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PRESENTATION

Operator

Welcome to the K+ S conference call regarding the publication of the quarterly financial report Q3 2013, hosted by Mr. Norbert Steiner, CEO, and Dr. Burkhard Lohr, CFO. (Operator Instructions). I'm now handing the call over to Mr. Norbert Steiner to begin. Please go ahead.

Norbert Steiner - K+S AG - CEO

Thank you very much. Good afternoon, good morning. Ladies and gentlemen, welcome to our today's Q3 conference call from the team here in Kassel.

With me are, as already announced, our CFO Dr. Lohr and our Investor Relations team and others that might listen to the call as well. As always, we will quickly go through the presentation and then allow sufficient time for your questions and answers. I think in total we could spend a good hour together.

Slide number 1, a brief summary at first regarding K+ S Group. Despite a challenging environment, especially in the potash market, over the last couple of weeks, the K+ S Group achieved in the first nine months an EBIT of EUR556m, which is about 11% lower than last year's figure. Besides that, we have resumed Group guidance for 2013 and initiated our program Fit for the Future, two aspects on which we will elaborate more in the course of our presentation.



The potash business experienced severe headwinds in Q3. Still, uncertainty amongst customers remains high, and despite sales volumes were only somewhat below last year prices declined tangibly, which is also felt in our average portfolio price. The apparent tragedy at our Unterbreizbach site, which is partly back on-stream, meanwhile, resulted in a loss of production that will not be compensated for by other sites.

In our salt business, we saw good early stocking up in Europe. However, the well-known non-recurring effects from the first half of 2013 and further measures, adjustments to clean the deck will lead to a below average full-year EBIT 1.

On slide number 2, you will see the agenda for today's call. Dr. Lohr will run you through now -- through the third quarter's operational and financial performance, before I will provide you with more insight into our Fit for the Future program and, last but not least, with the outlook for the entire year 2013.

Dr. Lohr, please.

Burkhard Lohr - K+S AG - CFO

Thank you, Mr. Steiner. Welcome from my side, as well.

Ladies and gentlemen, please turn to slide number 3. Overall Group revenues in Q3 decreased by 11%. Positive volume effects in salt could not offset negative price and volume effects of 19% in potash. Consequently, operating result, EBIT 1, of our potash and magnesium product business unit was also affected by the dropping prices.

Salt EBIT 1 increased in Q3 from EUR5m to EUR9m, thanks to the significantly higher volumes in the European deicing salt business, compared with the same quarter a year ago. In addition, enhancement in the efficiency at K+ S Chile, previously SPL, had a positive impact on earnings in our salt segment. Of course, on Group level, salt was not able to compensate for the decline in potash in that quarter.

Looking at our P&L on slide number 4. As I already briefly talked about the main developments on revenues and EBIT, I will now focus on the below the line items in particular.

The financial result for the third quarter was, at minus EUR21.4m, on last year's level. The adjusted Group tax rate declined by 2.6 percentage points, mainly driven by the lower potash result and subsequently a relatively lower portion of income in Germany, where the tax rate is higher.

Let us now turn to the breakdown of cash flow, on slide 5. Here, I will focus on the cash flow that is adjusted for funding of plan assets and investment into securities or proceeds from disposals of such.

Cash flow from operating activities increased strongly, to EUR631m. This was due to a significantly lower tying up of funds in working capital. In the potash and magnesium product business unit, receivables fell as a result of price and volume factors, especially in the overseas markets.

In the salt business unit, there was also a significant decrease in receivables and a significantly higher reduction in inventories due to the above average wintry weather conditions in the first quarter, particularly in Europe.

Cash flow from investing activities increased, as planned, due to higher capital expenditures, especially in connection with a package of measures for water protection and the Legacy project. Subsequently, free cash flow decreased from EUR252m in the first nine months of 2012 to EUR173m in 2013.

Our balance sheet remains in good shape, thanks to the conservative approach we always have taken. You can see respective key figures on slide number 6.

The key messages on this chart are equity ratio remains high and current debt is more than covered by current assets. The cash position, including our investment into lower-risk securities, amounts to EUR1.2b. Together with our undrawn credit line of EUR1b, we still have sufficient flexibility

to fund the expected investments. In addition to that, our aim is to close the gap between available funds and further cash outflows, especially for Legacy, rather sooner than later.

Looking at our volumes and average prices on slide 7, we saw sales volumes in the potash and magnesium product business unit in Q3 of 1.63m tonnes, which was somewhat down year on year. This could lead to the impression that Europe underperformed in this quarter, which was definitely not the case. The decline can be well explained by the strong first half in that region.

The average portfolio price, of course, declined tangibly both year on year and quarter on quarter. This was driven by our overseas markets. Europe has been holding up well, thanks to our specialties business and industrial products.

Slide 8 provides an overview of the quarterly cost position in the potash and magnesium product business unit. In the third quarter, unit costs decreased to EUR215 per tonne and were about 10% lower in a year-on-year comparison. Lower energy costs, decreased volume related freight costs and favorable currency effects resulted in an improvement. The quarter-on-quarter increase is solely due to the lower volumes in the quarter.

Let us now turn to our salt operations, on slide 9. Overall, sales volumes increased in the third quarter compared to the same period a year ago. Due to strong pre-season sales in Europe, deicing salt sales volumes increased significantly.

As there is still a high level of carry-over inventories in the North American system, average prices in North America remained under pressure. That was because of too mild winter and increased competition in some areas.

Average price for non-deicing salt came down, mainly to the regional mix in food grade salt. Here we had lower sales and higher margin regions. In addition, higher sales volumes of lower-priced products in industrial salt applications contributed to the decline.

So far from my side. Now I would like to hand back to Mr. Steiner.

Norbert Steiner - K+S AG - CEO

Thank you. Let's now move on to our new program, Fit for the Future, starting on page 11.

The management always placed great value on effective organizational structures and the cost base. This has been and will remain part of our strategy, as we already initiated many projects before July. However, on July 30 -- July 30 underpinned our conviction that our markets will always remain at the mercy of fluctuations, and even though the signal came from the potash market, it puts the spot on the entire K+ S Group.

Even if the markets would recover, we need to do more than what we have done so far in order to reach our goal to make the Company more robust. We need to focus on further improving both our cost base and our organizational structures.

On slide 12, you can see how K+ S changed in the recent years through acquisitions and divestments. Most of you are very familiar with you. We have made improvements, focused our business model and broadened our international base.

