%
Revenues	282.4	275.3	+ 2.6	279.3	Revenues	282.4	275.3	+ 2.6
- volume/structure (%)	-	-	+ 11.2	-	- Food grade salt	76.1	82.7	(8.0)
- prices/price-related (%)	-	-	(0.5)	-	- Industrial salt	119.1	125.5	(5.1)
- exchange rates (%)	-	-	(8.1)	-	- Salt for chemical use	28.0	23.7	+ 18.1
- consolidation (%)	-	-	-	-	- De-icing salt	45.3	26.8	+ 69.0
EBITDA	40.9	56.3	(27.4)	39.5	- Other	13.9	16.5	(15.8)
EBIT I	11.0	21.8	(49.5)	7.8				

<sup>1)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

- In the second quarter, **revenues** of the Salt business segment rose by € 7.1 million or 3 % to € 282.4 million, as a result of volume factors. In the case of de-icing salt, higher sales volumes in both Europe and North America due to good demand as a result of early stocking resulted in an increase in revenues to € 45.3 million (Q2/10: € 26.8 million). In the second quarter, a further significantly positive effect here came from additional claims against customers in Europe, which had exceeded their contractually agreed volumes for de-icing salt in the first quarter. Revenues with food grade salt fell in the second quarter by 8% to € 76.1 million; positive volume effects due to newly gained customers at SPL were unable to make up for losses primarily due to currency factors. Revenues of € 119.1 million were achieved with industrial salt. This was almost 5% below the figure for the same quarter of the previous year (€ 125.5 million) due to price and currency factors. While at € 28.0 million, revenues with salt for chemical use were € 4.3 million or 18 % higher than a year ago due to price and volume factors, revenues in the Other sector fell by € 2.6 million to € 13.9 million. Sales volumes of crystallised salt during the second quarter totalled 3.21 million tonnes and were up 17 % on the previous year's level (Q2/10: 2.75 million tonnes).
- In the Salt business segment, **operating earnings EBIT I** fell by € 10.8 million to € 11.0 million in the second quarter. It should be noted that the same quarter last year had benefited from non-recurrent effects in the area of provisions in

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the amount of € 16.2 million. In the second quarter, the additional claims against customers in Europe, which were mentioned in the description of revenue development, had a significantly positive effect.

## DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES <sup>1)</sup>

	Unit	Q1/10	Q2/10	H1/10	Q3/10	Q4/10	2010	Q1/11	Q2/11	H1/11
<b>De-icing salt</b>										
Revenues	€ million	376.5	26.8	403.3	58.1	277.8	739.2	435.0	45.3	480.3
Sales volumes	t million	7.05	0.49	7.54	1.10	4.85	13.49	7.94	0.74	8.68
Average price	€/t	53.4	54.5	53.5	52.8	57.3	54.8	54.8	61.0	55.3
<b>Industrial salt, salt for chemical use and food grade salt</b>										
Revenues	€ million	217.4	232.0	449.3	228.2	227.4	905.0	226.9	223.2	450.1
Sales volumes	t million	2.20	2.26	4.46	2.23	2.35	9.04	2.24	2.47	4.72
Average price	€/t	98.9	102.8	100.9	102.4	96.8	100.1	101.2	90.3	95.5
<b>Other</b>										
Revenues	€ million	22.5	16.5	39.0	18.9	26.6	84.5	20.6	13.9	34.5
<b>Salt business segment</b>										
Revenues	€ million	616.4	275.3	891.7	305.2	531.8	1,728.7	682.5	282.4	964.9

<sup>1)</sup> Revenues include prices both inclusive and exclusive freight costs. The price information is also affected by the respective product mix and is therefore to be understood as providing a rough indication only.

## Complementary Business Segment

€ million	Q2/11	Q2/10	%	Consensus <sup>1)</sup>	€ million	Q2/11	Q2/10	%
Revenues	36.4	32.3	+ 12.7	33.0	Revenues	36.4	32.3	+ 12.7
- volume/structure (%)	-	-	+ 9.0	-	- Waste Management & Recycling	21.9	18.0	+ 21.7
- prices/price-related (%)	-	-	+ 3.7	-	- Logistics	3.3	3.5	(5.7)
- exchange rates (%)	-	-	-	-	- Animal hygiene products	7.5	7.8	(3.8)
- consolidation (%)	-	-	-	-	- Trading	3.7	3.0	+ 23.3
EBITDA	6.2	7.8	(20.5)	7.9				
EBIT I	4.6	6.2	(25.8)	6.2				

<sup>1)</sup> Median estimate of consensus poll surveyed by K+S-Investor Relations as of 2 August 2011.

- In the second quarter, **revenues** of the Complementary Business Segments with third parties stood at € 36.4 million and were thus 13 % up on the previous year (€ 32.3 million). Including intersegment revenues, total revenues amounted to € 46.4 million (Q2/10: € 41.9 million). In the second quarter, it proved possible to increase revenues of the Waste Management and Recycling segment by 22 % to € 21.9 million due to volume and price factors. In the Animal Hygiene and Logistics segments, at € 7.5 million (Q2/10: € 7.8 million) and € 3.3 million (Q2/10: € 3.5 million) respectively, revenues declined slightly year on year due to volume factors. Trading increased revenues by € 0.7 million to € 3.7 million.
- In the second quarter, **operating earnings EBIT I** fell by 26 % to € 4.6 million. In comparison to the same quarter last year, the Waste Management and Recycling segment was able to increase its earnings due to positive volume and price effects. While earnings in the Animal Hygiene and Trading segments declined slightly, the contribution to earnings made by the Logistics segment decreased significantly against the background of falling prices for freight forwarding services and higher maintenance costs.

# K+S Q2/11 FACTS & FIGURES

11 AUGUST 2011



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## Forward-looking statements

This document 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 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 document.