

Press conference

K+S Aktiengesellschaft

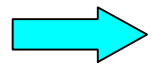
March 17, 2000

Frankfurt am Main, Germany



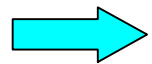
Changes in sales as of Dec. 31, 1999 to 1998

- DM million -



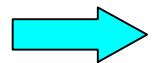
In terms of volume:

+ 58.5



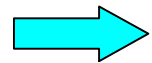
In terms of price:

+ 15.5



In terms of exchange rate:

+ 28.8



Total:

+ 102.8

Sales and earnings as of December 31

- DM million -

	1999	1998	Change
Sales	2,331.1	2,228.3	+ 102.8
Earnings before interest, taxes and depreciation (EBITDA)*	403.3	372.1	+ 31.2
Earnings before interest and taxes (EBIT)	173.1	141.4	+ 31.7
Financial result**	14.4	18.6	- 4.2
Earnings before taxes (EBT)	187.5	160.0	+ 27.5
Income taxes	- 5.2	- 3.6	- 1.6
Net income	192.7	163.6	+ 29.1

* incl. revenues from write-back of the balance arising from capital consolidation

** incl. interest pension provisions

EBIT by segments as of December 31

- DM million -

	1999	1998	Change
Potash and Related Products	85.5	91.4	- 5.9
Salt	36.9	20.0	+ 16.9
Waste Management	40.7	23.7	+ 17.0
Services and Other Activities	10.0	6.3	+ 3.7
Earnings before interest and taxes	173.1	141.4	+ 31.7

Return on equity as of December 31

$$\text{Return on equity} = \frac{\text{Earnings after minority interests}}{\text{Equity} + 50\% \text{ special reserves} + \text{balance arising from capital consolidation}}$$

- DM million -

	1999	1998
Earnings after minority interests	193.1	163.5
Equity	856.5	874.4
Special reserves (50%)	12.7	8.4
Balance arising from capital consolidation	179.3	215.7
	1,048.5	1,098.5
Return on equity	18.4 %	14.9 %

Return on total investment as of December 31

$$\text{Return on total investment} = \frac{\text{Earnings before taxes + interest expenses}}{\text{Total assets}}$$

- DM million -

	1999	1998
Earnings before taxes	187.5	160.0
Interest expenses*	<u>21.4</u>	<u>18.3</u>
	208.9	178.3
Total assets	2,615.9	2,443.9
Return on total investment	8.0 %	7.3 %

* incl. interest pension provisions

Cash flow statement as of December 31

- DM million-	1999	1998	Change
Cash flow	446.6	404.0	+42.6
Cash provided from operating activities	479.4	299.3	180.1
Cash used in investing activities	550.9	486.1	-64.8
Free cash flow	-71.5	-186.8	+115.3
Cash used in / provided from financing activities	-35.0	70.0	-105.0
Other changes in value	-3.2	+0.2	-3.4
Changes in cash	-109.7	-116.6	+6.9

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Proposal on dividends

8

Net income as of December 31	26.1 million €
Shares authorized to participate in dividends*	45.3 million
Net dividend per share	0.57 €
<u>Tax credit per share</u>	<u>0.24 €</u>
Gross dividend per share	0.81 €
Dividend yield**	5,8 %

* 50 million shares less 4.7 million own shares

** Base: year-end market price (14.05 €)

Reconciliation of DVFA result as of December 31

- DM million -

		1999	1998
Earnings after minority interests		193.1	163.5
Deferred taxes	1)	- 74.3	- 57.5
Special depreciation on tangible assets	2)	+ 25.8	+ 28.7
Write-back of balance arising from capital consolidation		- 36.5	- 44.4
Additions to (+) / releases of (-) provisions	2)	+ 11.9	+ 31.9
Other adjustments	2)	+ 4.2	- 7.2
DVFA adjustments		- 68.9	- 48.5
DVFA result		+ 124.2	+ 115.0
DVFA earnings per share (in Euro)	3)	1.32	1.18

1) at average tax burden of 45,8% (EBT without write-back of balance arising from capital consolidation)

2) after fictitious added up burden of 48,5%

3) Base: average stock of free traded shares (1999: 48,2 million, 1998: 50,0 million)

Acquisition of COMPO and Marketing of BASF-produced fertilizer - Effects on results and cash flow

Selling price payable in 1999, payment from own funds;
consolidation of COMPO in our balance sheet as of December 31, 1999

No effects on the result due to the acquisition at the end of the year

COMPO: result COMPO ./.. not obtainable interest income on selling price
= (positive) contribution to the result of K+S Group (as of 2000)

Nitrogenous and multinutrient fertilizer:
Until 2001 no effect on the result, then restricted participation in the result

Summary: Increase of cash flow, EBITDA, EBIT and net income



People

Nature

Kali und Salz

K+S Aktiengesellschaft

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