

The K+S logo is positioned in the top right corner of the page. It consists of the letters 'K+S' in a bold, white, sans-serif font, set against a dark blue rectangular background that is tilted slightly to the right.

K+S Group

# Compendium

May 2020

11.05.2020

**K+S**

**K+S Group**

# K+S at a Glance

## Group financials 2019

**Revenues**  
€ 4.07 billion

**EBITDA**  
€ 640 million

**EBITDA-Margin**  
16%

**Earnings after taxes, adj.**  
€ 78 million

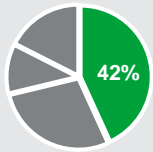
**OU Europe+:** Revenues: € 2.54 billion; EBITDA: € 437 million; Margin: 17%

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

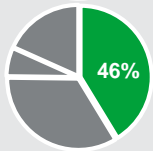
## Customer Segments



### Agriculture



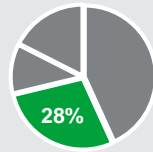
Revenues  
€ 1.72 billion



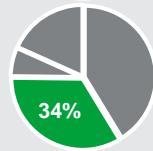
EBITDA  
€ 295 million  
Margin 17%



### Industry



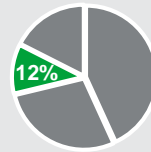
Revenues  
€ 1.15 billion



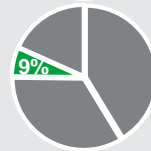
EBITDA  
€ 218 million  
Margin 19%



### Consumers



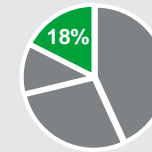
Revenues  
€ 0.48 billion



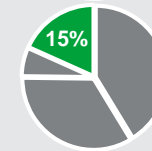
EBITDA  
€ 60 million  
Margin 12%



### Communities



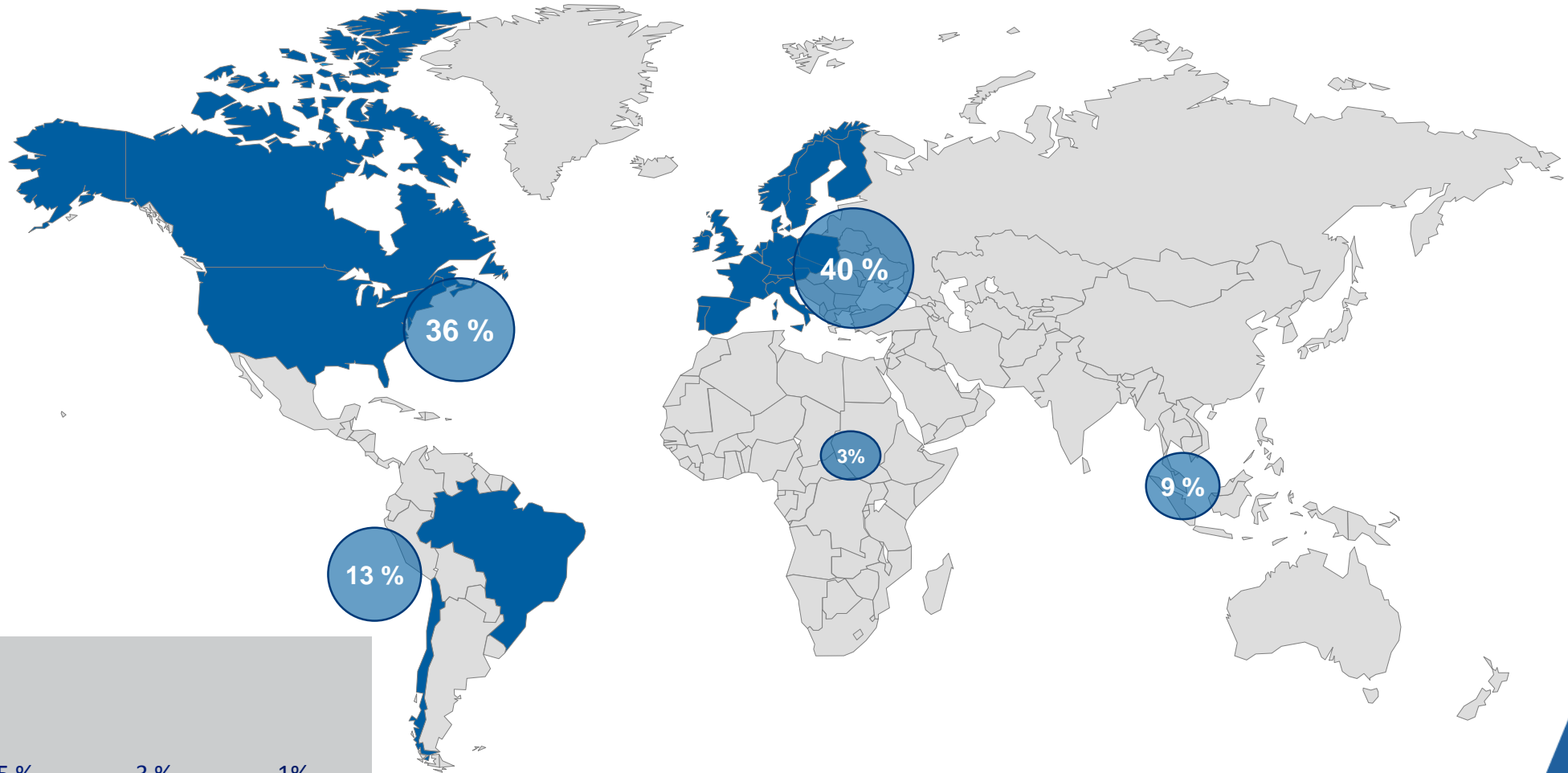
Revenues  
€ 0.72 billion



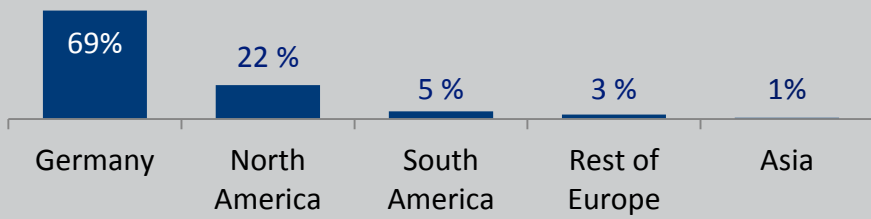
EBITDA  
€ 94 million  
Margin 13%

# Global Presence<sup>1</sup>

<sup>1</sup> Revenues by regions 2019



Employees by region 2019



# Customer Focus in New Organization



# Adding value along our entire supply chain



## Exploration

Our potash and salt deposits came into being millions of years ago. They are either our property or we have corresponding rights or approvals that allow the extraction or solution mining of the raw material reserves.



## Mining

We extract raw materials in conventional mining above and below ground as well as through solution mining. We also use the power of the sun and extract salt by evaporating sea water or saline water.



## Production

The refining of raw materials is one of our core competencies. Above ground, the crude salt is processed in complex, multi-phase, mechanical or physical processes, with the natural properties of the mineral remaining unchanged.



## Logistics

The long-term securing of freight capacity is of strategic importance to us. A large part of our international transport volume is forwarded by service providers with which we maintain long-standing partnerships.



## Sales/Marketing

The K+S Group wants to be its customers' preferred partner in the market. High product quality and reliability are decisive preconditions for this. K+S offers a comprehensive range of goods and services for agriculture, industry and private consumers.



## Application

Our customers apply our products, use our raw materials in their processes or process them in their products. We make extensive product information available and advise our customers on the application of our products.

# Refocusing of the BoED to implement value enhancing measures



**Dr. Burkhard Lohr, CEO**, will additionally assume responsibility for managing the Operating Unit Europe+ on the Board of Executive Directors. This underlines the importance of the measures to leverage synergies, strengthen technical and operational excellence and achieve future-oriented solutions in the environmental area.



**Mark Roberts** will focus on the Operating Unit Americas and the transactions required for the implementation of the value enhancing measures already adopted.

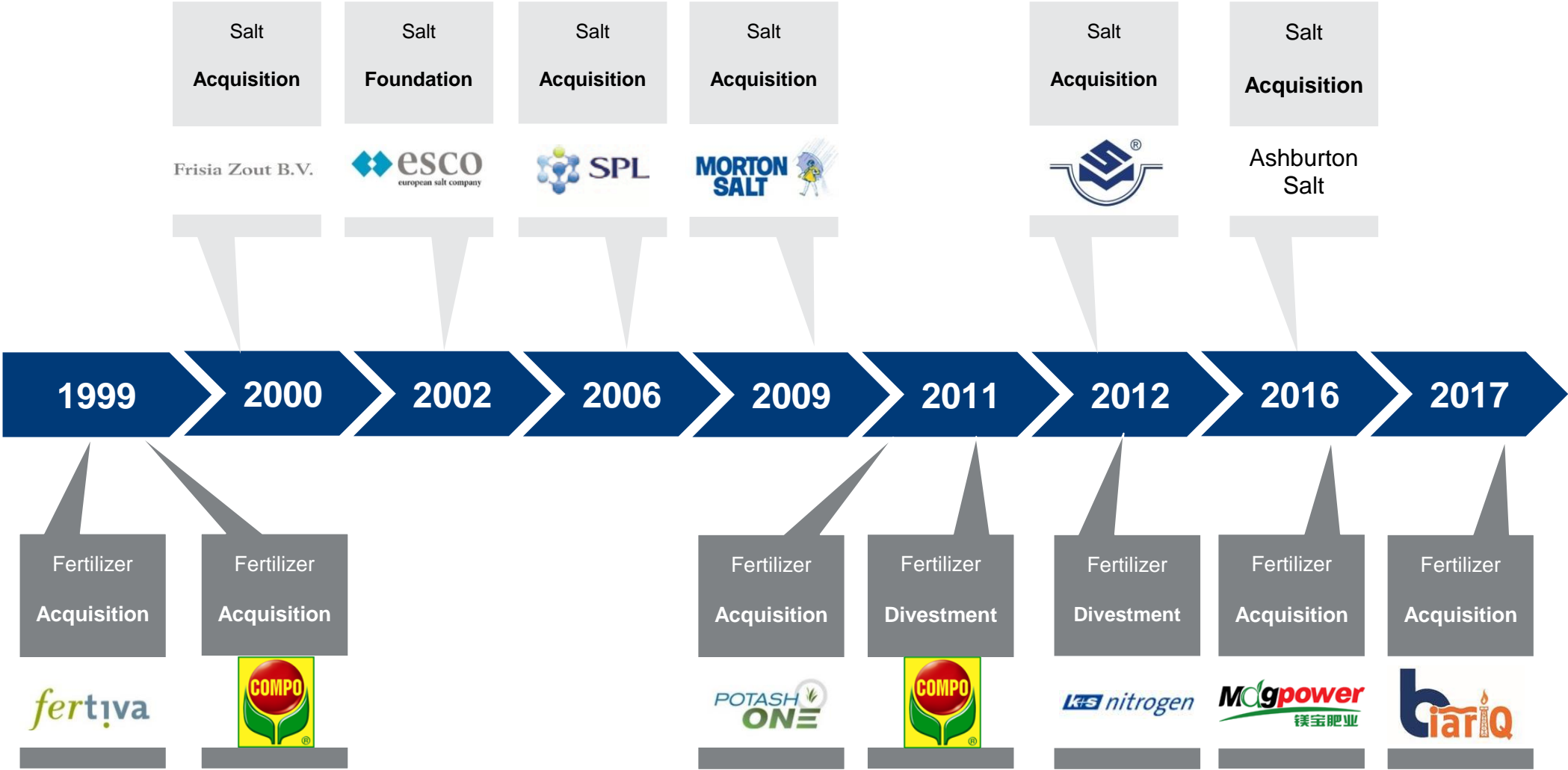


**Thorsten Boeckers, CFO**, will continue to be responsible for the finance organization, i.e. Treasury, Controlling, Tax, Internal Audit, Procurement.



**Fabiola Fernandez Grund** has been appointed by the Supervisory Board of K+S AG as a new member of the BoED. Upon assuming her new role, she will become Labor Relations Officer and take on responsibility for the areas of IT as well as Operations and Technical Excellence Center.

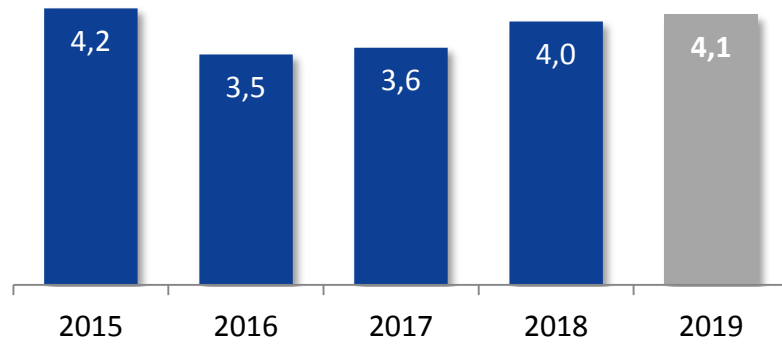
# Active Portfolio Management



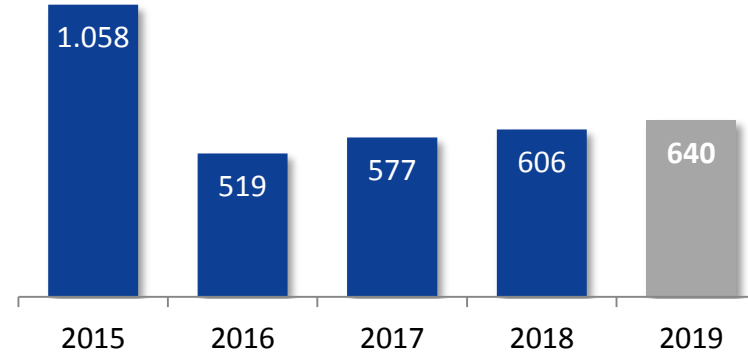


# Key Financials

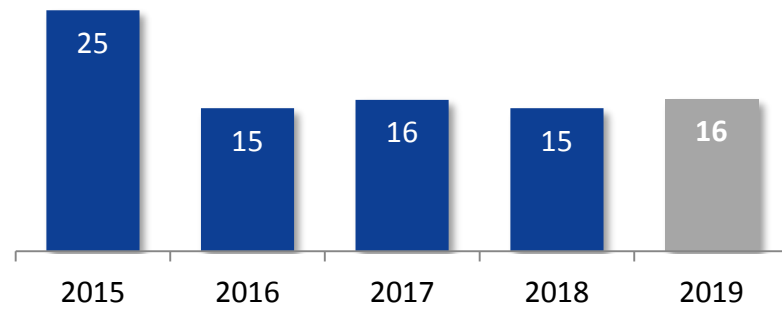
## Revenues (€ billion)



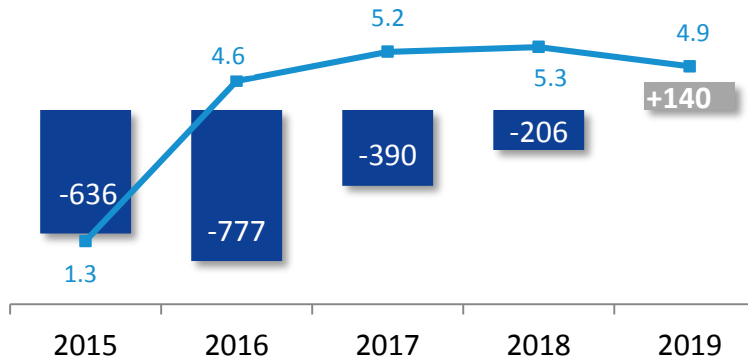
## EBITDA (€ million)



## EBITDA-Margin (%)



## FCF vs Net Financial Debt/EBITDA



# Shaping 2030 Strategy

We will be the most customer-focused, independent minerals company



## 'One K+S'

... thinking and acting as 'One K+S' and realizing synergies between our businesses



## Tapping the full potential of our existing assets

... and establish the most value-creating portfolio combination



## Exploring new adjacent growth areas

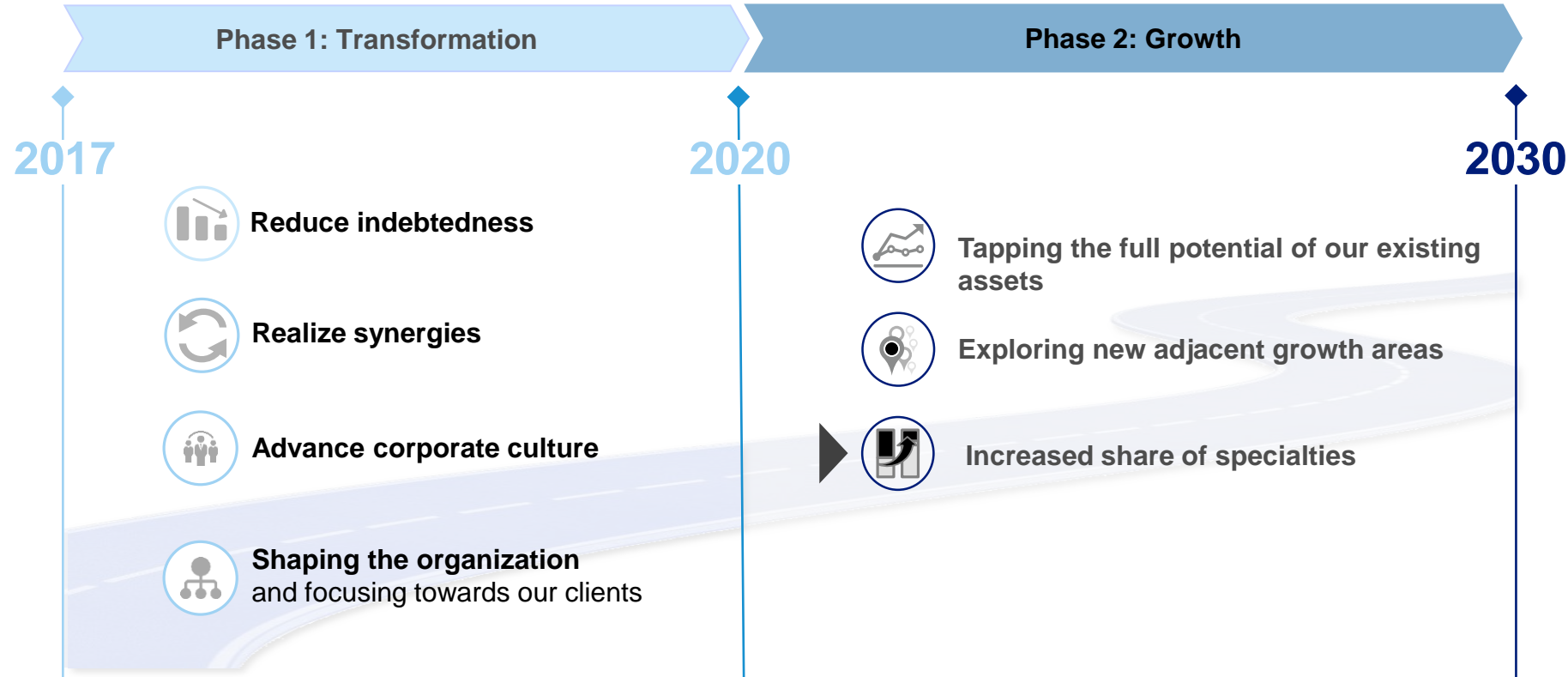
... pursuing growth by venturing into new markets where we can use our existing capabilities



