

K+S Q3/11 FACTS & FIGURES

10 NOVEMBER 2011



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Q3/11 Highlights

- Fertilizer demand worldwide at a high level
- Quarterly revenues rise by 17% to € 1.17 billion
- Operating earnings EBIT I reach € 198.5 million in the third quarter (+ 69 %)
- Adjusted earnings per share from continued operations at € 0.69 (Q3/10: € 0.25)
- Adjusted earnings per share from continued operations for 2011 of between € 3.40 and € 3.60 expected (2010: € 2.34)

Key Data Business Development

KEY FIGURES (IFRS) ¹⁾

€ million	Q3/11	Q3/10	%	Consensus Q3/11 ⁶⁾	9M/11	9M/10	%
Revenues	1,174.0	1,000.5	+ 17.3	1,143.3	3,850.7	3,347.4	+ 15.0
EBITDA	254.5	170.8	+ 49.0	255.9	926.9	691.6	+ 34.0
EBITDA margin	21.7	17.1	–	22.4	24.1	20.7	–
EBIT I	198.5	117.4	+ 69.1	193.5	758.8	515.9	+ 47.1
EBIT margin	16.9	11.7	–	16.9	19.7	15.4	–
EBIT II	155.5	167.8	(7.3)	–	745.2	532.1	+ 40.0
EBT	141.6	116.1	+ 22.0	–	700.8	430.7	+ 62.7
EBT, adjusted ²⁾	184.6	65.7	+ 181.0	176.9	714.4	414.5	+ 72.4
Group earnings from continued operations	101.1	85.1	+ 18.8	–	510.6	316.8	+ 61.2
Group earnings from continued operations, adjusted ²⁾	131.9	48.7	+ 170.8	127.7	520.3	305.1	+ 70.5
Group earnings after taxes ³⁾	91.0	76.8	+ 18.5	–	413.2	325.4	+ 27.0
Group earnings after taxes, adjusted ^{2), 3)}	121.8	40.4	+ 201.5	125.0	422.9	313.7	+ 34.8
EPS from continued operations (€)	0.53	0.45	+ 17.8	–	2.67	1.66	+ 60.8
EPS from continued operations (€), adjusted ²⁾	0.69	0.25	+ 176.0	0.67	2.72	1.59	+ 71.1
EPS (€) ³⁾	0.48	0.40	+ 20.0	–	2.16	1.70	+ 27.1
EPS, adjusted (€) ^{2), 3)}	0.64	0.21	+ 204.8	0.65	2.21	1.64	+ 34.8
ROCE (LTM) in % ⁴⁾	–	–	–	–	27.5	16.5	–
Capex ⁵⁾	94.2	43.0	+ 119.1	–	170.3	100.0	+ 70.3
Gross cash flow	161.4	89.3	+ 80.7	–	695.5	563.0	+ 23.5
Delta net working capital	(11.5)	12.8	–	–	(77.1)	126.7	–
Operating cash flow	149.9	102.1	+ 46.8	–	618.4	689.7	(10.3)
Investing cash flow	(84.7)	(44.7)	(89.5)	–	(471.4)	(99.3)	(374.7)
- thereof acquisitions / divestments	–	–	–	–	(242.8)	–	–
- thereof cash-effective capex	(96.6)	(45.5)	(112.3)	–	(179.0)	(111.5)	(60.5)
Free Cash Flow	65.2	57.4	+ 13.6	–	147.0	590.4	(75.1)
Net debt	–	–	–	–	674.9	789.1	(14.5)
- thereof net financial debt	–	–	–	–	62.1	89.1	(30.3)

¹⁾ 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.

²⁾ The adjusted key figures 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 Q3/11: 28.3% (Q3/10: 27.9%).

³⁾ Earnings from continued and discontinued operations.

⁴⁾ Return on capital employed of the last twelve months as of 30 September.

⁵⁾ Cash-effective capital expenditure in property, plant and equipment, intangible and financial assets of the continued operations.