As a result, we now have a stronger and more robust business model. This is all well and good, but there is certainly some potential to further optimize our processes within our two strategic pillars.

Efficiency improvement programs, selected projects, seen on slide 13, are part of our DNA and have already been started. We have now bundled all initiatives in the Fit for the Future program. In order to sustainably strengthen the competitiveness of K+ S, our aim is to improve the cost base over the next three years, summing up to the magnitude of EUR500m, compared with the budgeted cost volume for this period as per mid of 2013.

So, to make it very clear, we cannot hedge cost inflation, but we do our utmost to limit this impact. This is, by the way, slide number 14.

In order to harvest fruits from that program as quickly as possible, we will initiate cost savings resulting to a good EUR150m already in 2014. This will be reached by a combination of short-term measures and first structural changes. From 2016, we want to be able to implement the planned cost savings in full by sustainable measures.

All parts of the Group will contribute to the success of the program. In order to give you a rough indication, we expect the potash and magnesium product business units to deliver more than half of the expected total savings, both in the midterm and next year. Salt should contribute one-third and the remainder should come from the complementary activities, our holding and from IT.

To be very clear on this point, Fit for the Future is a challenging program. The percentages mentioned should give you a rough indication about what we are aiming at. Internally, we need to go very much more into detail, but we will always exchange and measure against another one, should we find the latter one better suited.

Having said this, as an example, we ask for your understanding that we will not disclose any further monetary details and that we reserve all rights to shift saving measures between the respective units. Our aim is to work on the measures and to further detail the initiatives and the effects of those in the next couple of weeks, once again, internally.

But let me give you a few examples on page number 15. One thing is clear for us; by whatever we do, there is one factor we will not touch, safety. We will ensure that there are no restrictions in terms of safety of our employees.

Examples, mining and production, we will explore to improve our cost structure by centralizing production control in the mines with the use of modern online technology. We also aim to optimize maintenance procedures, for example by extending the maintenance intervals for any equipment that is not related to safety.

We want to optimize ordering processes in sales and throughout the value chain, to improve customer services. A more streamlined salt related logistics network in North America will help us to increase efficiency as much as monitoring our SG&A costs.

And finally, the whole Company in terms of ways to avoid double functions and bundling cross-functional activities. A good example here is Morton, where we investigated the administrative structure in the US and implemented the findings, which led to a downsizing of SG&A functions.

Also our headquarter in Kassel will contribute. We have analyzed over the last couple of weeks our corporate functions with regard to the organizational structure and size, in order to redefine processes and responsibilities and to improve efficiency of our holding.

We are focusing our plans primarily on reducing the cost of materials. However, we cannot rule out that our plans could lead to reducing the number of employees.

To summarize our Fit for the Future program, slide number 16. Irrespective of an intensifying competition, we are on our way to make K+ S a more efficient company. This is why we have set ambitious targets that we can influence, because execution is in our hands.

We will work on improving our efficiency by a more efficient and flexible cost base, and a somewhat streamlined organization. We will keep the market posted on the further progress of the program.

An important step to make K+S an even stronger player in the still very attractive potash market is also our Legacy project, which is, from an operational point of view, well underway.

Now I would like to hand back another time to Dr. Lohr, to provide you with the outlook for the year 2013.



Burkhard Lohr - K+S AG - CFO

Despite the fact that Q3 volumes were almost on par with the year before, we still experience customer reluctance to commit to larger volumes, as they are awaiting prices to decline further. On the other hand, we see first small signs of stabilization in some regions. However, producers have announced adjustments in their production plans, and also we do not plan to compensate production losses after the tragedy at our Unterbreizbach site by other sites.

In total, we are now expecting world potash sales of 56m tonnes, compared to 59m tonnes before in 2013. As you know, our forecast always includes about 3m tonnes of fertilizer specialties.

Regarding the deicing salt business, we assume, as usual, multi-year average sales volumes for deicing salt over the remaining months of the year. Taking into account the deicing salt business for the first quarter of the year, as well as the good early stocking-up business in the second and third quarter, this result and the expectation of significantly higher sales volumes, especially after demand in 2012 was below average due to the mild weather conditions at the start of the year.

In the food grade salt segment, the demand in both Europe and North America should largely remain stable in 2013, while salt consumption in Asia for the chemical industry continues to grow considerably.

What does that mean for K+ S? Our assessment for 2013 as a whole is largely based on the following assumptions, as you can see on slide 19.

Sales volumes for potash and magnesium products of about 6.8m tonnes, and of course tangibly reduced average prices. In the salt business unit, we expect volumes of a good 22m tonnes in total, of which deicing salt should contribute a good 13m tonnes.

This all sums up to revenues which should be approximately on last year's level. We expect the EBIT 1 to be above EUR600m for the Group, and net profit to come in just below EUR400m. The CapEx will reach about EUR800m, mainly related to our investment into Legacy and the implementation of the Werra package of measures.

As you know, we are pursuing an earnings based dividend policy, with a payout ratio of 40% to 50%. However, a temporary deviation from our dividend policy cannot be ruled out, because of the uncertainty of the market for potash and magnesium products and financing measures that are necessary. A final decision on the dividend will be taken, as usual, in March next year.

Ladies and gentlemen, we are now happy to answer your questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions). Lutz Grueten, Commerzbank.

Lutz Grueten - Commerzbank - Analyst

Hi. Good afternoon. In fact two questions; one to clarify the volume guidance of 6.8m tonnes for the full year. Is this only a result of the Unterbreizbach shutdown, or also a reflection of a kind of price before volume strategy? That's the first question.

The second one, regarding the Fit for the Future program, the EUR150m, is this already the result of a bottom-up approach, or is it still top-down?

And regarding the full-year guidance, is the full-year guidance based on adjusted numbers, so including potential one-offs coming in the final quarter for that program, or is this a guidance on reported numbers? Thank you.



Norbert Steiner - K+S AG - CEO

By the way, these were three questions, but we will answer every one of them. The first question was related to the reduced volume that we see for the year, and as a matter of fact, if that tragedy at Unterbreizbach would not have happened, we would have reduced the production in other sites of K+ S. This is not an outflow of any policy; this is merely a reaction on the reduced volume demand that we see for the last quarter in that year.

So we try more or less to achieve the best prices wherever possible, but we need, more or less, also to pay attention to the question that we more or less balance that what we can sell in the markets and that what we will produce, because at the very end also inventories are expensive.