## Increasing the share of our specialties business

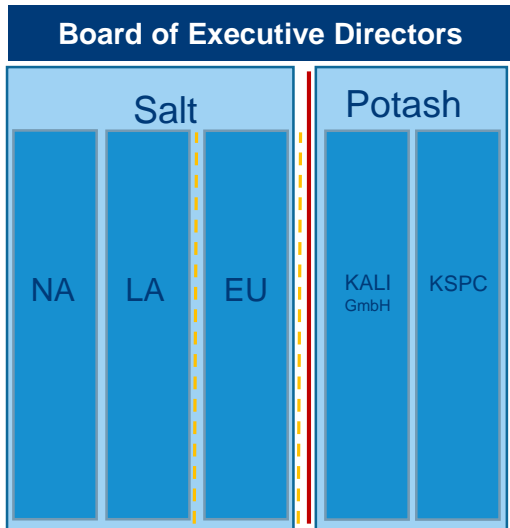
... to ensure an overall stabilized performance and reduce our dependency on standard products and weather

# We will implement our strategy in two phases

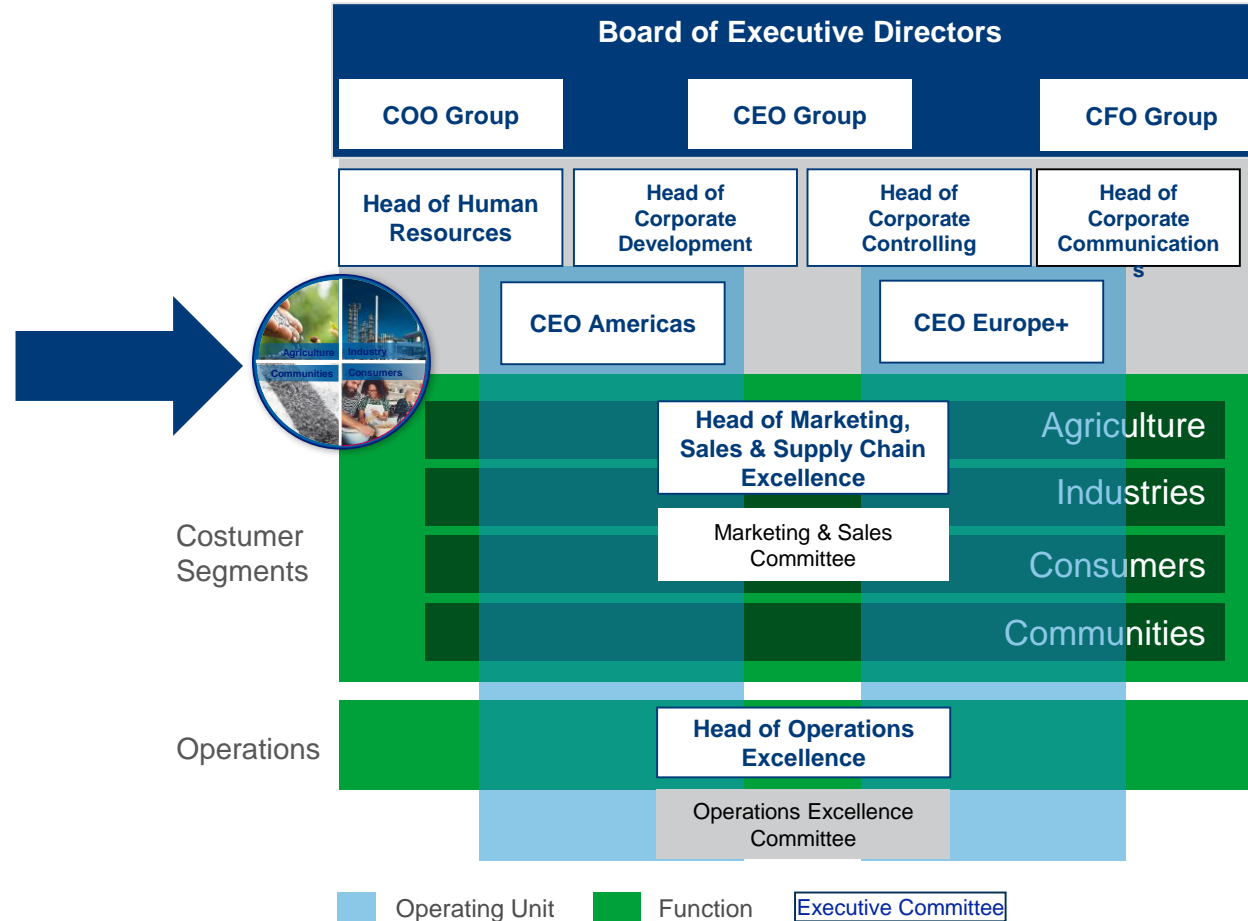


# Phase I: Building a basis for our growth options

## Divisional Silos



## Matrix



# Synergies

SHAPING  
2030

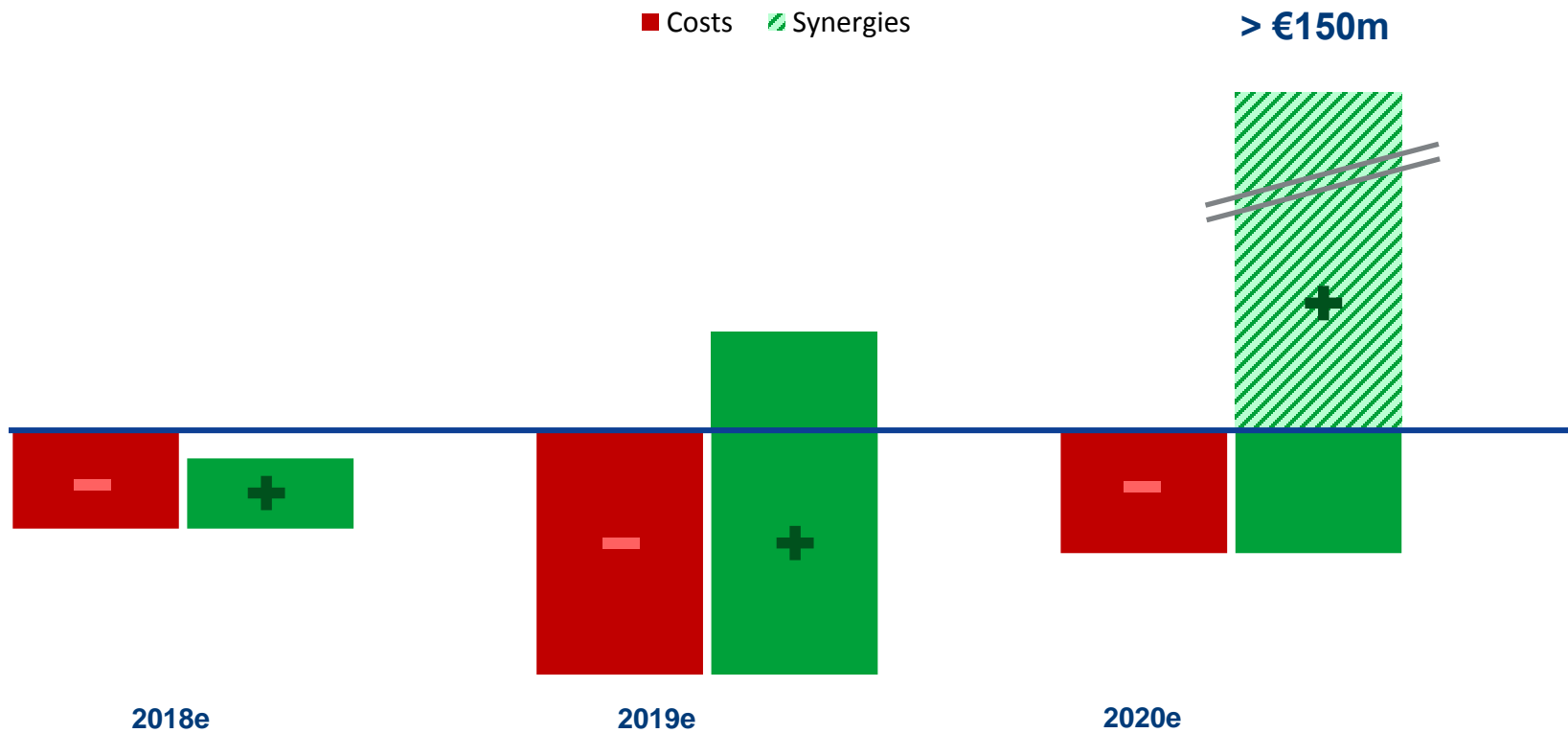


Leverage  
synergies

|                            | Sponsor | Synergies YE 2020<br>(vs. 2017) |
|----------------------------|---------|---------------------------------|
| SG&A Optimization          | CEO     | ~ €30m                          |
| Operations                 | COO     | > €50m                          |
| Procurement                | CFO     | > €30m                          |
| Supply Chain and Logistics | COO     | > €20m                          |
| Commercial Excellence      | COO     | > €20m                          |

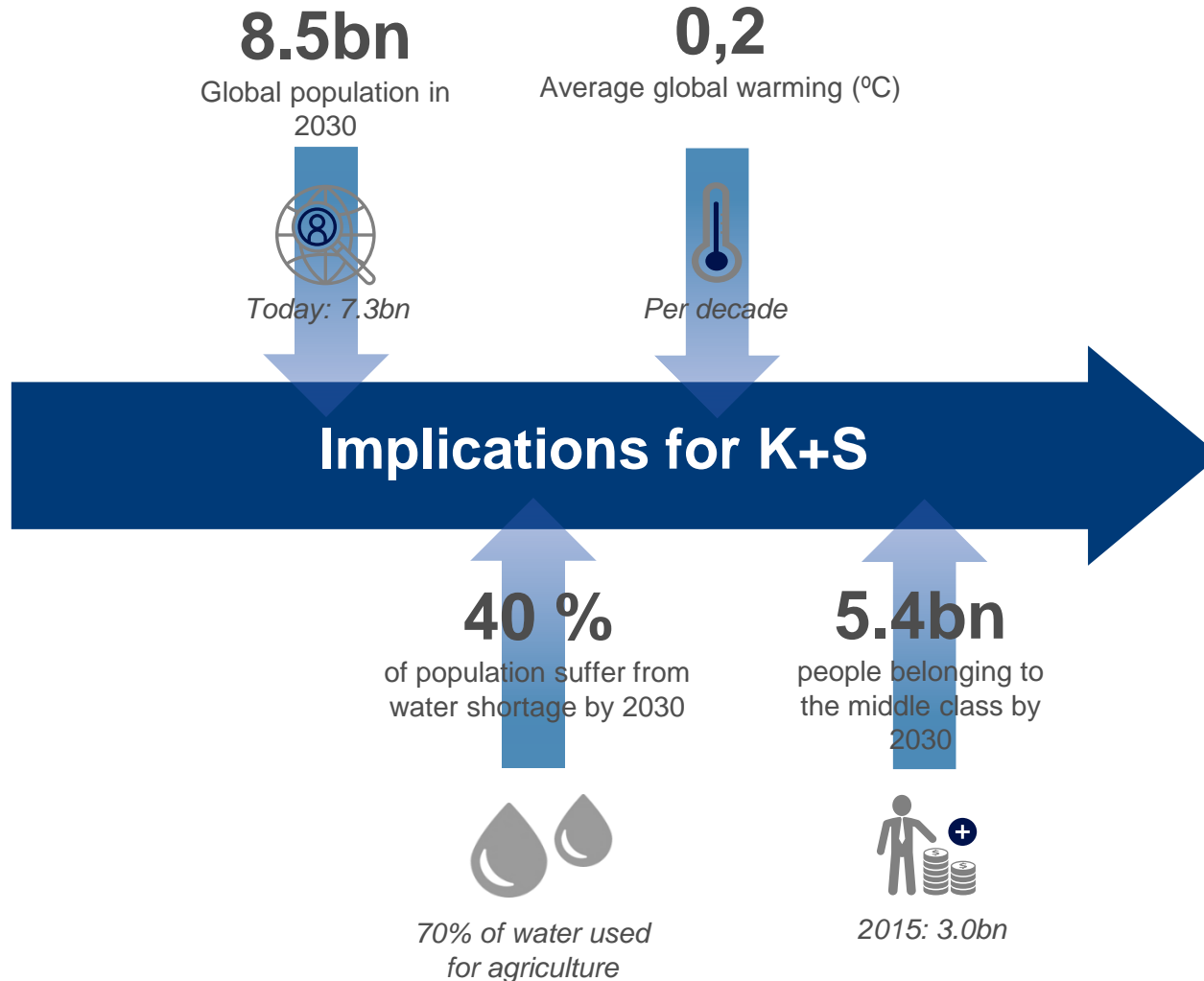
$\Sigma$  > €150m

# Shaping 2030 EBITDA impact



Total costs for synergy program: ~ €150m (end of 2020)

# Phase II: Important megatrends



- **Arable** land shrinking
- **Yield** needs to be **improved**
- Higher efficiency of **fertilization** and **irrigation** needed
- Plants have to be more **stress resistant**
- **Infrastructure** needs to be improved → focus on **renewable energy**
- **Growing population**, especially in **Asia**, needs **more salt** for various purposes

# Growth Areas

## K+S Growth Landscape

### Geo-expansion

#### Africa



#### Asia



### Fertilizer

#### Increase of fertilizer specialties



#### Ramp of low-cost commodities

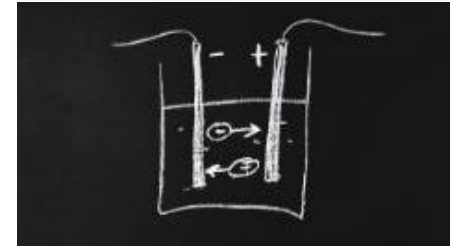


### Industry

#### Expand Pharma & Food portfolio



#### Chemical applications



Growth areas and ideas cover core and adjacent businesses



# K+S sustainability KPIs and targets 2030 – People



|        | Goal                  | KPI   | 2018                 | 2019 | Target by 2030 at the latest |
|--------|-----------------------|---|----------------------|------|------------------------------|
| People | Health & Safety       | Lost time incident rate (LTIR)  | 8.5                  | 10.3 | 0<br>Vision 2030             |
|        | Diversity & Inclusion | Employees' favorable perception of inclusive work environment (percent) | 68 <sup>(2015)</sup> | 54   | >90                          |
|        | Human Rights          | Sites covered by a human rights due diligence process (percent)         | 0                    | 8    | 100                          |

# K+S sustainability KPIs and targets 2030 – Environment



|             | Goal             | KPI  | 2018     | 2019     | Target by 2030 at the latest  |
|-------------|------------------|--|----------|----------|---|
| Environment | Water            | Deep-well injection of saline waste water in Germany (m <sup>3</sup> p.a.)   | 1.2      | 1.5      | 0 starting January 2022   |
|             |                  | Additional reduction of saline process water from potash production in Germany (m <sup>3</sup> p.a.)                   | +400,000 | +800,000 | -500,000 excluding reduction by KCF facility and end of production SI |
|             | Waste            | Amount of residues used for other purposes than tailings or increased amount of raw material yield (million tons p.a.) | 1.0      | 1.5      | 3   |
|             |                  | Additional area of tailings piles covered (ha)   | 5.9      | 8.7      | 155   |
|             | Energy & Climate | Carbon footprint for power consumed (kg CO <sub>2</sub> /MWh) (percent)  | -1.5     | -1.7     | -20   |
|             |                  | Specific greenhouse gas emissions (CO <sub>2</sub> ) in logistics (percent)  | -2.0     | -11.1    | -10   |

# K+S sustainability KPIs and targets 2030 – Business Ethics



|          | Goal                         | KPI   | 2018 | 2019 | Target by 2030 at the latest |
|----------|------------------------------|---|------|------|------------------------------|
| Business | Sustainable Supply Chains    | Critical suppliers aligned with the K+S Group Supplier Code of Conduct (SCoC) (percent)                   | 14.7 | 23.3 | 100<br>by end of 2025        |
|          |                              | Spend coverage of the K+S Group SCoC (percent)  | 29.4 | 44.9 | > 90<br>by end of 2025       |
|          | Compliance & Anti-Corruption | All employees reached by communication measures and trained appropriately in compliance matters (percent) | 70.9 | 100  | 100<br>by end of 2019        |

