Kassel, Germany, October 9, 2017

K+S Group
Ambitious Growth Strategy to 2030

- Persistent focus on customers, alignment on four Product Market Segments Agriculture, Industry, Consumers and Communities
- Integration of business units to “One Company”
- Realizing of at least € 150 million p.a. in synergies by the end of 2020
- Generating a positive Free Cash Flow by 2019
- Indebtedness (Net debt/EBITDA) to be halved by the end of 2020 and to become investment grade in 2023
- Realization of growth options of existing assets and in new business areas
- Ambition to generate an EBITDA of € 3 billion by 2030

The new Group strategy “Shaping 2030” puts K+S on an ambitious, robust and sustainable course of growth. The company is building on its strengths in mining and processing minerals and makes use of the chances of global megatrends. This incorporates promising growth options for the existing assets as well as new areas, in which the company can use its capabilities.

At its core, this strategy goes to reposition a manufacturing-driven company as a market-focused, customer-focused enterprise. The alignment on four Product Market Segments demands the systematic integration of the Potash and Magnesium Products and the Salt business units and enables to realize synergies. Its stated goal is “One Company”. Sustainability is an integral part of the strategy. The realignment of the company is the result of a thorough analysis conducted over the past six months. This includes the company's
commitment to the raw materials potash and salt as well as to the manufacturing sites in Germany and abroad.

Dr. Burkhard Lohr, Chairman of the K+S Board of Executive Directors, notes: "We have reached an important milestone with the opening of the Bethune mine in Canada. It was the right time to develop a clear picture of how K+S is to be structured in 2030. To this end, we examined all growth options with a no-holds-barred mindset. Geared for the long-term, “Shaping 2030” offers maximum value creation potential paired with great robustness."

**Implementation of strategy in two phases**

**Transformation through 2020:** The alignment on four Product Market Segments – Agriculture, Industry, Consumers and Communities – will help K+S to better address and connect with customers. The product portfolio can be broadened with a focus on high-margin products. The integration of the business units Potash and Magnesium Products and Salt is a key prerequisite for reinforcing customer orientation. It also goes to tap synergies with a focus on operations, digitization, administration, procurement and logistics. K+S expects an annual positive earnings effect of at least € 150 million p.a. by the end of 2020. The company will return to become Free Cash Flow positive by 2019. The indebtedness (Net debt/EBITDA) is to be halved by 2020. The company wants to regain an investment grade rating in 2023.

Commenting on this, Dr. Burkhard Lohr explains, "The persistent focus on our customers and our enterprise's development towards ‘One Company’ marks an important change for K+S. This also constitutes a change in culture, for the way we see our business and the way we work together will be transformed."

**Growth phase 2020 to 2030:** The company has drafted a strategic roadmap setting out development goals and strong growth options for the growth phase up to 2030. It aims to increase the operating earnings and reduce the business's dependence on external factors such as weather and the global market price for potassium chloride (MOP). To realize these growth options, the company will expand the specialty business and related areas as
fertigation. K+S also intends to step up its business in high-growth regions such as Asia and Africa. This clearly defined path towards growth will open up new development and job opportunities for employees.

**Ambition: €3 billion EBITDA in 2030**

Looking to the future, K+S has a very demanding ambition for 2030: € 3 billion EBITDA with at least 15% Return on Capital Employed (ROCE). K+S will achieve about two thirds of the growth towards this goal by driving the development of its existing business and optimizing its organization and processes.

Dr. Burkhard Lohr adds, "We have deliberately decided to publish our EBITDA ambition. That is our way of making it clear that K+S has long-term value prospects if we continue to persistently develop the organization and our business. In a first step, this means tapping at least € 150 million in synergies, halving the leverage, and laying a solid foundation for future growth. One of our strategy's strengths is that none of the growth options is so dominant that 'Shaping 2030'`s success depends on it."

**Sustainability as an integral component of the strategy**

K+S is making a clear commitment to sustainability and setting ambitious goals for occupational safety and reducing saline waste water. For example, K+S will discontinue deep-well injection of saline wastewater from potash production in Germany by the end of 2021. K+S's sustainability goals are defined and will be underpinned with specific and measurable indicators in the course of 2018 to provide a transparent view of progress and results. For K+S, sustainability means future viability (Learn more).
Information for Editorial Departments
Further information on the new Group strategy “Shaping 2030” are available at www.k-plus-s.com/shaping2030.

Conference calls with K+S CEO Dr. Burkhard Lohr for investors and analysts will take place today in English at 11:00 am (CET) and for press representatives in German at 1 pm (CET). Both calls will be also available as live webcast as well as a repetition at www.k-plus-s.com/shaping2030. The presentations of both conferences will be also available at this page.

About K+S
K+S considers itself as a customer-focused, independent minerals company for the segments of Agriculture, Industry, Communities and Consumers and wants to grow the EBITDA to € 3 billion in 2030. Our over 14,000 employees enable farmers to provide nutrition for the world, provide solutions that keep industries going, improve daily life for consumers and provide safety in the winter. We continually meet the growing demand for mineral products from production sites in Europe, North and South America as well as a worldwide sales network. We strive for sustainability because we are deeply committed to our responsibilities to people, environment, communities and economy of the regions in which we operate. Learn more about K+S at www.k-plus-s.com.

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Forward-looking Statements
This press release contains facts and forecasts that relate to the future development of the K+S Group and its companies. The forecasts are estimates that we have made on the basis of all the information available to us at this moment in time. Should the assumptions underlying these forecasts prove incorrect or should certain risks – such as those referred to in the Risk Report – materialise, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this press release, save for the making of such disclosures as required by law.