⁶⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

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Earnings Forecast

FORECASTS FOR THE YEARS 2011 AND 2012

	Unit	Actual 2010	Development of forecasts for 2011				Consensus 2011 ⁷⁾	Forecasts for 2012	Consensus 2012 ⁷⁾
			Forecast Financial Report 2010 ¹⁾	Forecast Q1/11 ¹⁾	Forecast H1/11	Forecast 9M/11			
K+S Group									
Revenues	€ billion	4.63	tangible increase	significant increase	5.00 to 5.30	5.00 to 5.25	5.23	stable	5.41
EBITDA	€ million	953.0	significant increase	strong increase	1,150 to 1,300	1,150 to 1,250	1,266.4	stable	1,405.1
Operating earnings (EBIT I)	€ million	714.5	significant increase	strong increase	950 to 1,050	950 to 1,000	1,014.5	stable	1,165.3
Financial result	€ million	(120.0)	significantly better	significantly better	significantly better	significantly better	(63.5)	stable	(57.0)
Group tax rate, adjusted	%	24.7	26 to 27	26 to 27	26 to 27	about 27	26.5	27 to 28	26.5
Group earnings from continued operations, adjusted	€ million	447.8	significant increase	strong increase	650 to 720	650 to 690	700.3	stable	824.6
Earnings per share from continued operations, adjusted	€	2.34	significant increase	strong increase	3.40 to 3.75	3.40 to 3.60	3.66	stable	4.31
Group earnings after taxes, adjusted ²⁾	€ million	445.3	significant increase	strong increase	560 to 630	550 to 590	620.0	–	–
Earnings per share, adjusted ²⁾	€	2.33	significant increase	strong increase	2.95 to 3.30	2.90 to 3.10	3.24	–	–
Capital expenditure ³⁾	€ million	188.6	>300 ⁴⁾	>300 ⁴⁾	280 ⁴⁾	300 ⁵⁾	–	a good 440 ⁴⁾	–
Depreciation and amortisation ³⁾	€ million	238.5	250	250	230	230	251.9	220 to 240	239.8
Energy costs	€ million	259.6	tangible increase	tangible increase	tangible increase	tangible increase	–	significant increase	–
Personnel expenses	€ million	938.3	tangible increase	tangible increase	moderate increase	moderate increase	–	moderate increase	–
Freight costs	€ million	838.5 ⁶⁾	stable ⁶⁾	stable ⁶⁾	stable	stable	–	tangible decrease	–
Potash and Magnesium Products business segment									
Sales volume	t million	7.06	7.0	7.0	7.0	about 7	7.03	about 7	7.10
Salt business segment									
Sales volume crystallised salt	t million	22.53	22 to 23	22 to 23	about 23	a good 23	–	about 22	–
- of which de-icing salt	t million	13.49	13 to 14	13 to 14	about 14	about 14	–	a good 12	–

¹⁾ Forecast still includes the discontinued operations of COMPO.

²⁾ Earnings from continued and discontinued operations.

³⁾ Cash-effective capital expenditure in and depreciation on property, plant and equipment, intangible and financial assets.

⁴⁾ Plus investments for the Legacy Project.

⁵⁾ Including investments for the Legacy Project of € 40 million in 2011.

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

⁷⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

For the year 2011, our forecast is based on the following assumptions:

- an average US dollar exchange rate of 1.40 USD/EUR (previously: 1.42 USD/EUR; 2010: 1.33 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: about 7 million tonnes);
- sales volume of a good 23 million tonnes of crystallised salt in the Salt business segment, of which about 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;
- 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 27% (previously: 26 to 27%; 2010: 26.2%).

For the year 2012, our forecast is based on the following assumptions:

- a US dollar exchange rate of 1.40 USD/EUR and a negative currency result (exchange rate after premiums weaker than the expected average USD/EUR spot rate);
- continued attractive agricultural prices;
- tangibly higher average prices and an expected sales volume of about 7 million tonnes in the Potash and Magnesium Products business segment;
- at about 22 million tonnes, average and in comparison to the record sales of the previous year tangibly lower sales volumes of crystallised salt (of which de-icing salt: a good 12 million tonnes);
- a largely unchanged financial result;
- a slightly higher adjusted Group tax ratio of 27 to 28%.