The second question, EUR150m, bottom up or top down, this is a mixture, because we mentioned already that we were not only wakened up by a call on July 30. We already started last year, not talking about it publically, with the efficiency improvement programs. And therefore we have a mixture of something that was done top down, certainly, and that was what was already under consideration, and one might be able -- and it would be fair to say this is bottom up.

But of course, when you are entering into such a program, and this is not only a program for the year 2014, as you have seen, so we have more or less scheduled it for the entire midterm planning period, including 2016. This is something that we not only can do bottom up.

It is always a question how do you do that, and you need at the very end to integrate the people that really need to materialize that in the production, in the sales organization, etc., etc. And when you do everything more or less top down in very much detail, you are in the situation that you might be very close to fail what you want to achieve.

So top down from the volume, bottom up what we have already as more or less integrated parts of the savings program of the EUR150m in the years to come. And in the remaining weeks of the year we more or less have, from my perspective, nothing particular in our mind that would more or less be necessary in order to materialize the EUR150m program for the year 2014.

I think I've got all the question. I'm hopeful that I've answered it properly.

Lutz Grueten - Commerzbank - Analyst

Just regarding the potential risk of upcoming one-off charges related to the Fit for the Future program, if these charges would turn up in the final quarter, would your full-year guidance be adjusted for these numbers, or is your full-year guidance based on the reported numbers?

Norbert Steiner - K+S AG - CEO

Okay. What we certainly have in mind, and I'm very open, is that we want to clean up the K+ S Group as good as possible in the remaining weeks. So I cannot exclude that there might not be, or there certainly will be, some kind of one-off effects, but not necessarily connected with the EUR150m program.

But this is already included in our guidance, yes? There is nothing that should not come more or less as a further burden, notwithstanding the assumptions that we always put forward need to be accomplished by weather conditions or whatever. But no, let's say, deviation any more as far as we can see, as of today, from any program or any one-off effects that we should not have calculated so far.

Lutz Grueten - Commerzbank - Analyst

Really helpful. Thank you.

Norbert Steiner - K+S AG - CEO

Welcome.

Operator

Jeremy Redenius, Sanford Bernstein.

Jeremy Redenius - Sanford C. Bernstein - Analyst

Hi. It's Jeremy Redenius from Sanford Bernstein. Thanks for taking the questions. I have three. First of all, I estimate your fixed costs are about EUR2b, and today you've announced about EUR500m savings. That's about a 25% cut, and so I'm firstly asking what gives you confidence you can achieve such a deep cut?

Second, how much would be net cost savings? Just back of the envelope, I estimate your fixed cost inflation is about 3%, so I get to a net cost inflation or net cost savings of about EUR300m by 2016. I just want to check if that's reasonable.

And then lastly, I'm trying to understand the cash flow over the next few years. What would you estimate the restructuring costs will be for this program? Would it perhaps be about EUR500m one-time cost to execute it? Thanks.

Norbert Steiner - K+S AG - CEO

I think this is the minute where we need to blame ourselves very much, because we obviously were unable to explain that we have the following on the table, that we have EUR150m -- a good EUR150m savings for the year 2014, and I think we read it down in our news, in total EUR500m for the three years. That means that we will not head for EUR500m cost reduction per year, and therefore the assumption that we would cut -- be able to cut 25% out of our EUR2m, or EUR2b, is simply neither achievable nor correct.

So, please, for everyone in the world, this is something which was a sum of our expected savings for the years 2014, 2015 and 2016. And when we talk about these kinds of savings, we have certainly net figures in mind, as we cannot as of today predict which kind of cost is related to achieve these EUR150m, or 100-something, 50-plus, in the year 2015 and 2016. This needs to be seen by us, but it should be included already.

And I think these were the three questions answered. And the cash flow in the years to come?

Burkhard Lohr - K+S AG - CFO

Yes. It's only addition to what Mr. Steiner just said. As the announced cost-saving numbers are net numbers, of course these net numbers have a positive impact on our cash flows on the years to come, and there is no additional negative impact of additional one-offs that might be linked to the cost savings.

Jeremy Redenius - Sanford C. Bernstein - Analyst

So, just to make sure I understand, you would say that your cash flow would be EUR500m better in 2016 [off equal]?



Norbert Steiner - *K+S AG - CEO*

Once again, now I'm getting to become a little bit more angry. I think I explained clearly that we intend to have a saving of EUR500m in the years 2014, 2015 and 2016 in total. And of course, when it is net figures, then generally we are not talking about non-cash effects. We are not talking about non-cash effects. This will certainly then be supportive for our cash flow for that midterm period of these three years.

Jeremy Redenius - *Sanford C. Bernstein - Analyst*

Okay. Apologies for any confusion I may have caused. Thank you.

Norbert Steiner - *K+S AG - CEO*

It's welcome. Don't bother.

Operator

Martin Roediger, Kepler Cheuvreux.

Martin Roediger - *Kepler Cheuvreux - Analyst*

Yes. Three questions from my side. First, on the CapEx program, it looks to me that you have lowered your CapEx target for this year from EUR820m in August now to around about EUR800m. Should we re-queue anything in, for example that you try to stretch a little bit your CapEx program, if it's possible?

The second program -- the second question is for the Fit for the Future program. As these cost savings are net figures, meaning after deducting for any one-time costs, can you give us a little bit a feeling about what are, so to say, one-time costs which run through the P&L and what are investments you have to do, for example buying software or whatsoever, which affects of course then the CapEx figure?

And the third question is on the potash market in general. I would like to know your view on Belarus Potash Corporation. Do you think that Uralkali and Belaruskali will come together again? And if this is the case, do you think the market situation will get back to the same situation it was before the end of July?

Norbert Steiner - *K+S AG - CEO*

The last question I of course will answer after I have had some seconds to look into the crystal ball, and therefore we'll start with the first one, CapEx.

It is an old experience within K+ S Group that we are very more or less dedicated to invest that what we have budgeted, but that at the very end we cannot realize everything in the time that we have foreseen for that. So it is something which is more linked to the fact that we had too much on our tables which we cannot realize so far, and there is nothing in particular with stretching of CapEx in connection, or without connection to Fit for the Future.

The second question, Fit for the Future, no, at the very moment I cannot give you an idea how much investment will be connected with that and how much one-off cost is related to that. Anyway, I can only repeat that this is a net figure that we have tabled so far, and that irrespective of any one-time costs, or let's say the portion of investment that is to be allocated to the year, this should not pay any further, let's say, levy and charge into our P&L.