# Customer Segments

- **Agriculture**
- **Industry**
- **Consumers**
- **Communities**

# Long-term dynamics in demand for our Customer Segments

## Customer Segments

### Demand driven by ...



- Arable land shrinking
- Water shortage
- Increasing standard of living
- Population growth
- Economic growth and industrialization
- Urbanization
- Winter weather conditions
- Infrastructure development
- Global warming



# Customer Segment Agriculture at a Glance



## Customer Segment Agriculture

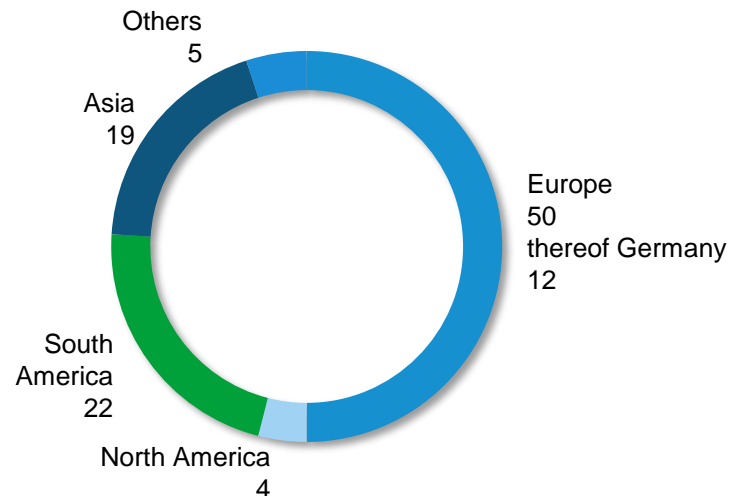


| in € million      | Q1/2019 | Q1/2020 |
|-------------------|---------|---------|
| Revenues          | 461.0   | 453.7   |
| Sales volume (mt) | 1.64    | 1.90    |
| EBITDA            | 124.2   | 97.1    |

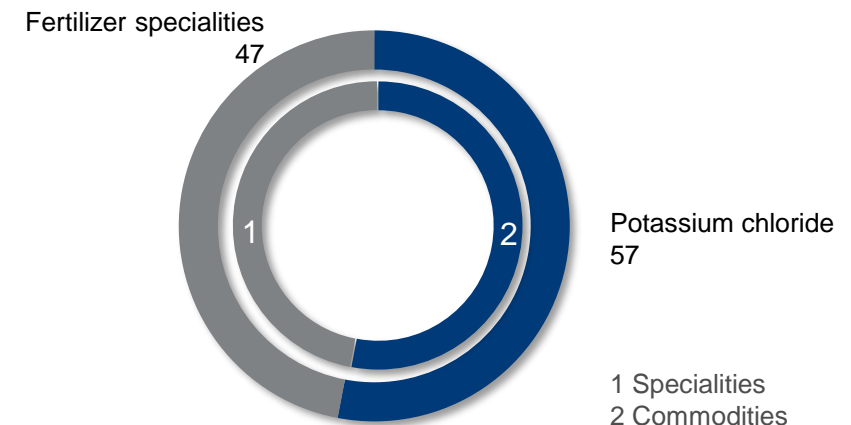
### Characteristics

- Close proximity to our main customers provide logistical advantages
- Shipments to overseas customers at competitive costs from Hamburg harbor
- Strong and long-standing customer relationships
- Broad specialty portfolio provides flexibility and stability, partly following different trends and seasons

### Revenue Split by Region 2019 (%)

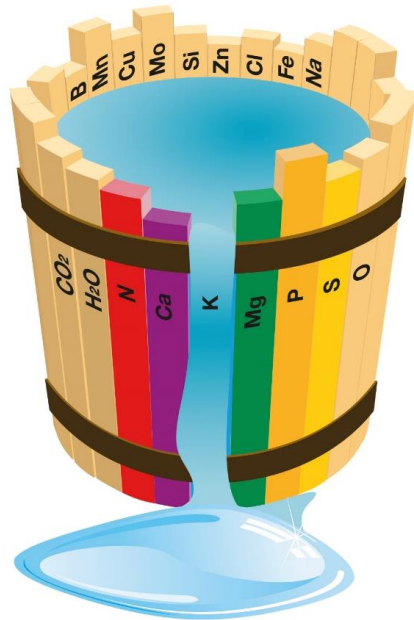


### Revenue Split by Products 2019 (%)



# Why use fertilizers?

## Customer Segment Agriculture



“The growth and yield of plants are limited by the nutrient which is in shortest supply”<sup>1</sup>

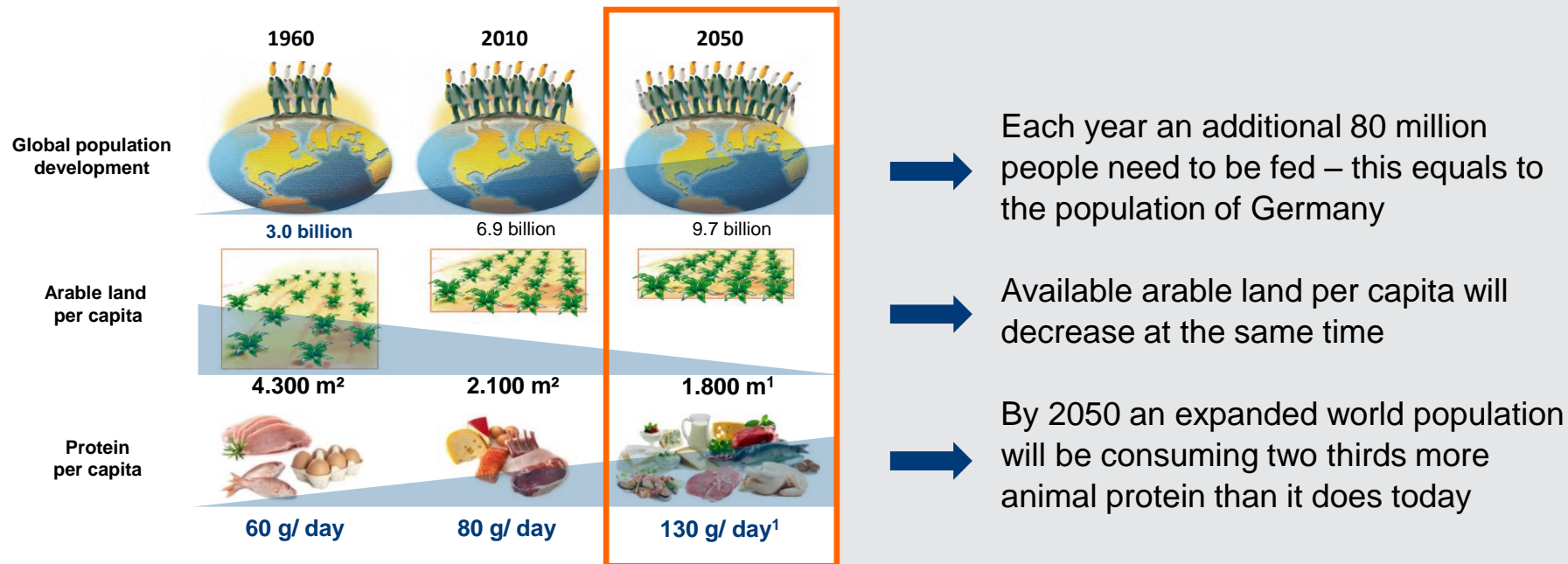
<sup>1</sup> Justus von Liebig, 'The Natural Laws of Husbandry', 1863

- For plants to thrive they need sunlight, water and **minerals**
- There are only few soils on earth which have a sufficient content and availability of **plant nutrients** to achieve **high yields** over a longer period without fertilization
- Potash is an **indispensable** supplement to the natural nutrient content of soils
- Compensation of the nutrient losses by harvest and other losses is necessary

# Long-term key drivers for our fertilizer business

## Customer Segment Agriculture

### Less arable land – but more protein consumption per capita



**In 2050, only roughly a quarter of a soccer field will be available to feed one person year round - 80 percent of future growth in crop production will come from yield advancements driven by balanced use of fertilizers**

Sources: UN, World Population Prospects, 2012 Revision, UNDP, 2013; FAOStat 2014

<sup>1</sup> FAO 2014 - forecasts based on the expected increase in animal protein



# What makes us different?

## Customer Segment Agriculture

### Fertilizer Specialties

**KALISOP®**

**Magnesia-Kainit®**

**Korn-Kali®**

**Patentkali®**

**ESTA® Kieserit**

**EPSO<sub>2</sub>Top®**

### Potassium Chloride (MOP)

**60<sub>er</sub> Kali®**

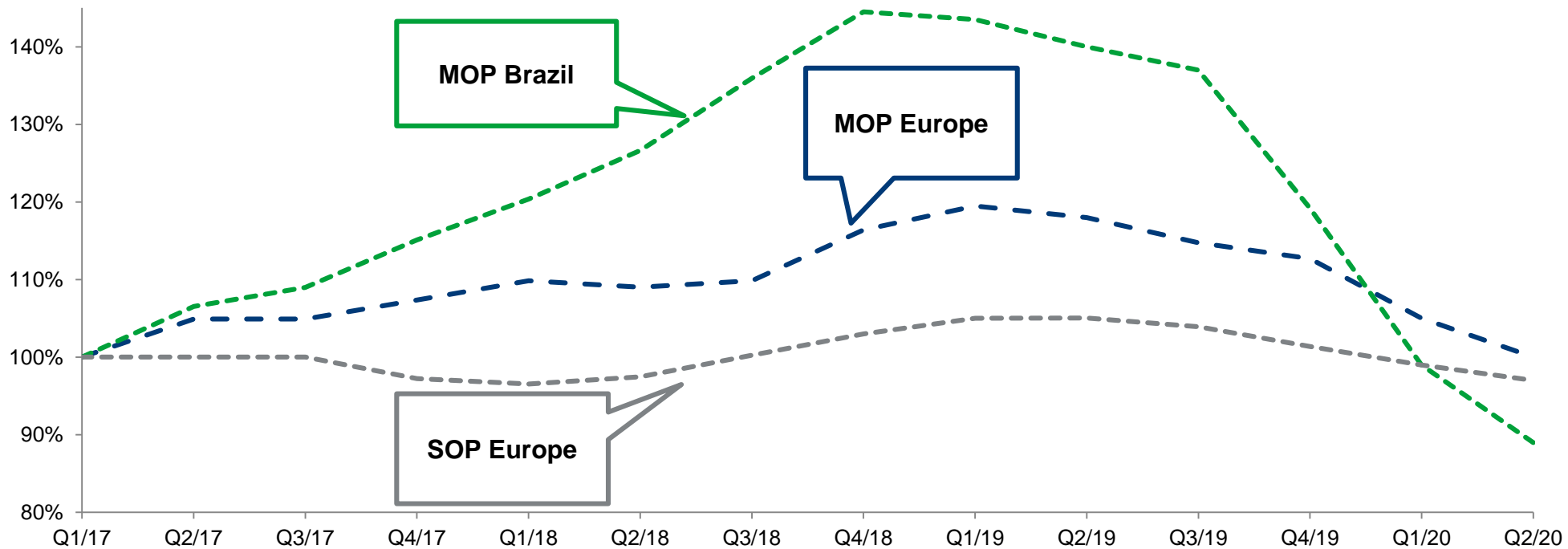
- mainly used for special applications (e.g. chloride-sensitive crops)
- products containing a broad range of nutrients (e.g. potash, magnesium, sulphur)
- premium products used for high-value crops

- can be applied universally to all crops not sensitive to chloride and to all types of soil
- standard product used for commodity crops

# Potash Price Development

Customer Segment Agriculture

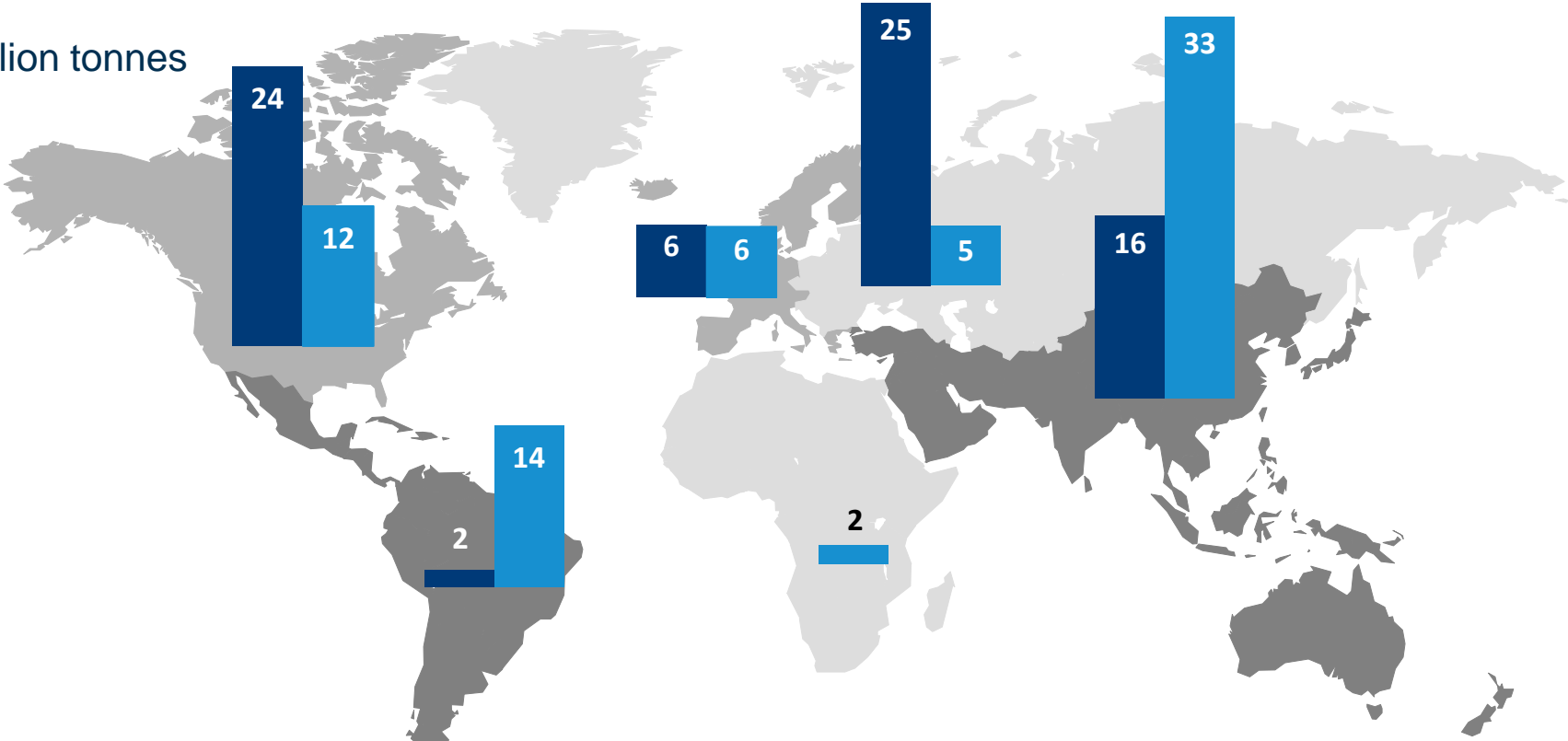
Pricing (Source: FMB)