Future industry situation

Fertilizer business sector

After the normalisation of demand for fertilizers in 2010, we expect an increase in demand in the **current year**. Although the prices of some agricultural products decreased in the course of the year from having been very high, they nevertheless remain at a level, which should favour the income prospects of the agricultural sector and thus offer an incentive to increase the yield per hectare through a need-based use of fertilizers. However, uncertainties currently exist on the trading side, which, with the financial crisis 2008/09 still in mind, is rather cautiously attempting to manage its early stocking up for the end of the year. But apart from that, the trading sector tries to avoid not having enough products in stock for the coming application season, while cereal prices remain attractive. We after all assume unchanged global potash sales volumes of about 58 to 60 million tonnes for 2011 as a whole (2010: 58.3 million tonnes). Correspondingly, a globally high level of utilisation of production capacities is to be expected also during the remaining months of the year.

For **2012**, we are assuming global potash sales volumes of at least 60 million tonnes. The estimate is based primarily on a continued level of prices for agricultural raw materials, which is attractive for the earnings prospects of the agricultural sector.

In the case of nitrogen fertilizers too, we assume high demand for the rest of **2011**. The average prices of nitrogen fertilizers should be at a significantly higher level year-on-year which, however, contrasts with considerably higher raw material costs, especially for ammonia.

The positive development of demand should continue also in **2012** in the case of straight nitrogen fertilizers and complex fertilizers.

Salt business sector

The future industry situation in the Salt business sector described in the Financial Report 2010 remains valid. In the last months of 2011, the de-icing salt business will be influenced decisively by the wintry weather conditions in North America and Europe. In this respect, we are assuming that sales volumes will be on their multi-year average level in the case of both the European and North American markets. While demand for industrial salt should remain stable in Europe and South America, in the case of water softening products, we are assuming a certain degree of reluctance to purchase due to the muted economic situation in the United States. Demand for food grade salt in Europe and North America should also be stable. The South American market for food grade salt should, however, further grow in line with the population development there. The demand of the chemical industry for salts should develop stable in Europe, North and South America.

For 2012, we are assuming that sales volumes will be on their multi-year average level in the case of both the North American and European markets for de-icing salt. After an above-average demand in Europe and on the East Coast of the United States in the first quarter of 2011, the sales volume of de-icing salt should correspondingly decrease to a normal level again in the first quarter of 2012. The consumption of food grade salt and industrial salt in Europe as well as in North and South America should be stable in 2012 too. The demand of the chemical industry for salt should rise moderately in our markets.

Potash and Magnesium Products Business Segment

- The prospects for the global development of demand for potash and magnesium fertilizers continue to be attractive, so that for 2011 we expect sales volumes of about 7 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 in comparison to a year ago.
- Even if energy costs were to rise significantly in the fourth quarter, total costs might only increase moderately in 2011. The positive effect on revenues should more than make up for the expected rise in costs and enable strong **earnings** growth.
- Based on the currently achieved potash price level, the average price in 2012 should increase tangibly in comparison to the level expected for the current year. Against this background, from today's perspective, we assume a tangible improvement in the revenues of the business sector if sales volumes remain stable. The total costs will probably increase tangibly overall due to higher personnel and energy costs. Additionally, we assume a negative currency result. However, the positive revenue effect should more than make up for the expected rise in costs and enable a slight earnings growth compared to 2011.

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 adjusted figure for the previous year due to the price-related increase in the case of straight nitrogen fertilizers, complex fertilizers and ammonium sulphate.
- The positive revenue effect should more than make up for the rise in input costs and enable strong **earnings** growth in comparison to last year.
- In 2012, from today's perspective, revenues and operating earnings should remain largely stable.