But so far, I would like to explain once again, it is a mixture of bottom-up running projects and top-down measures, and we will need to specify the very detailed measures in the next couple of weeks and also to build up the respective organization. This will be more or less the most urgent and most prominent part of the matter of Fit for the Future within the next couple of weeks.

And last but not least, Belarus/Uralkali, I think most likely you will find nobody on that world that will be able to tell you what will be there in the future. But what I'd like to say is up to the second half of 2011 we have had two sales organizations, two competing sales organizations in Russia and Belarus. It was Silvinit/IPC and it was the joint BPC from Uralkali and Belaruskali.

And therefore the market has been accustomed to two sales organizations over about 20 years. And only the last two years, more or less, were -- where not only in the last two years we have seen that unique one export organization out of Russia. So the market will carry out to do its business irrespective whether they will come together or not.

Martin Roediger - *Kepler Cheuvreux - Analyst*

Thank you.

Norbert Steiner - *K+S AG - CEO*

But what is your opinion?

Martin Roediger - *Kepler Cheuvreux - Analyst*

Time will tell.

Norbert Steiner - *K+S AG - CEO*

This is mine as well.

Operator

Sophie Jourdier, Liberum.

Sophie Jourdier - *Liberum Capital - Analyst*

Afternoon. Yes, thank you. I've got a couple of questions. The first one is actually on your volume expectations. Not for this year, but most of your peers into next year feel that demand should improve once there's a little bit more price certainty in the market. I first of all wondered whether that was your view as well.

And if it is, historically you used to say that one would expect your volumes to be able to get back to the 7m tonnes, perhaps a little bit above 7m tonnes in 2014, once the environmental measures are done, and I just wondered whether that was still a sensible assumption to be making. So that's the first question.

And the second question, and apologies for this. I'm risking your anger, but I'm still not quite sure now on what you are saying on cost savings. By the time we get to 2016, what is the magnitude of the reduction in cost versus what it would have been without the savings? Is it EUR500m, or is it a different number? Sorry for that, but I'd love some clarity. Thanks.



Norbert Steiner - *K+S AG - CEO*

Yes. First question, yes, we share the view that generally market volumes in 2014 should be up. We tend to assume that we will be in the neighborhood of 59m tonnes, but you always know that we need to add that we include there about 3m tonnes of low potash containing products and our products that are stemming from the same source, underground, but it's not fully connected with MOP.

So 59m minus 3m; when you more or less want to translate it into the view of our competitors, 56m in their view is more or less what we think could be achieved. And we are continuing, more or less, to be willing to produce as well as to sell 7m, maybe a little bit above 7m tonnes, in the year 2014. So this is not hindered by the materialization of the Werra environment measures too much in the next year.

And once again, clarification. If we would have said EUR450m, then everybody would have known EUR150m, EUR150m, EUR150m should be the net effect of the years. We are not yet sure whether we will -- we have said EUR150m in the year 2014. So we have a remaining EUR350m package for the next years to come, and this must be then attributed to the two years. So if we would make the average, it's EUR175m; am I right? Yes, it's EUR175m.

So I cannot tell you whether it's EUR175m in 2015. It might be EUR170m, and then the rest must come out of 2016. So we wanted to make a gross figure, which is bigger than just multiplying by three of the EUR150m of the year 2014.

Sophie Jourdier - *Liberum Capital - Analyst*

Okay. Okay. And then the cash costs in total would be around the EUR500m?

Norbert Steiner - *K+S AG - CEO*

The cash?

Sophie Jourdier - *Liberum Capital - Analyst*

The cash costs of that over the three years would be around the EUR500m, would it?

Norbert Steiner - *K+S AG - CEO*

Cash cost savings -- sorry, sorry. (Multiple speakers).

Sophie Jourdier - *Liberum Capital - Analyst*

The cash cost of creating those.

Norbert Steiner - *K+S AG - CEO*

Yes. Generally, if we say this is a net figure, yes, you are right.

Sophie Jourdier - *Liberum Capital - Analyst*

Okay. Okay, lovely. Thank you very much.



Norbert Steiner - K+S AG - CEO

Welcome.

Operator

Heidi Vesterinen, Exane.

Heidi Vesterinen - Exane BNP Paribas - Analyst

Yes. Hi. I've got two questions, please. So you talked about volume and pricing trends in potash overall in Q3. I wondered if you could talk specifically on the specialty business, please, which I think should have been more resilient, and your outlook, if possible.

And on the second question, so you talked about selling 7m tonnes in 2014; could you talk about why you are comfortable that we won't see further falling competition, please? Thank you.

Norbert Steiner - K+S AG - CEO

We always intend, with a view to the second question, to sell what we are able to do, and also the 6.8m that we have in a very compelling year 2013 is quite a nice figure of production and sales. And as we are optimistic that the market demand will increase by -- what have we included for 2013, 55m?

Burkhard Lohr - K+S AG - CFO

56m.

Norbert Steiner - K+S AG - CEO

56m by, in our accounting, 3m tonnes; I think another 200,000 or 300,000 tonnes should be doable. And this is more or less the reason of our optimism now. And of course you know, with the ramp down of the composition of these, let's say, simplifying 7m tonnes, it's MOP, it's SOP, it's specialties, and therefore I think it is not unreasonable to assume that it is doable.

Burkhard Lohr - K+S AG - CFO

And we have seen [highly SOP] here. We have seen a more stable price development in the specialties business, especially in the SOP arena, so it has been more stable than the MOP pricing.

Heidi Vesterinen - Exane BNP Paribas - Analyst

And are you able to comment on the outlook for that business?

Norbert Steiner - K+S AG - CEO

The outlook for the year 2013 you have been given. But so far, due to the difficulties that we have seen in that kind of market, we are trying more or less to look too much and lean ourselves too much out of the window, so to say. And therefore we have decided that we will provide you with

an outlook after we have seen the first developments in the year 2014, and therefore we will be out with an outlook that's the material outlook for the year 2014 by March next year.

Heidi Vesterinen - *Exane BNP Paribas - Analyst*

Okay. Thank you.

Norbert Steiner - *K+S AG - CEO*

Yes, you're welcome.

Operator

Norbert Barth, Baader Bank.

Norbert Barth - *Baader Bank - Analyst*

Yes. Hello. Norbert Barth, Baader Bank. Two questions also from my side. Can you elaborate a little bit more on the potash market, that current situation, and especially more in detail to the main markets, meaning especially, for example, Europe, where I think you are out also with price indications? So how is the situation there, how is the situation especially in Brazil and also in Southeast Asia? So a little bit more in detail how that looks, and especially in the light that you say some markets show some sign of stabilization and going forward for the next months.