# World potash production and sales by region

## Customer Segment Agriculture

in million tonnes



Basis: year 2018

Incl. sulphate of potash and low-grade potash

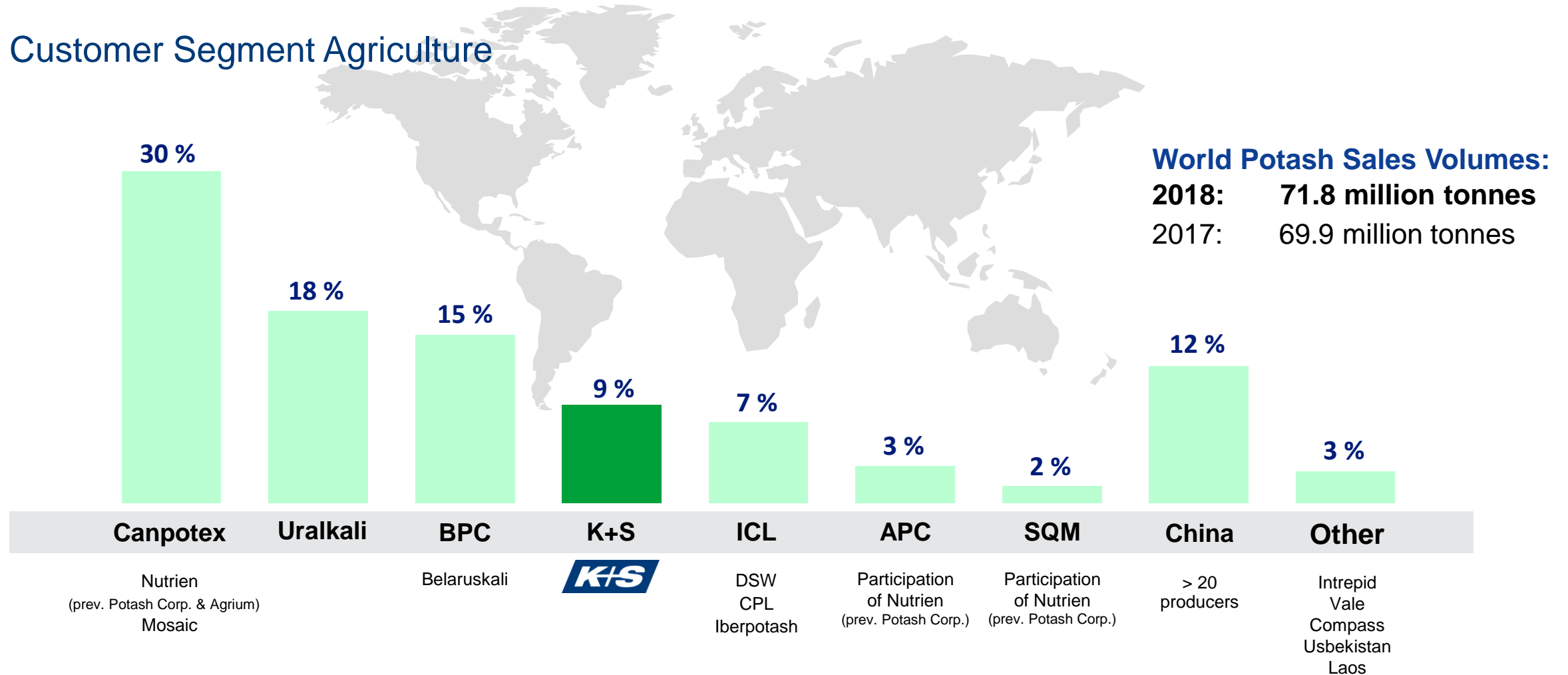
Sources: IFA, K+S

**World potash production:**  
**2018: 72.3 million tonnes**  
 2017: 70.4 million tonnes

**World potash sales volume:**  
**2018: 71.8 million tonnes**  
 2017: 69.9 million tonnes

# Supplier structure on the world potash market

## Customer Segment Agriculture



Basis: 2018

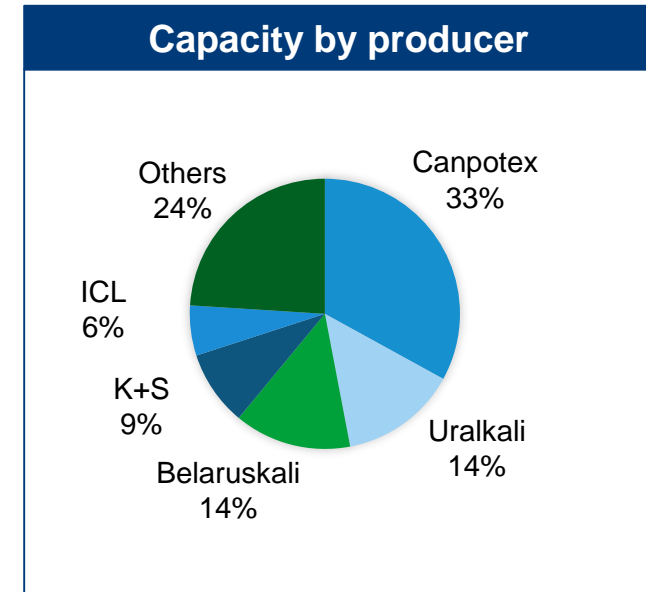
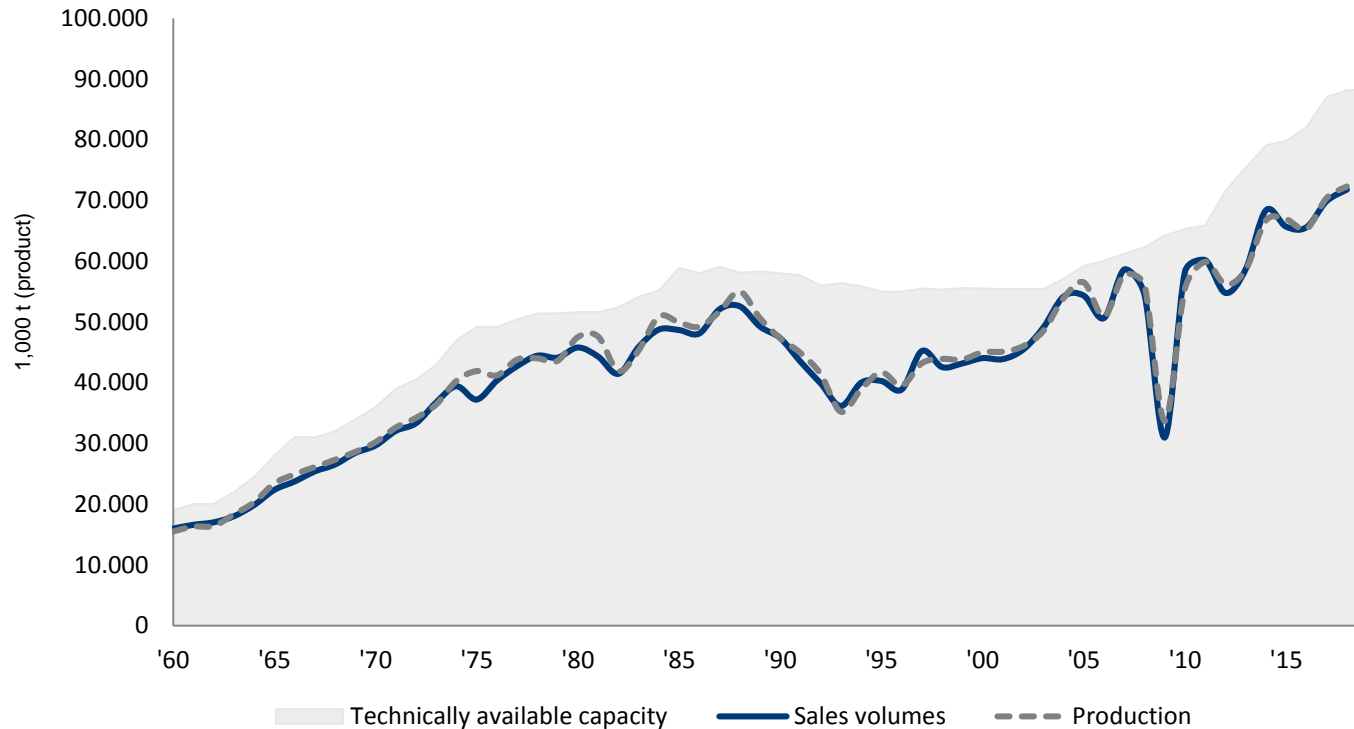
Source: IFA, K+S

Incl. potassium sulphate and potash grades with lower K<sub>2</sub>O content

# World potash supply and demand

## Customer Segment Agriculture

Production is driven by demand despite continuous excess capacity



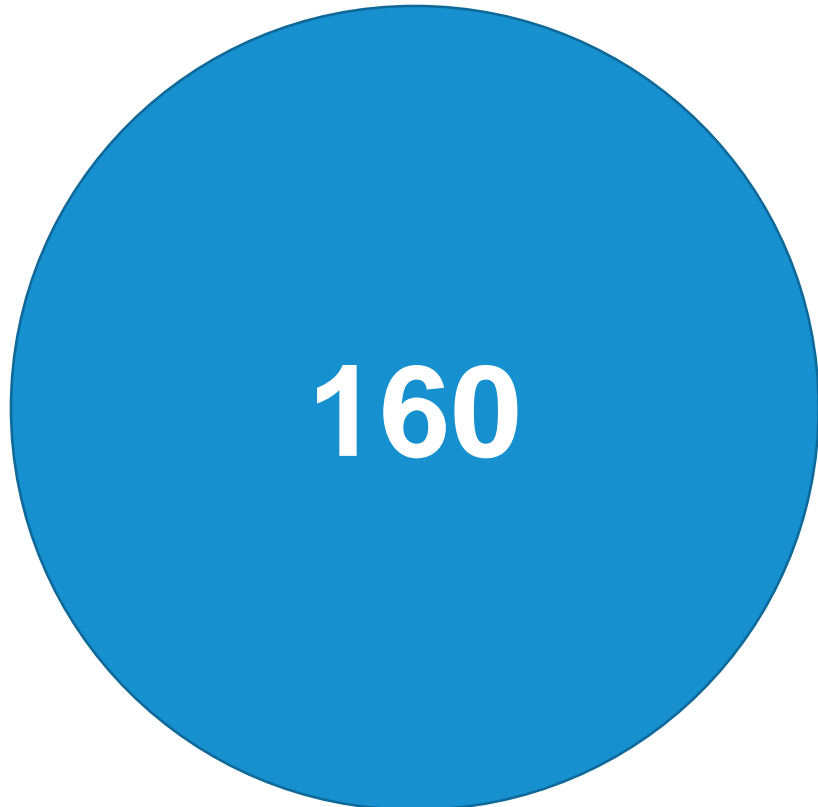
Basis: year 2018

Source: IFA, K+S; incl. sulphate of potash and low grade potash of about 5 million tonnes eff. (product)

# Customer Segment Agriculture

Between plan and Reality: Potash projects announced since 2006 (Greenfield)

Announced projects or in early development phases



Projects with a high probability of implementation by 2025

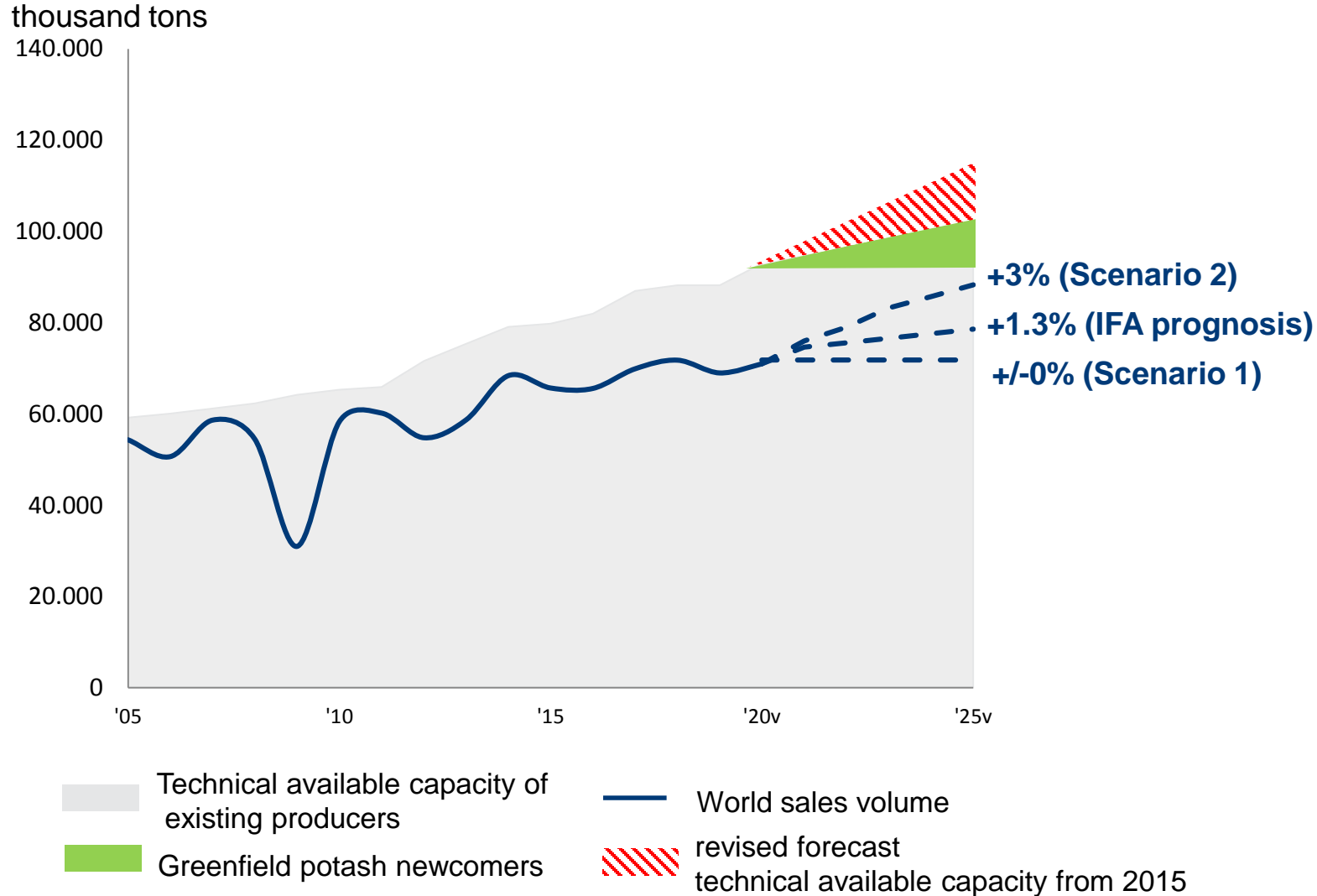


Projects in ramp-up phase



# Customer Segment Agriculture

What is behind the greatly feared oversupply?

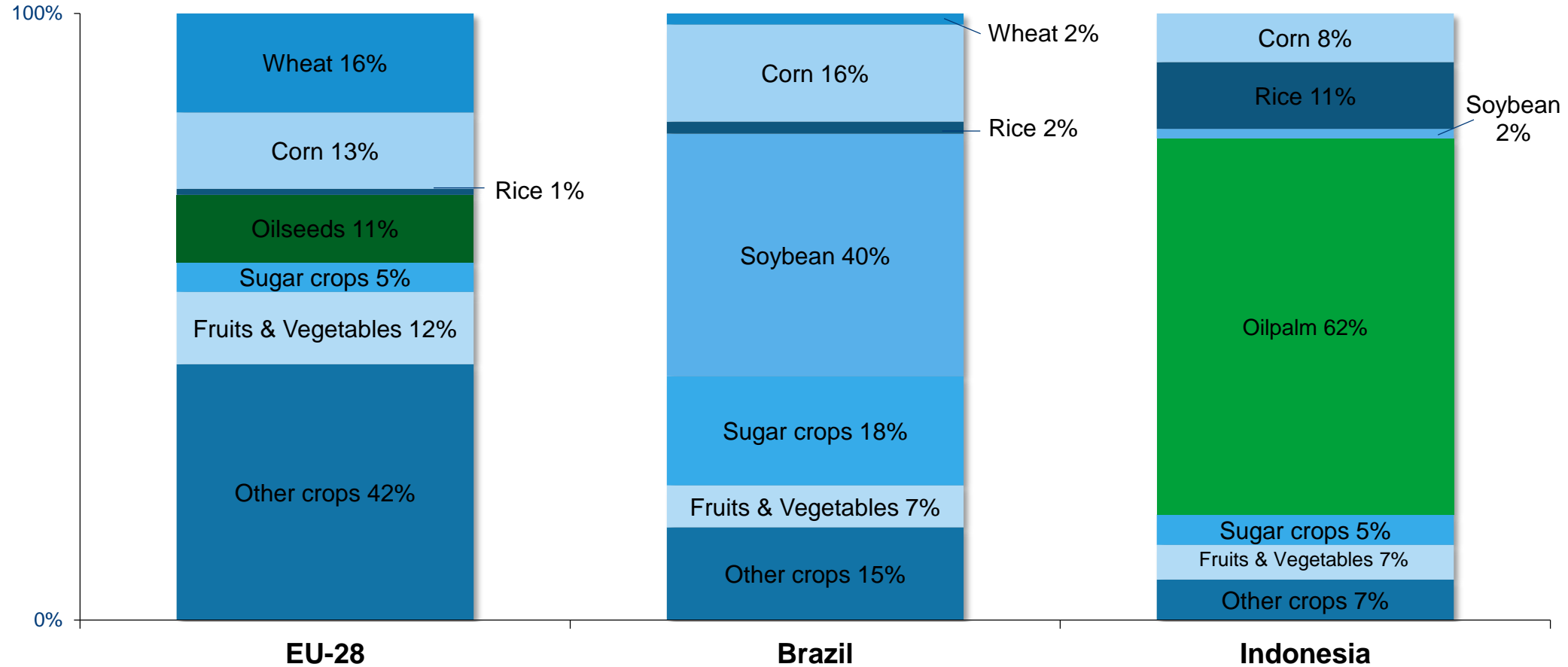


- Only 5 years ago, the technically available capacity in 2025 was estimated to be 12 million tons higher than today
- Even now, greenfield projects by potash newcomers will still account for a significant share of the total until 2025
- Non-utilization of capacity by existing producers not taken into account
- Global capacity load should level off at the long-term average by 2025

Source: IFA, K+S; including potassium sulfate and potash varieties with a lower K<sub>2</sub>O content of about 5 million tonnes eff.