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Salt Business Segment

- As a result of the weather-related good start to the de-icing business both in North America and Europe, 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, industrial salt and salt for chemical use segments.
- On this basis, we expect a sales volume level in the Salt business segment of, in total, a good 23 million tonnes of crystallised salt in 2011, of which about 14 million tonnes should be accounted for by de-icing salt.
- On the cost side, in particular, a lower building up of stocks should result in moderately declining **operating earnings**.
- In comparison to the revenue level of 2011, on the basis of a normal winter business following the long-term average of historical de-icing salt sales volumes (assumption for crystallised salt sales volume 2012: about 22 million tonnes; of which a good 12 million tonnes of de-icing salt), we are anticipating moderately lower revenues and significantly lower operating earnings for the year **2012** as a result of lower capacity utilisation.

Complementary Business Segments

- For 2011, we assume moderately higher **revenues**.
- **Operating earnings** should rise tangibly primarily due to an improved margin situation in waste management.
- In **2012**, on the basis of a normalisation in the waste management business, we expect a moderately declining development for both revenues and earnings of the Complementary Business Segments.

Business Segment Performance

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

€ million	Q1/10	Q2/10	Q3/10	9M/10	Q4/10	2010	Q1/11	Q2/11	Q3/11	9M/11	Consensus Q3/11 ¹⁾
Potash and Magnesium Products	504.7	468.9	422.7	1,396.3	470.7	1,867.0	578.0	502.4	508.8	1,589.2	525.7
Nitrogen Fertilizers	244.3	171.5	240.3	656.1	246.3	902.4	328.1	228.5	320.8	877.4	285.3
Salt	616.4	275.3	305.2	1,196.9	531.9	1,728.8	682.5	282.4	306.5	1,271.4	305.0
Complementary Business Segments	33.3	32.3	31.9	97.5	36.5	134.0	38.2	36.4	37.7	112.3	33.4
Reconciliation	0.1	0.1	0.4	0.6	–	0.5	0.1	0.1	0.2	0.4	0.1
Revenues K+S Group	1,398.8	948.1	1,000.5	3,347.4	1,285.4	4,632.7	1,626.9	1,049.8	1,174.0	3,850.7	1,143.3
Potash and Magnesium Products	171.5	139.9	100.0	411.4	155.7	567.1	224.2	205.9	192.8	622.9	197.4
Nitrogen Fertilizers	6.9	10.0	12.0	28.9	16.3	45.2	34.2	10.4	17.5	62.1	12.4
Salt	146.4	56.3	60.8	263.5	106.2	369.7	169.9	40.9	43.6	254.4	53.2
Complementary Business Segments	7.9	7.8	5.8	21.5	6.2	27.7	9.7	6.2	8.2	24.1	6.6
Reconciliation	(10.1)	(15.8)	(7.8)	(33.7)	(23.0)	(56.7)	(13.1)	(15.9)	(7.6)	(36.6)	(12.0)
EBITDA K+S Group	322.6	198.2	170.8	691.6	261.4	953.0	424.9	247.5	254.5	926.9	255.9
Potash and Magnesium Products	150.6	119.2	79.4	349.2	126.7	475.9	202.4	184.4	171.3	558.1	172.8
Nitrogen Fertilizers	6.4	9.4	11.5	27.3	16.0	43.3	33.7	9.9	16.8	60.4	11.0
Salt	107.9	21.8	31.8	161.5	76.6	238.1	139.1	11.0	13.3	163.4	20.0
Complementary Business Segments	6.4	6.2	4.3	16.9	4.3	21.2	8.1	4.6	6.6	19.3	5.0
Reconciliation	(11.7)	(17.7)	(9.6)	(39.0)	(25.0)	(64.0)	(14.9)	(18.0)	(9.5)	(42.4)	(13.8)
EBIT I K+S Group	259.6	138.9	117.4	515.9	198.6	714.5	368.4	191.9	198.5	758.8	193.5

¹⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

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Business Segment Information

K+S Group

€ million	Q3/11	Q3/10	%	Consensus ¹⁾
Revenues	1,174.0	1,000.5	+ 17.3	1,143.3
- volume/structure (%)	-	-	+ 1.9	-
- prices/price-related (%)	-	-	+ 19.2	-
- exchange rates (%)	-	-	(3.8)	-
- consolidation (%)	-	-	-	-
EBITDA	254.5	170.8	+ 49.0	255.9
EBIT I	198.5	117.4	+ 69.1	193.5