And a second question, about the dividend. As you mentioned, your usual rule perhaps could be deferred, and that's special cases. And you said you will decide at the final in March. But what is the criteria to decide perhaps to cut or what to do? Depends that on the ongoing financial solution, so you have in mind some bond issue, something like that? Is that the criteria to decide, or what is the thinking behind that?

Norbert Steiner - *K+S AG - CEO*

To start with the latter question, I think we wanted to be fair to the market that we first of all say that we would like to continue with our policy, and we added that sentence that we could have a deviation due to the two reasons that we have mentioned there. So for the time being there has not been any decision on that. And also, I cannot predict whether there will be a deviation from that or not, to be decided next March.

We will then -- of course, if we deviate from that, from our natural habits from the last, let's say, six, seven, eight years, we will certainly explain why. And I think it would not be wise from my side to speculate about any potential reason which we would give you then. If we would come to the conclusion that a deviation from our 40% to 50% rule should be necessary, then of course I think it has to be explained properly.

But once again, speculation, what the reason could be from today's perspective, is premature. And therefore I would like to ask for your understanding that I do not go into more detail there.

The market, the first question, I think we need to see that the fourth quarter, from our perspective, always volume-wise is a weak quarter. Of course, there have been some publications based on information that the journalists have received from customers about that what we have given to them under confidentiality clauses, and therefore I will not confirm whether it is okay or not, because it's not authorized by us.

We are seeing right now that in Europe things are being prepared for the early stocking up. We also see that in Brazil there is a certain, let's say, not relaxed time but a certain calming down of the markets. But people are already under consideration what to do in the first time in the year. And in Southeast Asia, more or less there is also, I would not say a quiet period but sales generally are not on a high level.



So I would -- if you would like to get some hints how it could start into the year 2014, I think there is no help to understand the development of the market in the first quarter.

Norbert Barth - *Baader Bank - Analyst*

Perhaps if I could add -- but on the other side, as you expect also going into 2014 an increase, so you clearly would rule out a situation like we had in 2008/2009, when there was more or less a total delay for one year on potash planting?

Norbert Steiner - *K+S AG - CEO*

I think the situations of 2008/2009 and 2013/2014 is not comparable at all. And therefore, from the economic preconditions of the agricultural market, there is no reason why they should deviate from that what they have done recently, because there was a lot of demand in particular markets. The only question where we suffered from and also the market suffered from was the uncertainty about the price levels.

And therefore I never rule anything out, because everything can happen, but it's un-logical and unlikely. And therefore, as I mentioned, we have the 59m figure set out for our expectations for the entire market 2014. It is necessary that the market starts properly.

And we will see, hopefully, that Brazil and other markets will come back into the market, that China makes an agreement which is not touching us so much, but generally is a very important indication for the market as such. India as well should hopefully get into new discussions and new negotiations after the English Congress elections have been done. There is a lot of things that need to happen, but we have no indication that from economic standpoint markets would more or less react crazy.

Norbert Barth - *Baader Bank - Analyst*

But sorry to come back, but on Europe, if you are out now with your price what you want to achieve, so the customers -- what is the reaction of the customers in that situation? So they --

Norbert Steiner - *K+S AG - CEO*

We are in normal discussions and negotiations for early stocking up with our customers.

Norbert Barth - *Baader Bank - Analyst*

Okay.

Norbert Steiner - *K+S AG - CEO*

Once again, I do not confirm the figures that are out with something which is traced back to customers, and there was no allowance and no authorization to do that.

Burkhard Lohr - *K+S AG - CFO*

Norbert, we have a long queue of questions still.



Norbert Barth - *Baader Bank - Analyst*

Yes, okay.

Burkhard Lohr - *K+S AG - CFO*

Thank you.

Norbert Barth - *Baader Bank - Analyst*

Thanks.

Operator

Chris Faitz, Macquarie.

Chris Faitz - *Macquarie - Analyst*

Yes. Thanks for taking my questions. First of all, you talked about the inventory situation in Europe in salt. Can you elucidate that a bit, especially considering that we already had some winter events in Europe?

And then, remaining with salt, you also talked about increased competition in deicing in North America. Can you please talk a bit about that?

And then, regarding the Legacy project, I believe you earmarked something like EUR375m CapEx to Legacy for this year. Is this mainly infrastructure and preliminary works on the test cavern?

And with regard to Legacy, can you also give us an update on your current thoughts on timing of the project? Thank you.

Norbert Steiner - *K+S AG - CEO*

Well, the early stocking up in Europe has been quite a nice business, and this is an activity of the road authorities that they feel the necessity to fill up their own inventories before the winter comes.

And you know that we have always split composition of the contracts that we have with the road authorities or the municipalities; first the intake of volume which has happened during the last month and a certain optional volume that we need to ship to them in case it might be required. And since they have obviously built up their inventories quite nicely for a certain period of time, the first winter effects are not, let's say, in the shape that municipalities' road authorities directly ask for new inventories.

So this is something which is absorbed there. And we of course hope for more snow, more ice, but this is still marginal and we don't see that in our sales figures at all.

North America, we have two effects there. The first one is that the winters -- more or less the two last winters were quite mild, and there are still quite significant inventories in the head of these owners, municipalities, etc., and therefore the volumes which were out for bidding were reduced. And there you can see that those who are in the business, Morton Salt, Cargill, etc., they are claiming for that very, very aggressively.



This means that lower volumes are under harsh competition, and this means what we also have said, that the prices have been under pressure. But so far I think this is something that might change significantly if, hopefully, knock on wood, we have at least a normal winter in US and Canada from November, December onwards.

Legacy, we have indicated what we think that we can do, and we are more or less still very much doing preparations in infrastructure, cavern development, to build up what we call the tax for the future caverns, etc. We are also doing some concrete work where some houses and some buildings will be erected, hopefully, before the winter there, that we can build furthermore in there.

We have so far revamped our basic engineering which has been accomplished recently. And from that perspective onwards we have two confirmations; first of all was due to the investment budget of 4.1, and secondly was due to the timeframe to start more or less operations in the second half of 2016, having first ones available at the end of the year 2016, and then the ramping up to the 2m, famous 2m, within the year 2017. So, no news, but the no news is positive news.

Chris Faitz - *Macquarie - Analyst*

Okay. Thank you.

Norbert Steiner - *K+S AG - CEO*

You're welcome.

Operator

Andrew Benson, Citi.