# Potash use by crop in selected countries

## Customer Segment Agriculture

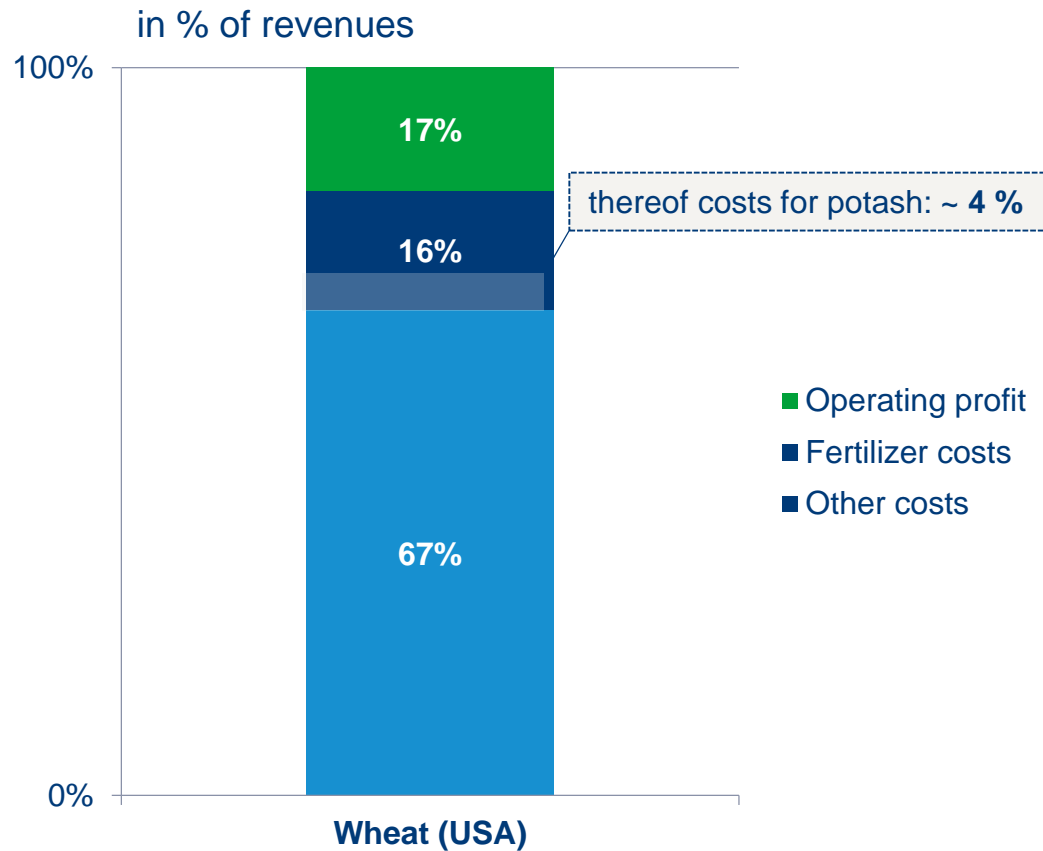


Source: IFA , Estimates of Fertilizer Use by Crop in Selected Countries in 2010-2010/11, published 2013



# Farmer profitability of US corn

## Customer Segment Agriculture



- Expenditure on potash products only amounting to approx. 4% of the total costs
- Earnings prospects should give the agricultural industry sufficient incentive to increase yield per hectare by using plant nutrients

# World potash sales volume by region

## Customer Segment Agriculture

| million tons         | 2011        | 2012        | 2013        | 2014        | 2015        | 2016        | 2017        | 2018        |
|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Western Europe       | 5.9         | 5,6         | 5,8         | 6,2         | 6,0         | 5,9         | 6,2         | 6,2         |
| Central Europe / FSU | 4.4         | 5,1         | 4,7         | 4,4         | 4,8         | 4,8         | 5,2         | 5,4         |
| Africa               | 0.7         | 0,7         | 0,8         | 1,0         | 1,0         | 1,1         | 1,4         | 1,6         |
| North America        | 10.2        | 9,1         | 9,7         | 11,8        | 9,5         | 10,9        | 11,2        | 11,5        |
| Latin America        | 10.5        | 10,5        | 11,0        | 11,9        | 11,5        | 12,2        | 12,7        | 13,7        |
| Asia                 | 28.0        | 23,4        | 26,2        | 32,4        | 32,3        | 30,1        | 32,5        | 32,6        |
| - thereof China      | 12.7        | 12,0        | 13,8        | 16,7        | 18,5        | 16,2        | 16,2        | 16,3        |
| - thereof India      | 5.0         | 2,8         | 3,5         | 4,5         | 4,1         | 4,0         | 5,0         | 4,5         |
| Oceania              | 0.5         | 0,4         | 0,5         | 0,7         | 0,6         | 0,6         | 0,7         | 0,8         |
| <b>World total</b>   | <b>60.2</b> | <b>54,8</b> | <b>58,7</b> | <b>68,4</b> | <b>65,7</b> | <b>65,6</b> | <b>69,9</b> | <b>71,8</b> |

Incl. potassium sulphate and potash grades with lower K<sub>2</sub>O content of around 5 million tonnes eff.

Sources: IFA, K+S

# Customer Segment Industry at a Glance



## Customer Segment Industry

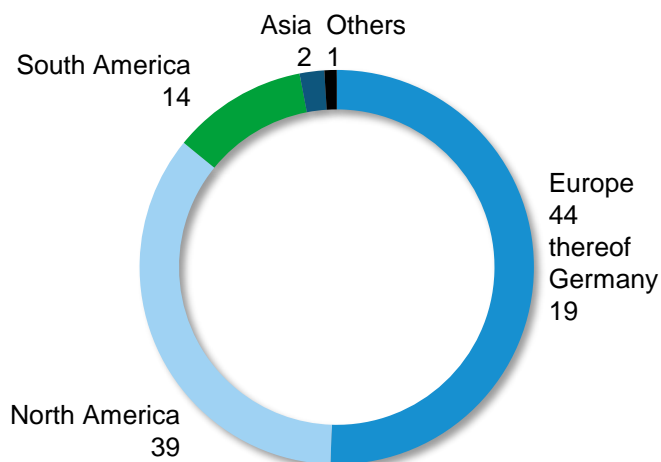


| in € million      | Q1/2019 | Q1/2020 |
|-------------------|---------|---------|
| Revenues          | 281.8   | 294.1   |
| Sales volume (mt) | 2.44    | 2.58    |
| EBITDA            | 58.5    | 55.1    |

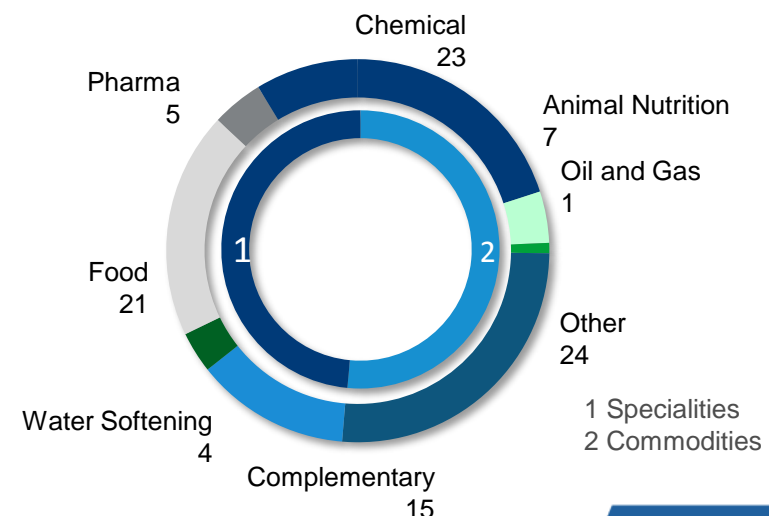
## Characteristics

- Emerging markets: Footprint in rising markets such as Asia as industrialization drives demand for electrolysis
- Electrolysis and specialties: High product quality, service and customer proximity
- Pharma: High quality standards, certificates, innovation and superior customer services as well as reliability

## Revenue Split by Region 2019 (%)



## Revenue Split by Products 2019 (%)



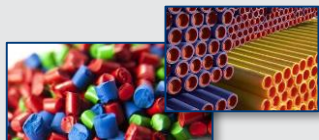
# Broad variety of application areas (1)

## Customer Segment Industry



### Chemical

- **Main applications:**
- Chemical industry
- Chlor-Alkali processes (→ PVC)
- Polycarbonates , MDI (Isocyanat) (→ plastics, synthetic resin)
- Synthetic Soda Ash (→ glass)



### Food processing

- **Main applications:**
- Food processing industry
- Baking industry
- Condiment and preservative agent
- Preserving of fish



### Pharma

- **Main applications:**
- Infusion, dialysis solutions
- Pharmaceuticals



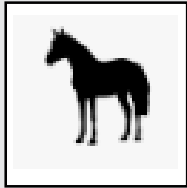
### Oil and Gas

- **Main applications:**
- Drilling fluids



# Broad variety of application areas (2)

## Customer Segment Industry



### Animal Nutrition

#### Main applications:

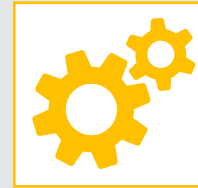
- Animal feed
- Lickstones



### Water softening

#### Main applications:

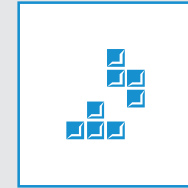
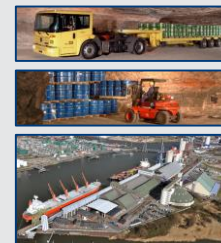
- Water softening
- Water treatment



### Complementary

#### Main services:

- Waste Management and Recycling
- Granulation of Catsan® for Mars GmbH
- K+S Transport GmbH
- CFK (Trading)



### Other

#### Main services:

- Dyeing works
- Leather treatment



# Customer Segment Consumer at a Glance



## Customer Segment Consumer



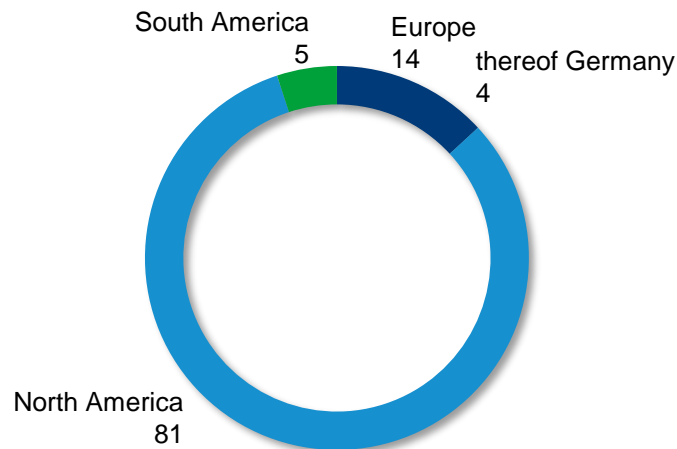
| in € million      | Q1/2019 | Q1/2020 |
|-------------------|---------|---------|
| Revenues          | 119.6   | 122.2   |
| Sales volume (mt) | 0.48    | 0.43    |
| EBITDA            | 16.4    | 21.2    |

## Characteristics

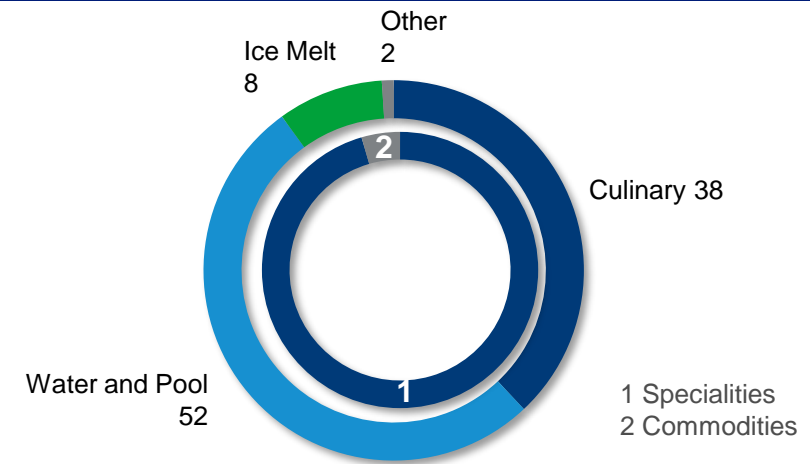
- Our brands – and particularly MORTON SALT – can be found on shelves around the world. Every child in the United States knows our “Umbrella Girl”.



## Revenue Split by Region 2019 (%)



## Revenue Split by Products 2019 (%)



# Customer Segment Communities at a Glance



## Customer Segment Communities

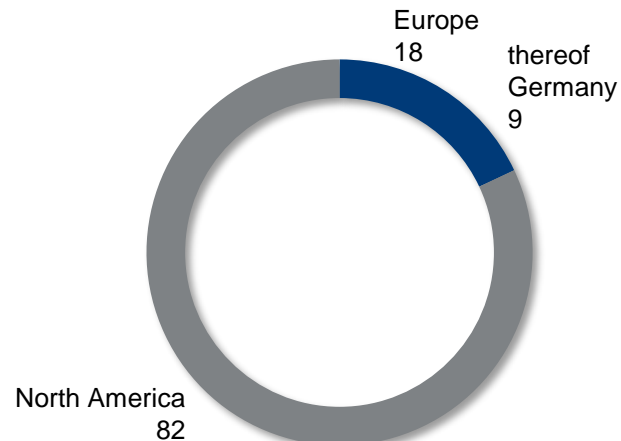


| in € million      | Q1/2019 | Q1/2020 |
|-------------------|---------|---------|
| Revenues          | 400.6   | 218.5   |
| Sales volume (mt) | 7.11    | 3.61    |
| EBITDA            | 85.6    | 42.7    |

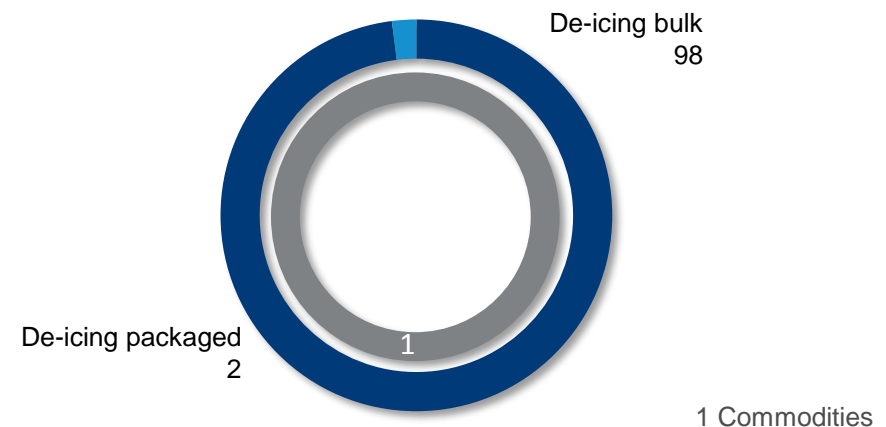
### Characteristics

- Unrivalled global production and logistics network: Geographical diversification of production facilities within a region and across continents
- Diverse regional portfolio of de-icing salt markets

### Revenue Split by Region 2019 (%)

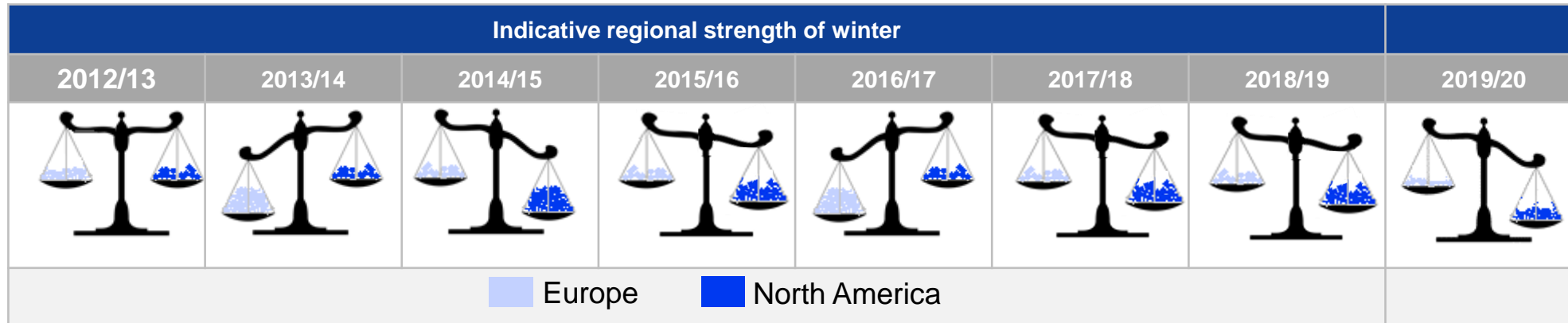
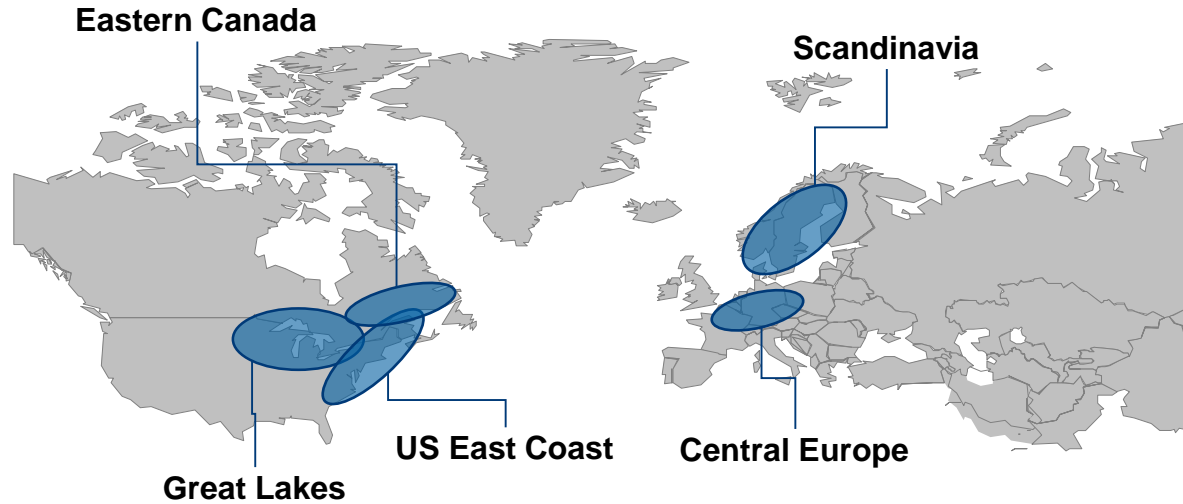