¹⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

- At € 1,174.0 million, third-quarter **revenues** were up € 173.5 million or 17% on the figure for the same period last year. This increase is primarily attributable to price factors. The Potash and Magnesium Products and Nitrogen Fertilizers business segments achieved significant revenue increases due to higher prices. Revenues of the Salt business segment were stable at a high level. The regional distribution of Group revenues continues to be balanced: Thus, about 51% of total revenues were generated in Europe and 49% overseas.
- In the third quarter of 2011, **operating earnings EBIT I** reached € 198.5 million and were able to increase by € 81.1 million or 69% in comparison to the same quarter of the previous year. At € 56.0 million, depreciation and amortisation taken into account in EBIT I were € 2.6 million above the figure for the previous year. The Potash and Magnesium Products business segment was able to strongly improve its result year on year. The significantly higher potash price level was the decisive factor here. In the Nitrogen Fertilizers business segment, rising prices more than made up for higher input costs. Against this backdrop, the result rose significantly here too. By contrast, the Salt business segment achieved a lower result than in the previous year. The decline can particularly be attributed to weather-related production losses on the Bahamas, higher costs for demurrage charges and negative currency effects.

Potash & Magnesium Business Segment

€ million	Q3/11	Q3/10	%	Consensus ¹⁾	€ million	Q3/11	Q3/10	%
Revenues	508.8	422.7	+ 20.4	525.7	Revenues	508.8	422.7	+ 20.4
- volume/structure	-	-	+ 3.5	-	- Potassium chloride	259.7	195.8	+ 32.6
- prices/price-related	-	-	+ 20.5	-	- Fertilizer specialities	182.2	158.5	+ 15.0
- exchange rates	-	-	(3.6)	-	- Industrial products	66.9	68.4	(2.2)
- consolidation	-	-	-	-				
EBITDA	192.8	100.0	+ 92.8	197.4				
EBIT I	171.3	79.4	+ 115.7	172.8				

¹⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

- In the third quarter, **revenues** of the Potash and Magnesium Products business segment rose by € 86.1 million or 20% to € 508.8 million. A significantly positive price development and moderate increases in sales volumes were able to more than compensate for countervailing currency effects. In the case of our most important product in terms of volumes, potassium chloride, revenues rose by € 63.9 million or 33% to € 259.7 million in the quarter under review. This is mainly attributable to a significant increase in the average price as well as a moderate increase in sales volumes. As for fertilizer specialities, revenues rose by € 23.7 million to € 182.2 million (+15%) primarily due to price and volume factors. As far as industrial products are concerned, revenues fell by € 1.5 million to € 66.9 million. The price increases achieved were unable to completely make up for negative volume- and currency-related effects. Sales volumes of potash and magnesium products in the third quarter were slightly above the previous year's figure and reached 1.61 million tonnes (Q3/10: 1.59 million tonnes).

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- In the third quarter, it proved possible to increase **operating earnings EBIT I** by € 91.9 million or 116% to € 171.3 million. The improvement in earnings can be attributed in particular to higher average prices for potash and magnesium products.

DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES BY REGION ¹⁾

		Q1/10	Q2/10	Q3/10	9M/10	Q4/10	2010	Q1/11	Q2/11	Q3/11	9M/11	Consensus Q3/11 ²⁾
Revenues	€ million	504.6	468.9	422.8	1,396.3	470.7	1,867.0	578.0	502.4	508.8	1,589.2	525.7
Europe	€ million	322.8	238.8	229.7	791.4	254.1	1,045.5	337.5	276.1	263.8	877.4	–
Overseas	US\$ million	250.5	292.4	249.2	792.1	294.3	1,086.4	329.0	325.6	346.1	1,000.7	–
Sales volumes	t eff. million	1.97	1.74	1.59	5.30	1.76	7.06	2.01	1.66	1.61	5.28	1.65
Europe	t eff. million	1.29	0.91	0.84	3.03	0.96	3.99	1.19	0.87	0.86	2.92	–
Overseas	t eff. million	0.68	0.84	0.75	2.27	0.80	3.07	0.82	0.79	0.75	2.36	–
Average prices	€/t eff.	256.6	269.0	266.2	263.6	267.1	264.4	287.6	302.3	316.8	301.2	316.8
Europe	€/t eff.	251.3	263.1	273.8	261.0	264.5	261.8	284.4	314.7	309.3	300.8	–
Overseas	US\$/t eff.	367.5	350.0	332.6	349.6	367.0	354.1	399.7	414.9	459.6	423.8	–

¹⁾ 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.

²⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

Nitrogen Fertilizers Business Segment

€ million	Q3/11	Q3/10	%	Consensus ¹⁾	€ million	Q3/11	Q3/10	%
Revenues	320.8	240.3	+ 33.5	285.3	Revenues	320.8	240.3	+ 33.5
- volume/structure	–	–	(1.0)	–	- Complex fertilizers	115.8	96.8	+ 19.6
- prices/price-related	–	–	+ 36.4	–	- Straight nitrogen fertilizers	139.3	104.4	+ 33.4
- exchange rates	–	–	(1.9)	–	- Ammonium sulphate	65.7	39.1	+ 68.0
- consolidation	–	–	–	–				
EBITDA	17.5	12.0	+ 45.8	12.4				
EBIT I	16.8	11.5	+ 46.1	11.0				

¹⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

- In comparison to the same period last year, **revenues** in the Nitrogen Fertilizers business segment rose by 34% to € 320.8 million in the third quarter primarily due to price factors. For complex fertilizers, revenues totalled € 115.8 million (Q3/10: € 96.8 million), for straight nitrogen fertilizers € 139.3 million (Q3/10: € 104.4 million) and for ammonium sulphate € 65.7 million (Q3/10: € 39.1 million). In all three product sectors, a significant price increase in comparison to the same quarter of the previous year could be achieved. While revenues for complex fertilizers also rose due to volume factors, in the case of straight nitrogen fertilizers and ammonium sulphate there was a slight volume decrease due to the lower availability of goods. The sales volumes of complex fertilizers, straight nitrogen fertilizers and ammonium sulphate reached 1.22 million tonnes in the third quarter (Q3/10: 1.25 million tonnes).
- **Operating earnings EBIT I** rose in the third quarter by € 5.3 million to € 16.8 million, which includes depreciation and amortisation of € 0.7 million (Q3/10: € 0.5 million). It proved possible to more than make up for higher input costs through price-related significantly higher revenues.

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Salt Business Segment

€ million	Q3/11	Q3/10	%	Consensus ¹⁾	€ million	Q3/11	Q3/10	%
Revenues	306.5	305.2	+ 0.4	305.0	Revenues	306.5	305.2	+ 0.4
- volume/structure (%)	-	-	+ 0.8	-	- Food grade salt	79.1	84.3	(6.2)
- prices/price-related (%)	-	-	+ 5.5	-	- Industrial salt	116.7	122.0	(4.3)
- exchange rates (%)	-	-	(5.9)	-	- Salt for chemical use	22.7	21.9	+ 3.7
- consolidation (%)	-	-	-	-	- De-icing salt	74.1	58.1	+ 27.5
EBITDA	43.6	60.8	(28.3)	53.2	- Other	13.9	18.9	(26.5)
EBIT I	13.3	31.8	(58.2)	20.0				