Andrew Benson - *Citigroup - Analyst*

Yes. Thanks very much. Most of the questions have been answered, but you talk about deck clearing in the salt business. I maybe just don't understand that or how you've approached it, and that's to have an effect on EBIT. Can you just explain -- I understand the term, but what you mean by that?

And can you just give us an indication again -- you may well have done but I didn't understand it if you did -- what the pricing was at the end of the quarter? You've given what the average prices were, but what the pricing was at the end of the quarter for potash. Sorry.

Norbert Steiner - *K+S AG - CEO*

We always used to guide you through the publicly available sources of prices, and we never disclosed so far the exact figure of our prices at the end of the quarter. So, forgive me. I don't have the price in mind that I could take from FMB on September 30.

I think in Brazil -- if I'm not mistaken but please double-check; I don't have it on the table -- it was between -- in Brazil between, I think, \$340, \$360, something in that neighborhood. And as this is more or less the most efficient publicly available figure, I would say this could be it. But K+ S figures would anyway not be available. And I see right now Burkhard shows me \$340, around that, a little bit above, a little bit below, so I was not quite wrong in my memory.

That clearly means that we certainly will try to do and have done already, in the beginning of the fourth quarter, what could have a one-off effect which could be done maybe also in the year 2014, but which can also be done already in the year 2013. Because our -- and I say that quite openly.

We have built up quite a nice reserve in the first half year or even in the first three quarters, which is a better cushion to clean that up instead of more or less an aspiration for the year 2014 when you look into the pricing situation in the potash market as you know it.

And therefore, we will come out with the news that there will be another sale of [another ownership] and something like that. This is something which we have in mind, but it is not more or less in the neighborhood of a three-digit figure; far away from that.

Andrew Benson - *Citigroup - Analyst*

Okay. So it will be a one-off figure that will grow out. Okay.

Norbert Steiner - *K+S AG - CEO*

No, sorry. We have given you for the rest of the year an indication that including everything that we see so far it will be above 600. And therefore there are certain assumptions that need to be fulfilled, but I do not intend to specify it more because it doesn't make sense insofar as you then do not know what it would be without the one-off effects.

Andrew Benson - *Citigroup - Analyst*

All right. Thank you very much.

Norbert Steiner - *K+S AG - CEO*

Please excuse me, but this is all I can say.

Operator

Andrew Stott, Bank of America Merrill Lynch.

Andrew Stott - *BofA Merrill Lynch - Analyst*

Yes. Thanks for taking the questions. Number one is on Q3. If you look at the regional pricing in potash, you've commanded a pretty strong premium in Europe to the US price or to your international price, and in fact the premium has never been that big. So can you just talk me through me that? I'm guessing that's just about the effect of July 30 and how quickly that comes through into the respective regions, but I'm really interested in your feeling about the gap going forward.

And then, number two, is there a headcount number you can attach to the cost savings, or is that to be announced as and when?

Norbert Steiner - *K+S AG - CEO*

The second question needs to be answered in the way [life is quiet]. We are first of all focusing on material costs. And we say that intentionally, since we would not like to come into a position that we only go simplifying the easy way to push a lot of people on the street and not looking into our processes.

We will look into our processes and then, when we have more or less a picture of the improved situation there and of also the reduction of material costs, we can then say with how many people are we able more or less to continue our business. This is standing, as you may, at the end of the

detailed analysis of that what we need to do. And I think I made the remark already that what we have on the table with the EUR150m is a mixture of bottom up and top down.

What we can easily say is that we want to more or less make use of the normal fluctuation that we have in our business, in our operations year by year, and that we do not fill up those people that leave the Company for retirement and for other reasons by newly required personnel and recruited personnel. And this more or less could also go into a figure, I would say in the neighborhood of 150, maybe a little bit more. So this is a personnel activity, but it is not a cancellation of contracts.

The first question was the gap between Europe and more or less non-Europe in the potash business. There were quite nice, indeed some quite nice price developments in Europe which were also, when you transfer it into a dollar term, nicely above the international landscape. But this also had to do with contracts that had been already agreed upon before within the LPK industry.

But certainly we need to pay our toll also to the international development, that we try more or less to come to prices here in Europe which we can name nice under the circumstances, but I cannot make any prediction how it will go.

Andrew Stott - *BofA Merrill Lynch - Analyst*

Okay. Thanks.

Norbert Steiner - *K+S AG - CEO*

Yes, you're welcome.

Operator

Andreas Heine, Barclays.

Andreas Heine - *Barclays - Analyst*

Yes. Good afternoon. Basically, coming also back to the question asked directly before to understand what the dynamics in the markets were. You were already referring that in Europe it might be that prices are coming down, that you had contracts to better prices still in the third quarter. How is it with the specialty products and the industrial products? Do they also follow with a delay, or do they have in the current environment indeed a higher stability in prices and that the current price level is nothing what you expect to go down even further?

And then I would like to remind what the CapEx will be in the years 2014, 2015 and 2016 on the Group. So on the time spent until the Legacy project runs for the total Group for these three years, what is the CapEx you have in mind? Thanks.

Norbert Steiner - *K+S AG - CEO*

The first question is to be answered that it depends on the product what you are talking about. There generally one must say -- and this is no secret, has never been a secret -- that also these specialty products, even if they don't contain potash, are somehow linked to the development of, product wise, industrial quality. But it depends whether you have a lot of offers on the table or whether there is scarcity, and we have more or less everything between high competition and more or less a situation where scarcity prevails.

And this certainly is something which we make use of, that products which are scarce -- and I ask for your understanding that I don't identify them right now -- and others which are more or less taken in in the normal procedure of agricultural and industrial treatment are taken more or less in a certain way, that the people look into the development of the potash prices in the agricultural sector and ask for a certain alignment of prices.

The second question, with regard to investment in the future, we will continue to do that what is needed to be invested in Legacy. I also can say that we intend to do that what needs to be done in respect of our Werra measures. But since we have not had our Supervisory Board meeting where we need the approval to spend that money, I think it's premature for the time being to talk a little bit more specific about the figure of the year 2014.

Generally, we are always in line with our Supervisory Board with that what we have on the table, but we need to see that they might come to other conclusions, and therefore I would not like to set out a figure here. I hope for your understanding.

Andreas Heine - *Barclays - Analyst*

Okay. Thanks.

Norbert Steiner - *K+S AG - CEO*

Later on, when it is much certainty, there will be indications about that what we will do CapEx wise.

Okay. The next one, please.