### Revenue Split by Products 2019 (%)



# Presence in attractive de-icing markets

## Customer Segment Communities

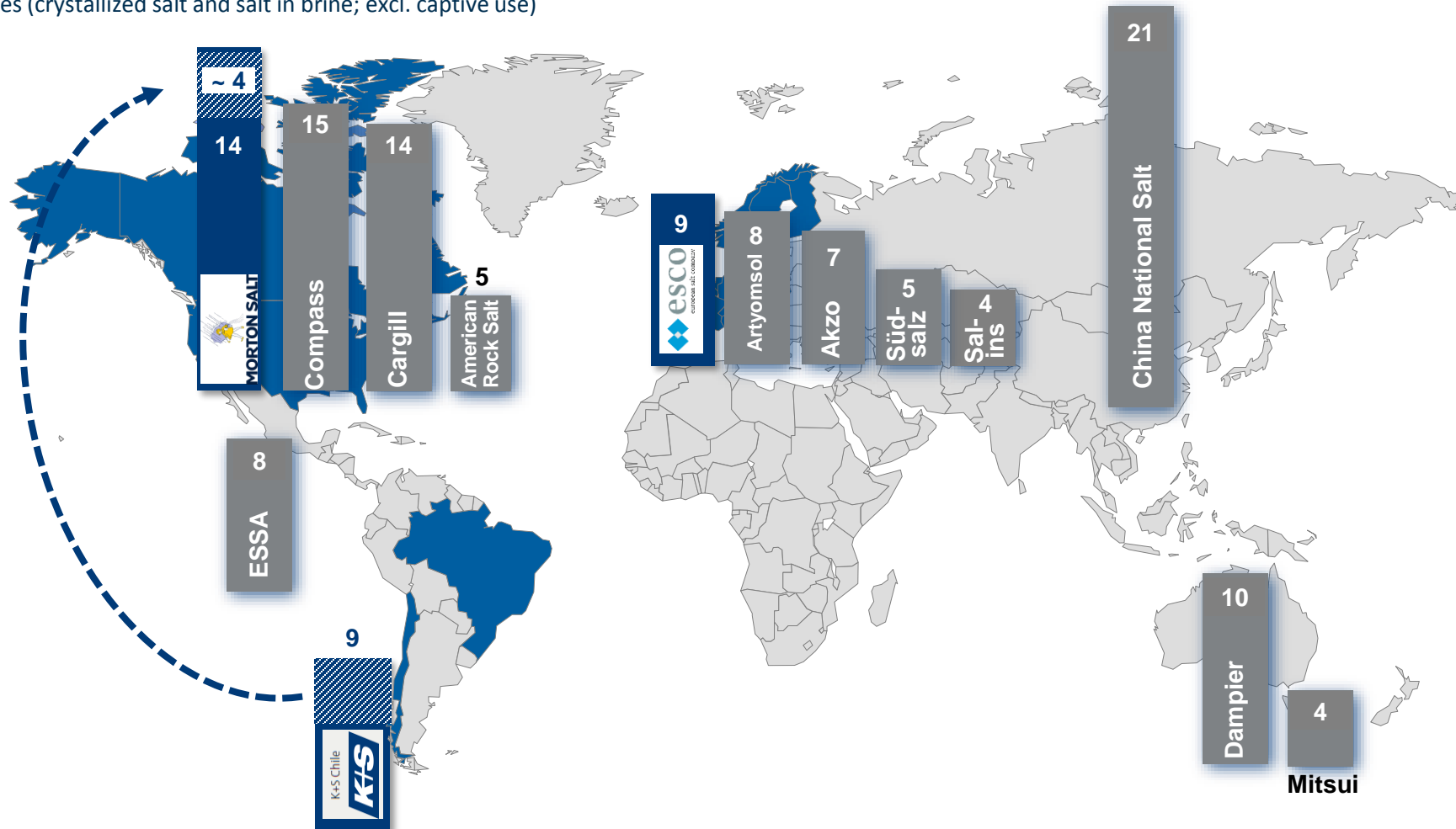




# Main salt suppliers worldwide

## Customer Segments Industry, Consumers, Communities

Capacity in million tonnes (crystallized salt and salt in brine; excl. captive use)

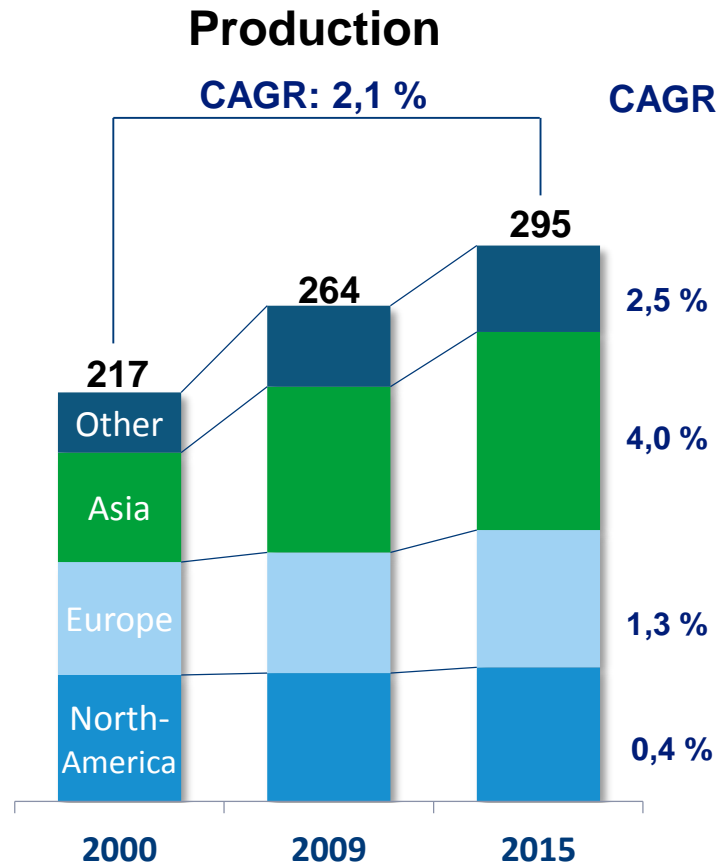
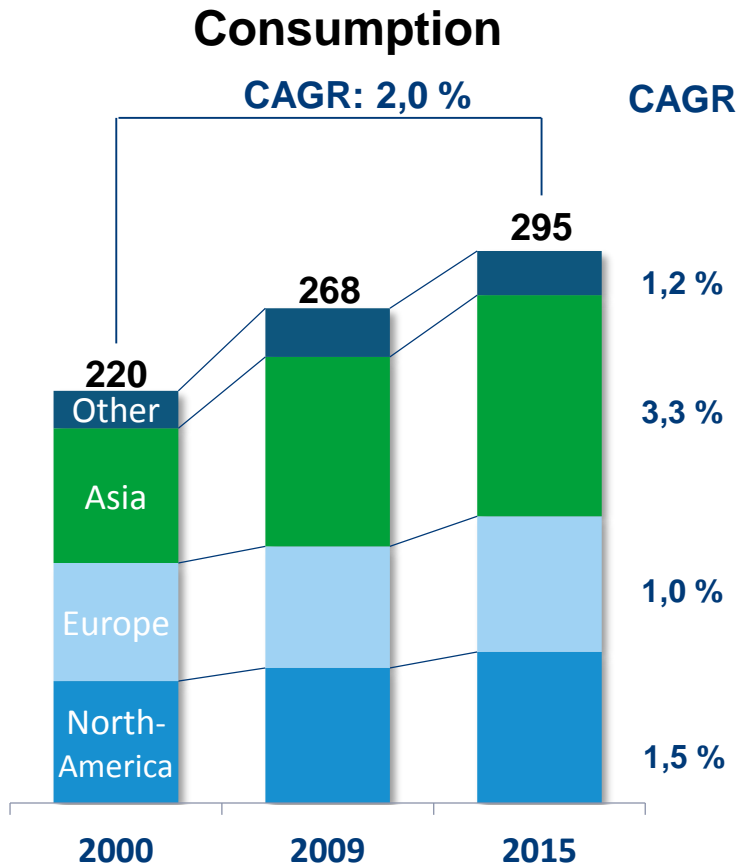


Source: Roskill 2016, K+S

# Development of salt consumption and production<sup>1</sup>

Customer Segment Industry, Consumers, Commodities

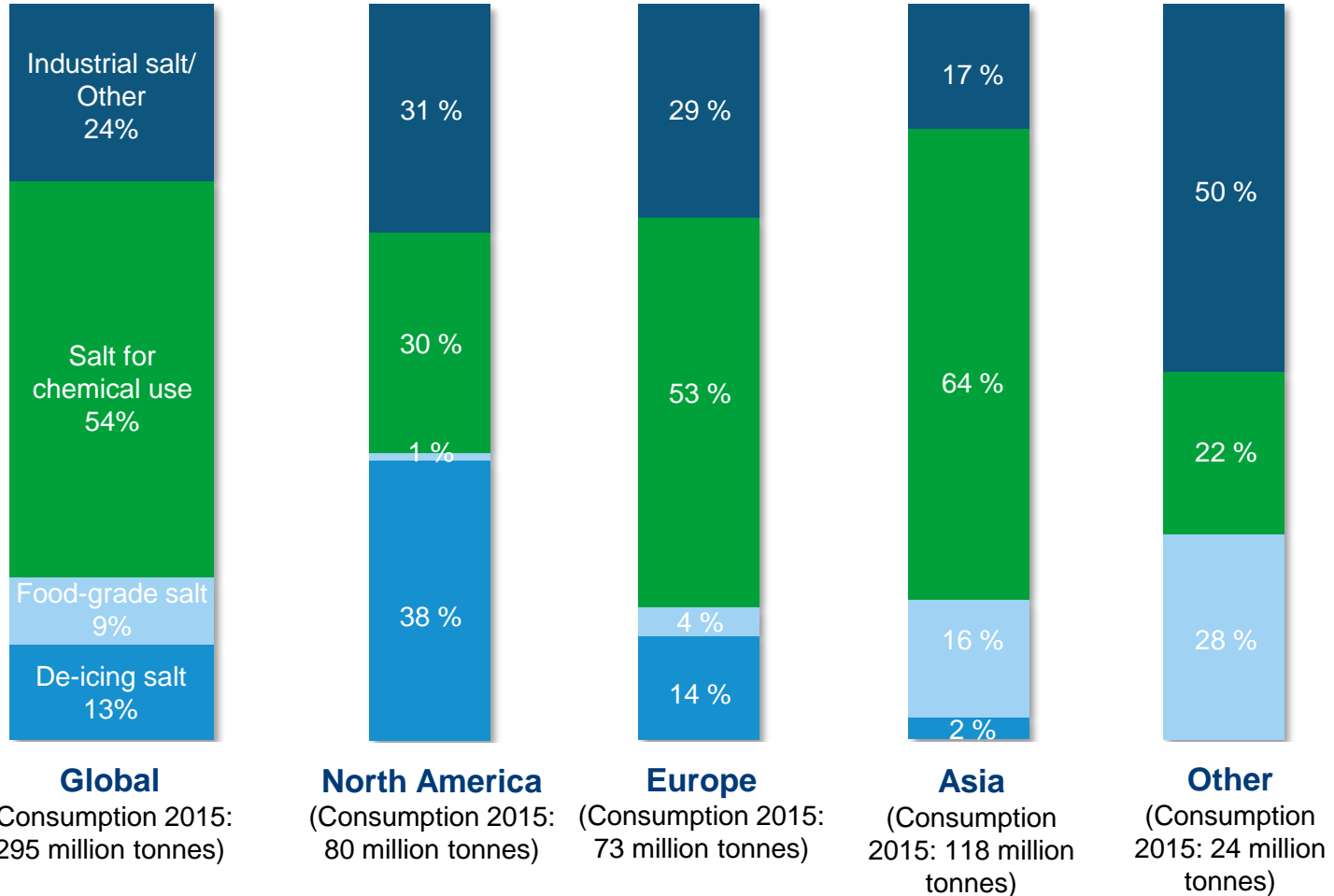
in million tonnes



<sup>1</sup> excl. captive use; Source: K+S, Roskill 2011, 2014, 2016

# Salt consumption by product group<sup>1</sup>

Customer Segment Industry, Consumers, Commodities

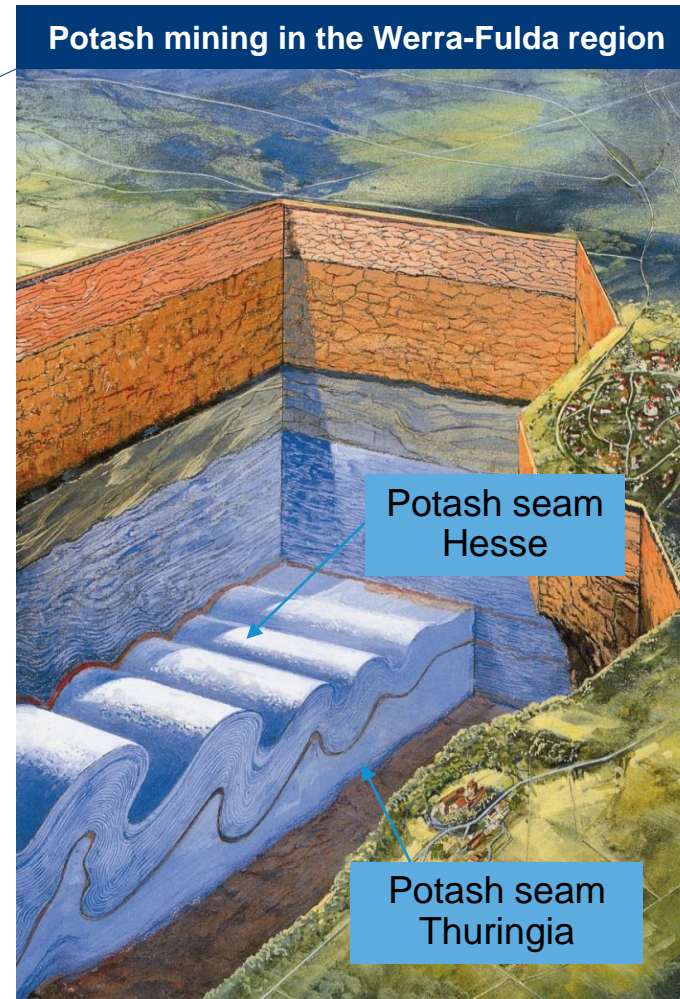
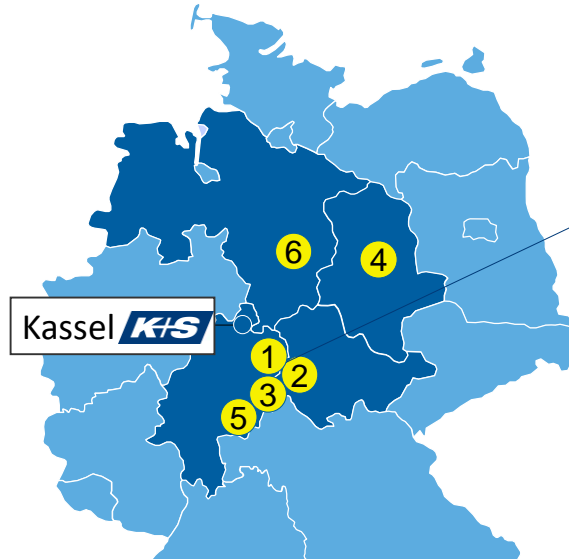


**K+S**

**Production**

# Potash sites in Germany

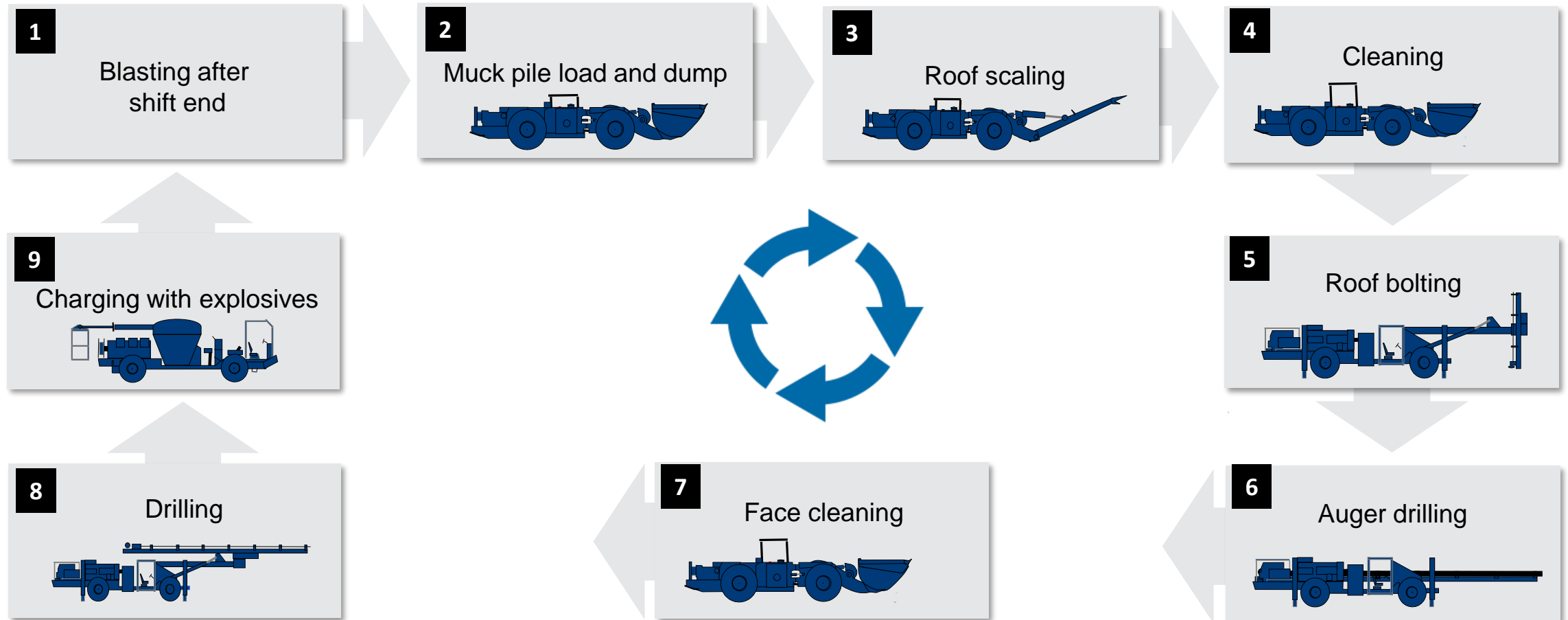
## Potash Production



| Share of annual production capacity (in %)                  |                          |      |
|---|--------------------------|------|
| 1. Wintershall  | } Integrated Werra Plant | ~ 50 |
| 2. Unterbreizbach   |                          |      |
| 3. Hattorf  |                          |      |
| 4. Zielitz  |                          | ~ 25 |
| 5. Neuhof-Ellers  |                          | ~ 20 |
| 6. Bergmannssegen-Hugo<br>(production site only, no mining) |                          | ~ 5  |