¹⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

- In the third quarter, **revenues** of the Salt business segment increased slightly by € 1.3 million to € 306.5 million. Positive price and volume effects counteracted negative currency effects. In the case of de-icing salt, higher sales volumes both in Europe and North America due to good demand as a result of an early stocking and rising prices resulted in an increase in revenues to € 74.1 million (Q3/10: € 58.1 million). Revenues with food grade salt fell in the third quarter by 6% to € 79.1 million (Q3/10: € 84.3 million), as positive price effects were unable to make up for price losses primarily due to volume- and currency-related declines. Revenues of € 116.7 million were achieved with industrial salt. This was 4% below the figure for the same quarter of the previous year (€ 122.0 million) due to currency factors. While at € 22.7 million, revenues with salt for chemical use were up on the previous year by € 0.8 million or 4% due to price factors, revenues in the Others sector fell by € 5.0 million to € 13.9 million. Sales volumes of crystallised salt during the third quarter totalled 3.52 million tonnes and were up 6% on the previous year's level (Q3/10: 3.33 million tonnes).
- In the Salt business segment, **operating earnings EBIT I** fell by € 18.5 million to € 13.3 million in the third quarter. Higher earnings due to the good start to the new de-icing salt season were counteracted by weather-related production losses at the sea salt facility on the Bahamas, higher costs for demurrage charges due to the maintenance of our Patillos port terminal in Chile, negative currency effects as well as higher maintenance and packaging costs in North America.

DEVELOPMENT OF REVENUES, SALES VOLUMES AND AVERAGE PRICES ¹⁾

	Unit	Q1/10	Q2/10	Q3/10	9M/10	Q4/10	2010	Q1/11	Q2/11	Q3/11	9M/11
De-icing salt											
Revenues	€ million	376.5	26.8	58.1	461.4	277.8	739.2	435.0	45.3	74.1	554.4
Sales volumes	t million	7.05	0.49	1.10	8.64	4.85	13.49	7.94	0.74	1.35	10.03
Average price	€/t	53.4	54.5	52.8	53.4	57.3	54.8	54.8	61.0	55.0	55.3
Industrial salt, salt for chemical use and food grade salt											
Revenues	€ million	217.4	232.0	228.2	677.6	227.4	905.0	226.9	223.2	218.5	668.6
Sales volumes	t million	2.20	2.26	2.23	6.69	2.35	9.04	2.24	2.47	2.17	6.88
Average price	€/t	98.9	102.8	102.4	101.3	96.8	100.1	101.2	90.3	100.7	97.1
Other											
Revenues	€ million	22.5	16.5	18.9	57.9	26.6	84.5	20.6	13.9	13.9	48.4
Salt business segment											
Revenues	€ million	616.4	275.3	305.2	1,196.9	531.8	1,728.7	682.5	282.4	306.5	1,271.4

¹⁾ 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.

K+S Q3/11 FACTS & FIGURES

10 NOVEMBER 2011



Experience growth.

Complementary Business Segment

€ million	Q3/11	Q3/10	%	Consensus ¹⁾	€ million	Q3/11	Q3/10	%
Revenues	37.7	31.9	+ 18.2	33.4	Revenues	37.7	31.9	+ 18.2
- volume/structure (%)	–	–	+ 14.1	–	-Waste management & recycling	21.7	18.0	+ 20.6
- prices/price-related (%)	–	–	+ 4.1	–	- Logistics	3.7	2.8	+ 32.1
- exchange rates (%)	–	–	–	–	- Animal hygiene products	9.6	8.6	+ 11.6
- consolidation (%)	–	–	–	–	- Trading	2.7	2.5	+ 8.0
EBITDA	8.2	5.8	+ 41.4	6.6				
EBIT I	6.6	4.3	+ 53.5	5.0				

¹⁾ Median estimate of consensus poll surveyed by K+S-Investor Relations as of 1 November 2011.

- In the third quarter, **revenues** of the Complementary Business Segments with third parties stood at € 37.7 million and were thus 18% up on the previous year (€ 31.9 million). Including intersegment revenues, total revenues amounted to € 46.3 million (Q3/10: € 42.2 million). In the third quarter, due to volume and price factors, it proved possible to increase revenues of the waste management and recycling segment as well as of the animal hygiene segment by 21% to € 21.7 million and by 12% to € 9.6 million respectively. The trading and logistics business segments increased their revenues by € 0.2 million to € 2.7 million and by € 0.9 million to € 3.7 million respectively.
- **Operating earnings EBIT I** rose in the third quarter by 54% to € 6.6 million. In comparison to the same quarter last year, the waste management and recycling segment was able to substantially increase its earnings due to positive volume and price effects. In the animal hygiene, logistics and trading segments too, a higher contribution to earnings was able to be achieved.

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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.