Operator

Ben Isaacson, Scotiabank.

Carl Chen - *Scotiabank - Analyst*

Hi. This is actually Carl Chen stepping in for Ben. Just got a quick question. In the past three months, can you please describe any potash market shift in the European market? And how do you see the current market share for K+ S?

Burkhard Lohr - *K+S AG - CFO*

The market share where, sorry? In Europe?

Carl Chen - *Scotiabank - Analyst*

In Europe, yes.

Burkhard Lohr - *K+S AG - CFO*

We haven't seen many movements in the market share in Europe, right?

Norbert Steiner - *K+S AG - CEO*

And to be open, I don't have it handy. I don't have the market share of K+ S handy in Europe. It is significant, no doubt, but --



Burkhard Lohr - *K+S AG - CFO*

But we have (multiple speakers).

Norbert Steiner - *K+S AG - CEO*

No, no major increases or decreases. There is competition, but I think there is no deviation from that what we generally have in the third quarter as market share, whatever it is. So our volumes more or less were placed in Europe, but you need to see the entire year. Our feeling is that Europe has come down in the third quarter, if I'm not mistaken, but we have had two very strong quarters, the first and the second one, so this balances, generally.

Carl Chen - *Scotiabank - Analyst*

Okay. Thanks.

Norbert Steiner - *K+S AG - CEO*

Yes.

Operator

Nils-Peter Fitzl, H&A Research.

Nils-Peter Fitzl - *H&A Research - Analyst*

Yes. Hello. Thanks. Two questions from my side. One relates to the cost reductions. You are saying that for 2014 and 2015 you see a combination of structural and short-term measures. I wanted to know if you could say how many permanent cost savings are already achieved in 2014 and which cost measures are only, so to say, one-time effects.

And then the second question relates to the outlook for the potash volumes for 2014. Do you expect a significant increase in volumes for 2014 above the 3% to 5%, maybe fueled by emerging markets who now can afford potash fertilizer? And if that happens, do you see a risk of losing market share since you can increase your output to 7m tonnes by 2014? Thank you very much.

Norbert Steiner - *K+S AG - CEO*

To start with the latter question, when we say that we expect 59m tonnes including the famous 3m tonnes of mixed products, etc., then we anticipate a growth of the markets where most likely we will not be able to participate as our competitors. And with view to that, as we are -- let's make it simple -- more or less stable and our competitors would be able to sell more, it is a normal consequence that we are losing market shares in the extended market. So it's just mathematics what will happen there.

Nils-Peter Fitzl - *H&A Research - Analyst*

Okay.



Norbert Steiner - K+S AG - CEO

As we are not able, more or less, right now to produce significantly more, then we might do maybe up to 272, something like that, in the next year, it doesn't matter for us because we are locked in there. And as long as we don't have Legacy and maybe some additional tonnages after the accomplishment of the Werra measure in our hands, it will stay that we are more or less volatile with view to the market share, but not with a view to our own production and sales volumes but with the structure and size of the entire world market.

And of course, when we plan such a figure, we are of the opinion that we might be able or should be able to place it. Once again, as certainly also our competitors are listening to our conference call here, it is not just potash. We are talking about specialties also in a non-insignificant volume. And therefore I think it is fair to assume that we will be able to place that material into that particular market for those particular specialties.

The first question was -- sorry, I've --

Nils-Peter Fitzl - H&A Research - Analyst

About the proportion of cost savings (multiple speakers).

Norbert Steiner - K+S AG - CEO

Yes, okay. Sorry. Yes, excuse me. I would not go into detail, because we have some ideas in our mind but this needs to be double-checked in the context of the entire package. And therefore it would be premature right now to say this is more or less one-off effect and the others are recurring.

At the end of the story, an ideal world would lead into 100% improved processes, let's say sustainable effects from the year 2016 onwards, but we need to see where we are. I think March next year, when we are together to look back into the year 2013 and look into the year 2014 more in detail, we can deal with some more detail on that where we are and where we stand. But I do not want to speculate, because there is too much to be clarified in detail that a precise answer would be helpful right now.

Nils-Peter Fitzl - H&A Research - Analyst

Okay. Thanks. Fair enough.

Operator

Patrick Lambert, Nomura.

Patrick Lambert - Nomura - Analyst

Good afternoon. Patrick Lambert, Nomura. I have a few questions. The first one is just to confirm that the Unterbreizbach mine will be back running in 2014, so that your 7m or 7.2m is confirmed. That's the first question.

The second question regards personnel cost. I think, if I'm right, they were down about 7%, 6.6% on my calculation, year on year. Is that something -- I am sure FX has an impact, but is that something that we could pencil in for next year as a base, or is it like a one-off bonus type of -- not bonus, non-recurring one-off? That's the second question.

The third question is regarding potash financing. At the roundtable, you were still alluding to a few potential ways of raising money via debt. Can you update us on where you are now that you have the disappointing, I guess, Moody's rating? Thanks.



And the last one, I'm not sure I'll get an answer, but could you update us on the split between SOP, MOP and industrial that you've seen year to date? Thanks.

Norbert Steiner - K+S AG - CEO

The first question, Unterbreizbach, I think we mentioned in our quarterly report that the works have been resumed in part. And it is certainly our ambition to clean everything up underground, that we can get into full production as soon as possible. And I would assume that this should be the case at the latest from January 1, 2014 onward, so Unterbreizbach should contribute what they could -- what they should do in our normal undertakings.

The second question was going to the personnel cost. Of course, this is a reduction of personnel cost. Generally, it's the effects out of our variable payments connected with results, connected with economic success or non-success, and therefore this is something that we will also see in the future.

Of course, the EUR150m plus is also helpful not only to be better off EBIT wise, but it has certainly a certain repercussion also with view to the clerical payments. And as I mentioned, that this is something which is netted already, it doesn't cost extra in extra ways -- it doesn't charge, better to say it this way, extra to the P&L and to our EBIT contribution.

And what I have mentioned before, we would like to use the normal fluctuation of personnel. This should also contribute to the reduction of personnel cost. But very frankly and openly, I don't have the figure for the personnel cost in 2014 right now before me on the table.

But structurally, the reduction of the personnel, as described, should bring us down. The EUR150m package should bring it up again. And as we have not made any comment on the expected EBIT contribution for the year 2014, I do not want to elaborate on just one detail out of that.

Financing?