# Underground mining production cycle

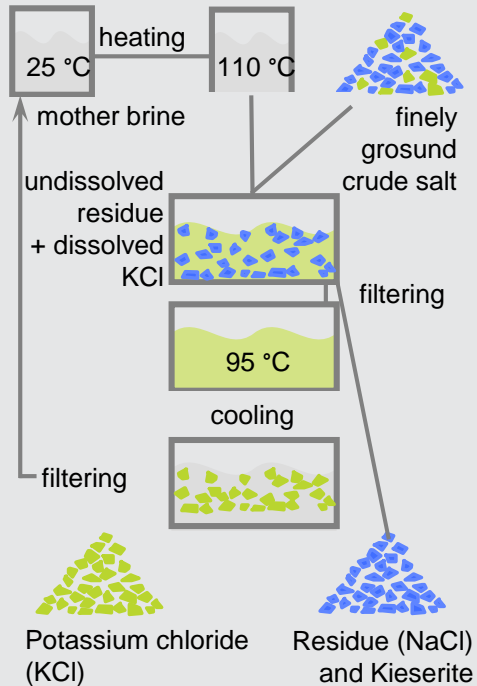
## Potash Production



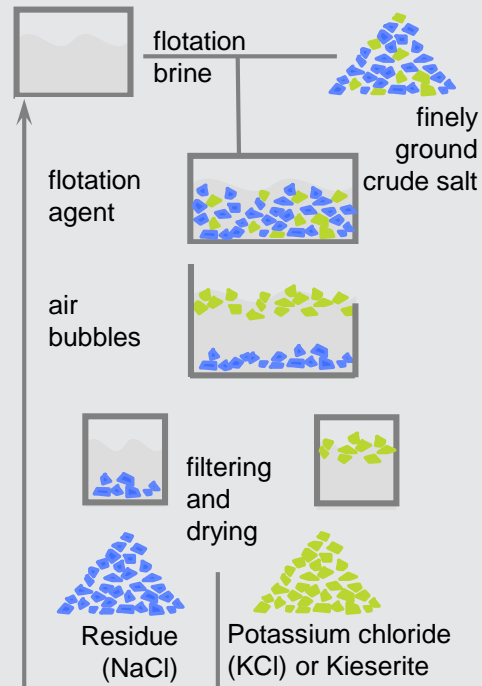
# Potash processing above ground

## Potash Production

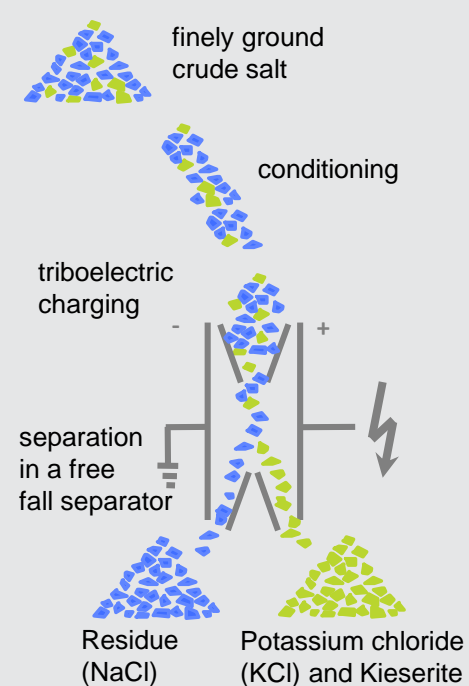
### Thermal dissolution



### Flotation



### Electrostatic separation (ESTA®)



# Management of residues

## Potash Production

- The mined rock salt only contains a limited share of usable material (max. 30%), therefore a residue accumulation is unavoidable.
- This challenge is shared among all potash producing companies in the world!
- The reutilization of residues is performed as effective as possible.
- The techniques and the technology of constructing tailings piles (heaps) are proved and tested.
- In total, 4 different ways of disposing solid and liquid residues are used world wide:



Tailings piles



Underground disposal



River injection\*



Deep well injection  
(for K+S in the Hessian-Thuringian  
potash district until the year 2021)

Ø share of residue disposed via this way of disposing in the Hessian-Thuringian potash district:

~80%

~9%

~8%

~3%

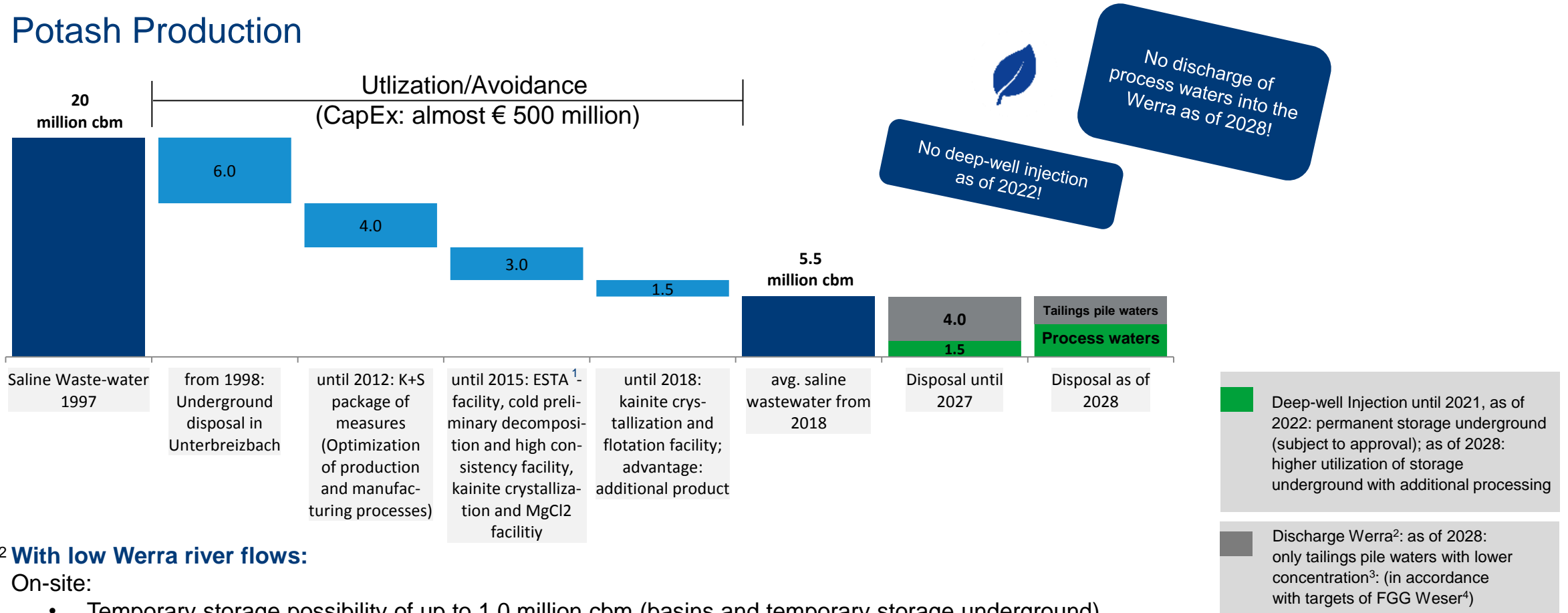
- These ways of disposal – depending on the corresponding site – are used also in combination. They currently represent the best available technique.

\* With low river water levels in the Werra, there are possibilities for K+S in the Hessian-Thuringian potash district to temporarily store liquid residues in water basins or suitable mine spaces on site or temporary ways of disposal by flooding decommissioned mines or gas caverns in Lower Saxony or Saxony-Anhalt.



# Development Saline Wastewater River Werra

## Potash Production



### <sup>2</sup> With low Werra river flows:

#### On-site:

- Temporary storage possibility of up to 1.0 million cbm (basins and temporary storage underground)

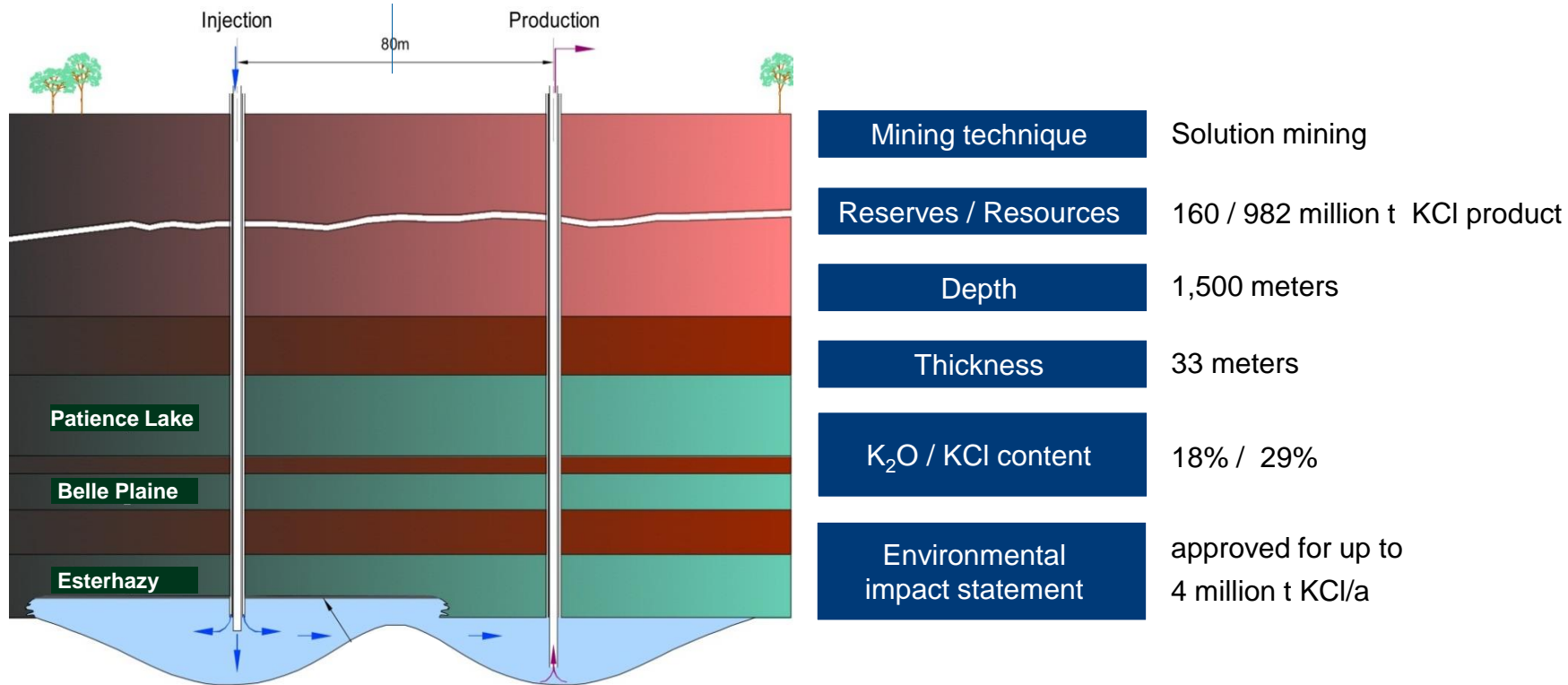
#### Off-site:

- Flooding of decommissioned mines or gas caverns for their restoration

<sup>1</sup>Electrostatic separation method; <sup>2</sup>Further reduction and avoidance of tailings pile waters targeted by building polders and covering tailings piles; continuing R&D developments, amongst others together with the company K-UTEC to be able to produce additional products from process and tailings pile waters. <sup>3</sup> River Basin Community Weser

# Bethune – Solution mining (example: primary mining)

## Potash Production

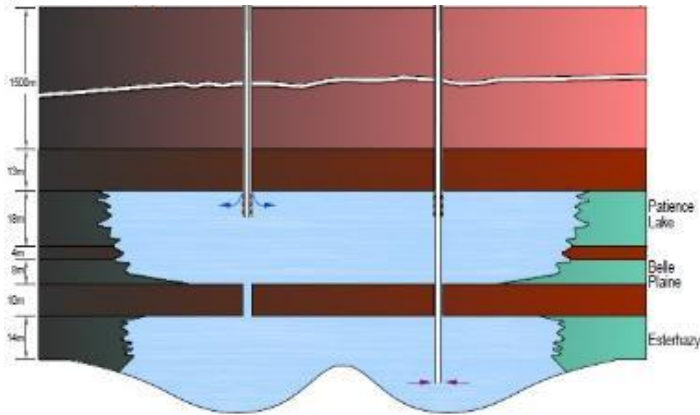


- In solution mining, freshwater is brought into solvent (salt) rock through a drill hole, therefore creating chambers, or caverns, filled with a water-salt solution. In a subsequent step, the saturated brine is brought to the surface through an additional pipeline.
- During the primary mining process, the cavern expands to create an ideal form for commencing secondary mining (see next page).

# Bethune – Primary versus Secondary Mining

## Potash Production

### Secondary Mining [NaCl brine mining / crystallisation pond]

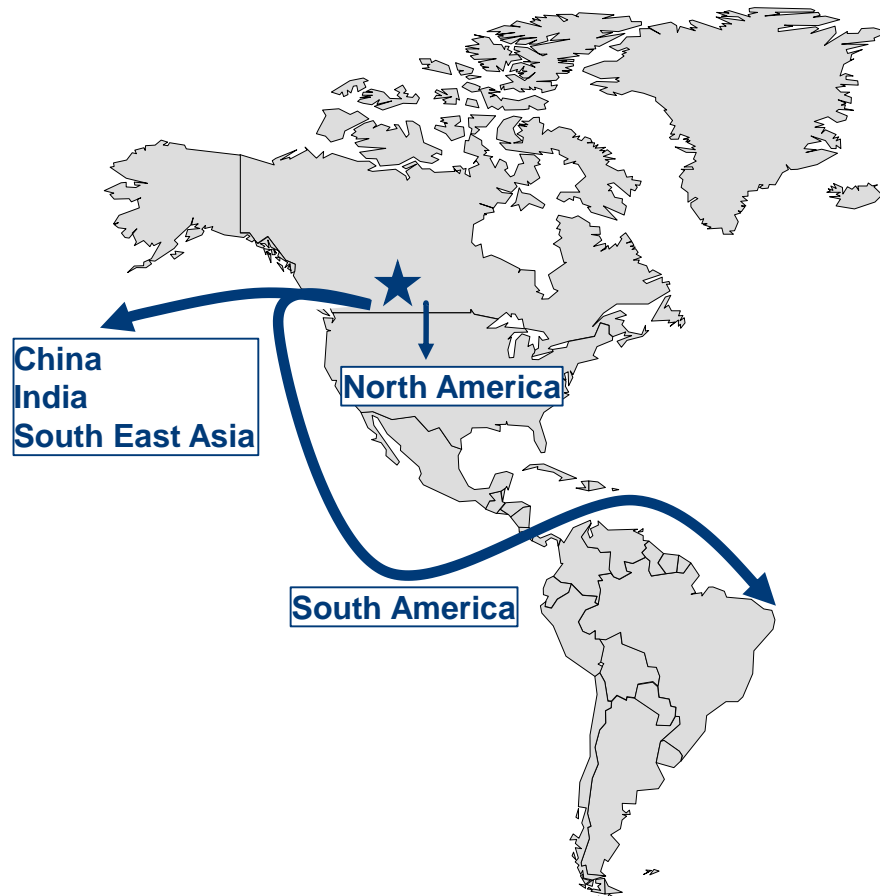


**Operates at 50% lower  
production costs than  
Primary Mining**

- Secondary mining exclusively uses a NaCl-saturated brine in order to dissolve selectively KCl from the existing caverns.
- **Advantages (in comparison to primary mining):**
  - lower energy intensity (e.g. injection brine is heated via waste heat from evaporators and KCl is crystallized in the cooling pond via natural cooling)
  - substantially more efficient with the use of water
  - reduces salt to tailings up to 30 %

# Bethune – strengthening our global presence

## Potash Production



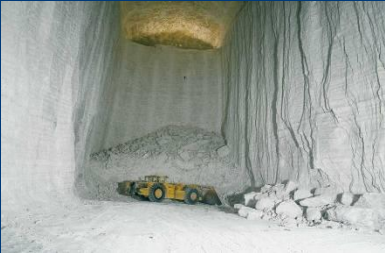
- Expanding our current production portfolio in Germany with a North American production site → **Second-source supplier**
- Securing a **good asset base** with **competitive production costs**
- Sales and distribution through **existing distribution structures** of the K+S Group
- **Exclusive outline agreement** with **Koch Fertilizer** about supply and sales of Potash fertilizers in the US
- **Regional growth projects** in China and Southeast Asia
- **Flexible multi-product strategy**

# Main production methods

## Potash Production

### Rock salt

Conventional  
mining



### Sea-/Solar salt

Crystallization  
from sea water



### Evaporated salt

Recrystallization  
of purified brine



### Brine

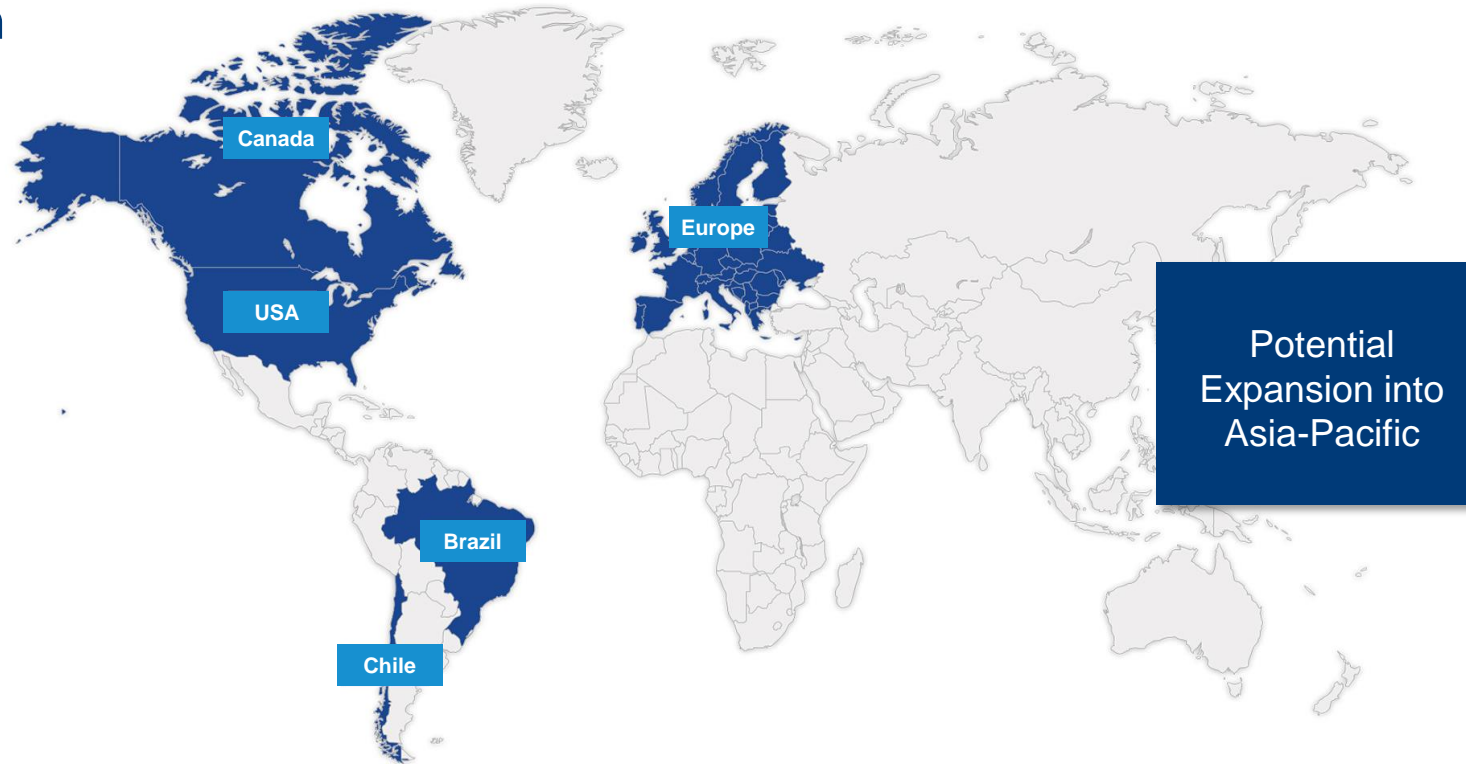
Controlled  
borehole-brining



- Around 70 % of worldwide salt production (more than 290 million tonnes including brine) is obtained from rock salt mining and solution mining.
- Approximately 30 % of production is obtained from seawater and salt lakes.
- Salt is produced in almost every country in the world. Due to the high share of transportation costs in production costs, markets are generally regionally limited to the area around the production locations.

# Unrivalled global production network

## Potash Production



**Competitive edge:  
Unrivalled global  
production network**

- More than 30 assets on 3 continents allow close proximity to customers in a business that is highly freight-cost sensitive
- Broad range of products due to variety of production methods
- Best in class supply chain assets and competence
- Industry best-cost production in Chile

# Our strengths

## Salt Production

### Production network and know-how

- Geographical diversification of production facilities within a region and across continents
- Access to a multitude of technical and geological experts within the K+S Group

### Logistics network

- Mixture of own cargo ships, medium-term sea freight contracts and freight hedging
- Utilization of global logistics knowledge of K+S Group
- Close supply chain cooperation for most efficient group-wide sourcing

### Product portfolio

- Balanced and less cyclical product portfolio
- Product innovations through access to group-wide R&D network

**K+S**

**Financials**

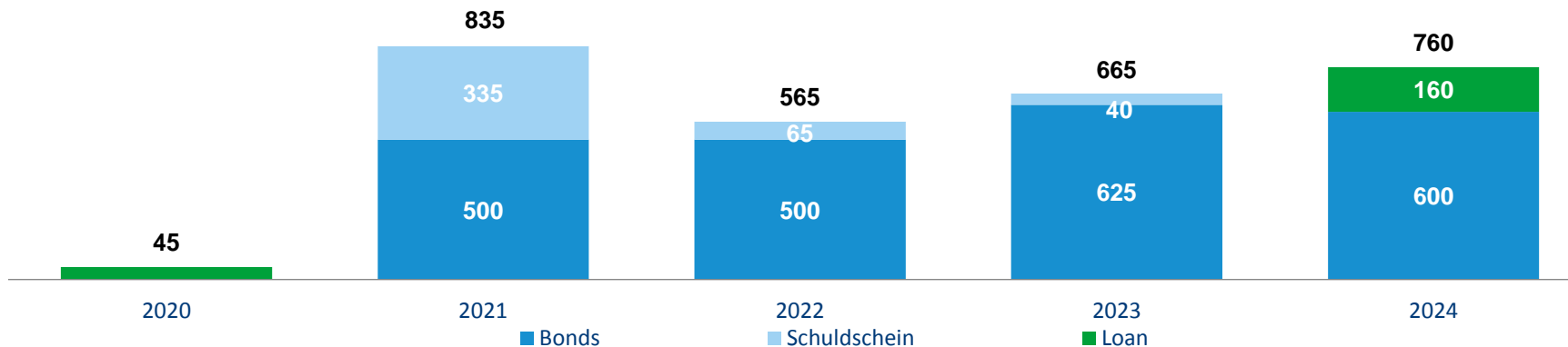


# Debt profile (schuldschein and bonds)

## Financing instruments \*

| €m                              | Amount outstanding | Coupon | Maturity |
|---------------------------------|--------------------|--------|----------|
| Schuldschein and loans          | 645                |        |          |
| Senior unsecured notes due 2021 | 500                | 4.125% | Dec-21   |
| Senior unsecured notes due 2022 | 500                | 3.000% | Jun-22   |
| Senior unsecured notes due 2023 | 625                | 2.625% | Apr-23   |
| Senior unsecured notes due 2024 | 600                | 3.250% | Jul-24   |

## Debt maturity profile



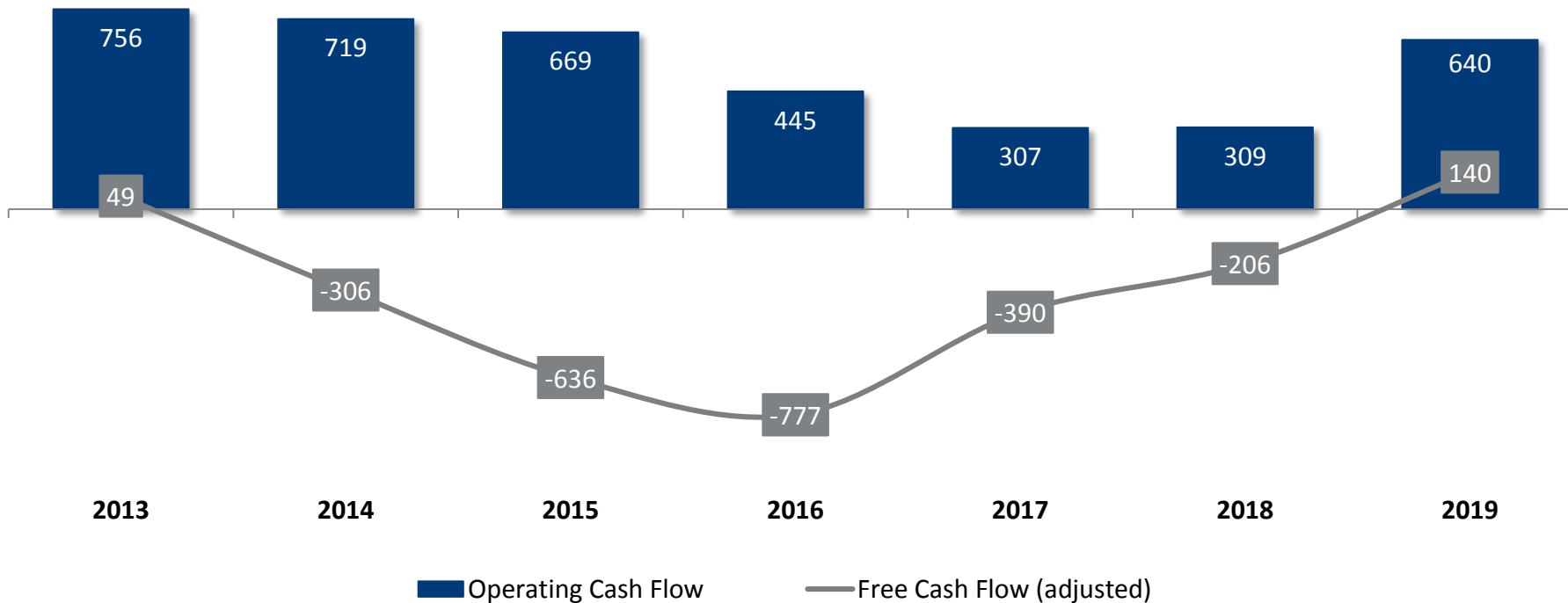
**Syndicated credit facility of up to € 800 million, available until 2024 and a commercial paper program as an additional source of liquidity**

# Cash flow and balance sheet

| € million   | H1/18        | 9M/18        | FY/18        | Q1/19        | H1/19        | 9M/19        | FY/19        | Q1/20        |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Operating cash flow   | 292          | 276          | 309          | 324          | 518          | 510          | 640          | 255          |
| - Investing cash flow<br>(pre sale/ purchase of securities) | -198         | -336         | -515         | -91          | -183         | -306         | -500         | -51          |
| <b>Adjusted free cash flow</b>                              | <b>94</b>    | <b>-60</b>   | <b>-206</b>  | <b>233</b>   | <b>335</b>   | <b>204</b>   | <b>140</b>   | <b>204</b>   |
| CapEx   | 154          | 278          | 443          | 73           | 166          | 310          | 493          | 88           |
| <b>Net financial debt</b>                                   | <b>2,944</b> | <b>3,100</b> | <b>3,242</b> | <b>2,935</b> | <b>2,894</b> | <b>3,031</b> | <b>3,117</b> | <b>2,917</b> |
| Net financial debt/ EBITDA (LTM)                            | 4.9          | 5.5          | 5.3          | 4.6          | 4.4          | 4.3          | 4.9          | 5.1          |
| Equity ratio  | 43%          | 41%          | 41%          | 43%          | 42%          | 43%          | 42%          | 42%          |

# Operating and free cash flow (adjusted)

(€ million)





# Investor Relations

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# K+S Share

## Key Data

|                                |                                   |
|--------------------------------|-----------------------------------|
| <b>WKN:</b>                    | KSAG88                            |
| <b>ISIN:</b>                   | DE000KSAG888                      |
| <b>Type of shares:</b>         | Registered shares of no-par value |
| <b>Total number of shares:</b> | 191,400,000                       |
| <b>Trading segment:</b>        | Prime Standard                    |
| <b>Ticker symbols:</b>         | Bloomberg SDF / Reuters SDFG      |

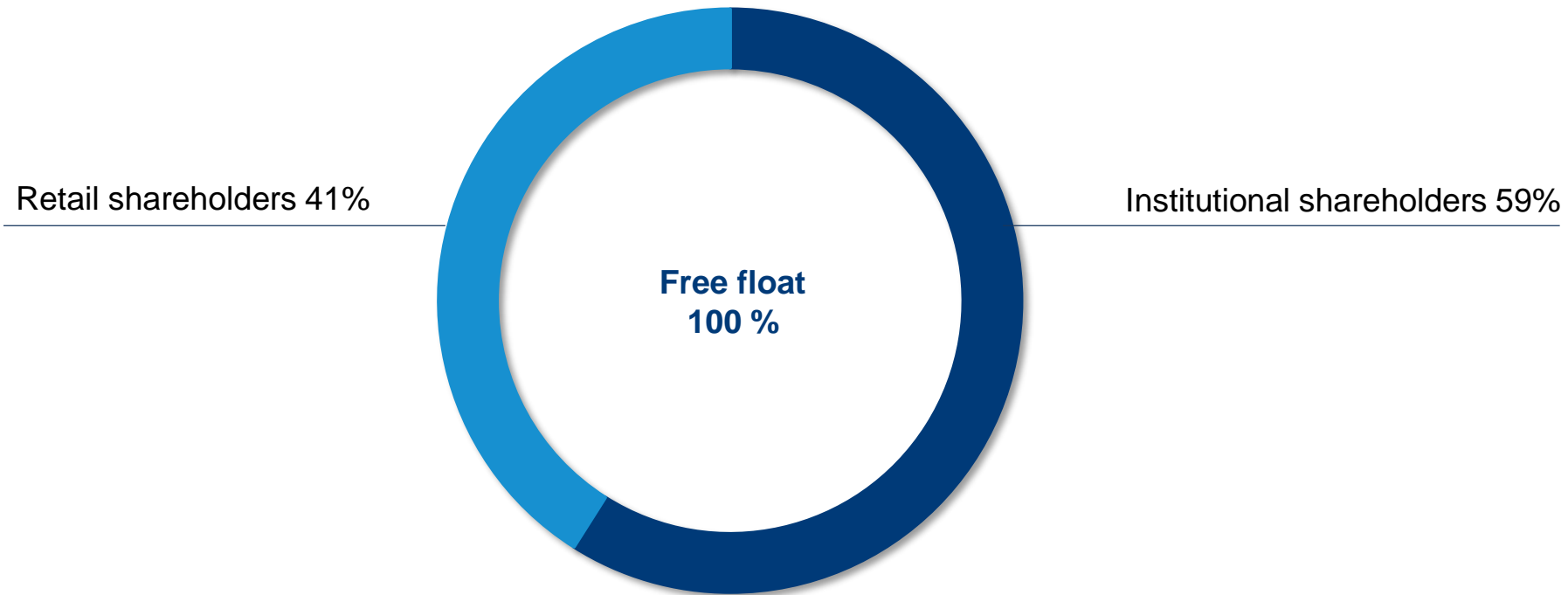
## Quoted in the following indices

- MDAX
- DJ STOXX 600
- DJ EURO STOXX
- HDAX
- CDAX
- Prime Allshare Index
- Classic Allshare Index
- Prime Sector Chemicals
- Industry Group Chemicals / Commodity
- DJ STOXX TMI
- ECPI Ethical Index Global

## Covered by

- AlphaValue
- Baader Helvea Equity Research
- Bankhaus Lampe
- Bank of America Merrill Lynch
- BMO Capital Markets
- Citi Research
- Commerzbank
- Credit Suisse
- Deutsche Bank
- DZ Bank AG
- Equinet Bank AG
- Exane BNP Paribas
- Independent Research
- J.P. Morgan Cazenove
- Kepler Cheuvreux
- LBBW
- M.M. Warburg
- MainFirst Bank AG
- Morningstar
- Nord/LB
- Scotia Capital
- Société Générale
- Solventis
- UBS

# Shareholder structure



As of January 7<sup>th</sup> 2019

# K+S ADR Program

The K+S ADR Program offers North American investors the opportunity to take stock in K+S. Since the ADRs are quoted in US dollars and dividends are also distributed in US dollars, this financial instrument closely resembles an American share. Two ADRs represent one K+S ordinary share. The K+S ADRs are traded in the United States under a level 1 ADR Program in the over-the-counter market (OTC).

## Trade on OTCQX

- Symbol: KPLUY
- CUSIP: 48265W108
- Ratio: 2 ADRs = 1 Share
- Country: Germany
- ISIN: DE000KSAG888
- Depository: The Bank of New York Mellon

## Benefits to North American investors

- Clear and settle according to normal U.S. standards
- Stock quotes and dividend payments in U.S. dollars
- Can be purchased/sold in the same way as other U.S. stocks via a U.S. broker
- Cost-effective means of international portfolio diversification

Further information:

[www.kpluss.com/en-us/investor-relations/shares-bonds/key-data](http://www.kpluss.com/en-us/investor-relations/shares-bonds/key-data)



# K+S Bonds and Issuer Rating

|                       | <b>Bond 12/2021</b> | <b>Bond 06/2022</b> | <b>Bond 04/2023</b> | <b>Bond 07/2024</b> |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| <b>WKN</b>            | A1Y CR5             | A1P GZ8             | A2E 4U9             | A2N BE7             |
| <b>ISIN</b>           | XS0997941355        | DE000A1PGZ82        | XS1591416679        | XS1854830889        |
| <b>Listing</b>        | Luxembourg SE       | Luxembourg SE       | Luxembourg SE       | Luxembourg SE       |
| <b>Volume</b>         | EUR 500 million     | EUR 500 million     | EUR 625 million     | EUR 600 million     |
| <b>Issue price</b>    | 99.539%             | 99.422%             | 100.000%            | 100.000%            |
| <b>Coupon payment</b> | 4.125%              | 3.000%              | 2.625%              | 3.25%               |
| <b>Maturity</b>       | 06.12.2021          | 20.06.2022          | 06.04.2023          | 18.07.2024          |
| <b>Face value</b>     | 1,000 EUR           | 100,000 EUR         | 1,000 EUR           | 100,000 EUR         |

**Issuer Rating (S&P):** B+ (outlook: negative), March 2020






# Additional information

## Financial calendar

**2020/2021**

|   |                  |
|---|------------------|
| Virtual Annual Shareholders' Meeting                | 10 June 2020     |
| Dividend payment (subject to resolution of the AGM) | 15 June 2020     |
| Half-yearly Financial Report, 30 June 2020          | 13 August 2020   |
| Quarterly Report, 30 September 2020                 | 12 November 2020 |
| Annual Report 2020                                  | 11 March 2021    |
| Quarterly Report; 31 March 2021                     | 11 May 2021      |

## More content available online

- K+S Website: [www.kpluss.com](http://www.kpluss.com)
- Annual reports: [www.kpluss.com/ar2019](http://www.kpluss.com/ar2019)
- Newsletter subscription: [www.kpluss.com/en-us/investor-relations/service/newsletter](http://www.kpluss.com/en-us/investor-relations/service/newsletter)
- Social Media:     

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