Burkhard Lohr - K+S AG - CFO

Yes. Mr. Lambert, you asked for the potential financial instruments mentioned by me on the roundtable where we met last time. First of all, I would like to remind everybody that as we speak we have a cash position of EUR1.2b and a EUR1b credit line which is totally undrawn, so we are not in a time pressure. But when you are looking at the market conditions, of course, if we have a financial requirement, it's better to do such a step sooner than later.

And I also said that we are talking about financing of a big project and a capital increase would not be the appropriate instrument. And in addition, we would like to remind you that we have an equity ratio of over 50%. And that is, unfortunately, for the time being everything I can say to that topic. I cannot be more precise on that.

And you also mentioned Moody's, as they have disclosed their view. I also would like to mention what I said earlier; we are for quite a period not in any financing need, so one could have taken that into account as well. And on the other hand, there is still an S&P, Standard & Poor's, rating in the investment grade range on our books. Yes, that's what I would like to say to this question.

Norbert Steiner - K+S AG - CEO

So there was a fourth one. Maybe I have misunderstood it, but we have more or less reduced the figures that you would likely have asked. The volumes ramp down in percentage for the first quarter. In total, we had in the MOP business around 47%. Specialties were about 40% and the rest, 12% to 13% was industrial materials.

Patrick Lambert - *Nomura - Analyst*

That's year to date or Q3?

Burkhard Lohr - *K+S AG - CFO*

No, that's Q3. And Q3, when you look at the usual chart we are showing the pie chart with the split between the (multiple speakers) there is not much changed.

Patrick Lambert - *Nomura - Analyst*

Okay.

Norbert Steiner - *K+S AG - CEO*

So I think I have just one name that is open, and I would like to give him the opportunity to raise the question. The remaining ones, should there be any, should be addressed to our Investor Relations team.

Operator

We will now take the last.

Norbert Steiner - *K+S AG - CEO*

There is one more?

Operator

Oliver Schwarz, Warburg Research.

Oliver Schwarz - *MM Warburg & Co - Analyst*

Thank you for taking my two questions. In the outlook for the salt business, you stated that the salt consumption in Asia for the chemical industry continues to grow considerably. Is your Asian salt business, has that increased in magnitude or is that about to increase, because you are hinting to the Asian region here in that?

And secondly, just -- I am sorry to labor that point, but just to shed perhaps some additional light on the cost reductions program you have in place or are planning to implement. You said that the cost reductions are net of costs. So if we assume that there will be no additional costs from 2017 on, what would be the magnitude of the cost reduction, given everything else would be the same and no changes anywhere, from 2017 on, when we see the true impact of the cost reductions as no longer costs are attached? Could you give a ballpark number for that one, please?

Norbert Steiner - *K+S AG - CEO*

We certainly did start -- I'll start with the salt question and Asia. It's easy. We are more or less looking to Asia from a standpoint that we need to overcome the business from Chile into China or the Philippines or something, Indonesia, something like that. And the business is very much

connected with the demand question and the cost question. And we only serve the markets in a way that you earn money on that, but if the rates for the freight are not comfortable with that then we certainly do not ship material and earn nothing on that.

And so far, the situation, there was some volatility in the freight rates from Chile to Asia. And we continue to plan nice volumes, 0.5m tonnes or something like that per year, but it depends on the question whether we earn on that or not. We are not just exchanging money for the sake of selling extra quality salt in the magnitude of 0.5m tonnes.

So it is something which cannot predict it, how much we will be able to settle there over a year. But there is a certain minimum level that should be achievable in the neighborhood of that what I've mentioned, 0.5m tonnes.

The question of 2017, for following, what we do is that we have planned to reduce the costs compared to a planning situation of the middle of 2013, which included already in our rolling forecast for the years 2014, 2015 and 2016 a certain inflation moment. And as it included already a certain inflation moment, we can say that the savings put on top of that are not taking into consideration inflation anymore. That means also inflation should be more or less not an issue for that.

For 2017, we have not made any plans, but the starting point into the year 2017 will be the portion that we will allocate to the year 2016 out of these EUR500m. And then we need to see, and this is absolutely much too early how to say what is the situation in 2017. Ideally, I can only repeat it, we will have a high percentage of more or less sustainable recurring elements in processes, cost allocations, etc., etc., and therefore we should also benefit from that in 2017 onwards.

But I would speculate, A, what will be the amount and, B, what will be more or less the treatment of inflation in the year 2017, 2018, etc., etc., with view to that amount. And therefore I think we should also not talking in theory about that, which is far down the road.

Oliver Schwarz - *MM Warburg & Co - Analyst*

No, I think I didn't make myself clear here. I wasn't alluding to inflation and things like that. I was alluding to these numbers being net numbers. So, basically, this is the net result of cost reductions minus the costs you have to implement those cost reductions. From 2017 on, there will be no additional costs for implementation measures because all the measures will be in place, so we feel the full result of the cost reductions. So as that number is the first number which is not burdened by actual costs but is only from the sustainable measures alone, that would be my question. A ballpark number for that figure would be nice.

Norbert Steiner - *K+S AG - CEO*

And once again, I answered the question at least in part. As we do not know how much costs will be allocated and attributable as necessary to achieve the EUR500m over the years, I cannot tell you right now what will be the net figure and what will be the portion which we need more or less to more or less pay in order to achieve the piece of the EUR500m in the year 2016. As I do not know that yet, I cannot tell you what will be more or less the gross amount, including the net amount of the portion out of the EUR500m and the potential cost which is connected for that.

And once again, my remark was 100% hitting your point. Afterwards, we have no midterm planning anymore and therefore I cannot tell you right now what kind of inflation would eat at least a part of that up. And therefore, as we have too many unknown, let's say, elements right now on the table, this is for me -- I know why you ask, certainly, and unfortunately I cannot help you out of that. This is something which I cannot really properly answer, because these unknown elements are hindering me and I do not want to speculate on that.

Oliver Schwarz - *MM Warburg & Co - Analyst*

Fair enough. Thank you very much.



Norbert Steiner - K+S AG - CEO

Thank you. Okay. I think this was a longer discussion than we have had in the last telephone conferences on quarterly results, but I think it shows the interest of the investors and analysts into that what -- with view to that what we have in mind.

Thank you very much for participating. As always, I repeat my advice that you contact our Investor Relations team if there are things not properly answered, and we have a line of potential answers on that. Thank you very much once again. Stay tuned, and we hope to see you as soon as possible at the one or the other occasion. Thank you very much and have a nice day. Thank you. Bye-bye.

Operator

This will conclude today's conference. Thank you for your participation and have a pleasant day.

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