K+S Aktiengesellschaft

Press Conference on Financial Statements

on 13 March 2008

in Frankfurt am Main

Norbert Steiner,

Chairman of the Board of Executive Directors

– The spoken word is binding –

Ladies and Gentlemen,

I would like to welcome you warmly to this year’s press conference on the financial statements. I would like to provide you with comprehensive information about the course of business of the K+S Group in 2007 and – from today’s perspective – present our expectations and objectives for all of 2008. At the end of my speech, I shall be pleased to answer any questions you may have.

Another point: Our new Financial Report as well as the Corporate and Sustainability Report are available to you on our homepage as of this morning. We have set out preprint versions for you, with printed copies of both reports being available in mid-April.

Mineral Fertilizers

Important Contribution to Human Nutrition

- The uniqueness of our crude salts allows the production of high-quality specialities for agriculture and industry
- K+S consciously takes on responsibility for sustainable development

➔ **K+S - one of the few, perhaps the only German commodities group of international standing**

➔ **K+S - for potassium, main supplier of German and West European agriculture**

➔ **33,000 jobs in Germany directly and indirectly associated with the potash industry**

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Ladies and Gentlemen,

Before I get down to details about our course of business last year, I would like to say a few general words about the increased significance of the K+S Group:

- With speciality and standard fertilizers, K+S is making a significant contribution towards supplying the world’s growing population with better food.
- Because of the uniqueness of our crude salts, we can offer not only standard products but also high-grade specialities for agricultural and industrial applications, which no other potash producer possesses in such variety.
- Deliberately, the K+S Group thus assumes responsibility for the sustainable development of our society, of which we consider our Company to be a part.
- In Germany, we are one of the few, perhaps even the only raw material producer of world standing – and with potassium, we are the main supplier to the German and West European agriculture.

- About 7,500 people work in the potash industry throughout Germany. If we include the supplying industries and generally local service providers, approximately 33,000 jobs in Germany are directly or indirectly connected with the potash industry.

Ladies and Gentlemen,

With this, K+S reflects a value added which goes far beyond what is reflected in the Company's figures at the end of the year. Nonetheless: Also the figures and the background on which they were achieved are important.

In 2007, the K+S Group's operations were once again very successful, even though the clear and volatile depreciation of the US dollar led to negative unadjusted group earnings. The excellent fertilizer business in particular was the key factor: Apart from attractive agricultural framework conditions, which have above all been characterised by a high demand for agricultural raw materials, our success is predominantly due to the strong sales of potash fertilizers. But the global nitrogen fertilizer markets have also developed to a marvellous degree.

The meagre demand-supply ratio for fertilizers and the globally observed sharp increase in agricultural prices have enabled us and our competitors to manifestly raise fertilizer prices – especially for potash. And this trend is continuing!

In the fertilizer business, we are undoubtedly in a seller's market at the moment. In the past year, not only our largest area of operations – Potash and Magnesium Products – profited from this situation, but also the trading business with nitrogen fertilizers of fertiva. The positive development of operations was, however, also lifted by the gratifying results achieved by the Chilean salt producer SPL, acquired in the summer of 2006 and fully consolidated for the first time in 2007.

K+S Group

Major Challenges in 2007

- Enormous fertilizer demand required production effort at the highest level
- Warmest winter since the start of weather records resulted in a strong decrease in the de-icing salt business in Europe
- Working out of short-/long-term solutions for the disposal of saline waste water
- Clear depreciation of the US dollar against the euro caused substantial losses in the market value of our US dollar options, which led to loss in unadjusted earnings after taxes

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Ladies and Gentlemen,

In 2007, however, we also faced some big challenges:

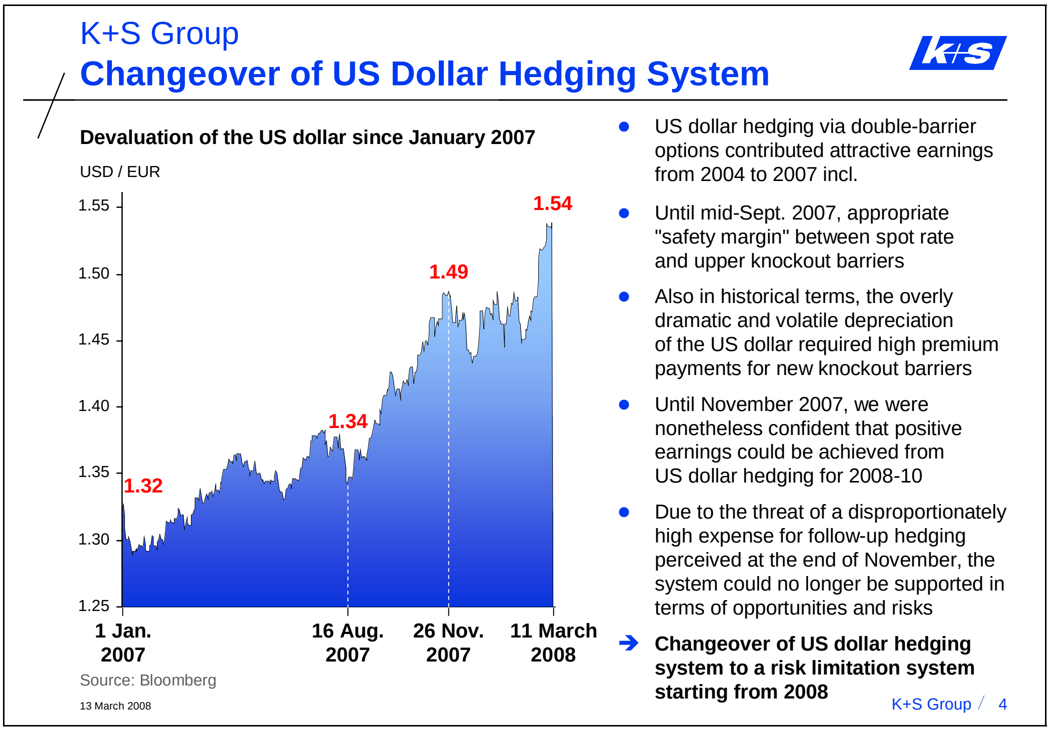
Firstly: The enormous demand for fertilizers required a production effort at the highest level. It was only thanks to the high level of commitment of our K+S team, which again proved its great flexibility, that the volumes in demand could be made available, with our plants working at high capacity. In this manner, we were able to increase the production of potash and magnesium products by another 200,000 tonnes to 8.1 million tonnes of goods.

Secondly: The warmest winter since weather records began led to very low sales of de-icing salt in Europe last year. The decline is all the greater because the previous years, and especially the previous winter, were marked by particularly severe and long-lasting winter road conditions.

Thirdly: The special circumstances in the vicinity of our potash sites in Hesse and Thuringia required short- and long-term solutions to be worked out for the disposal of saline tailings and production water. This work is continuing.

On 18 March, at the initiative of the Hesse and Thuringia state governments and also of K+S, a “round table” will meet for the first time. The purpose of this meeting will be to place the discussion on improving the water quality of the Werra and Weser rivers and the prospects for sustained economic action in the region on a **matter-of-fact footing**, to create trust and acceptance, and to develop workable proposals for solutions.

And finally, fourthly: The clear weakening of the US dollar in relation to the euro forced us to lower the earnings forecast for 2007 three times within the space of a few months. Currency developments also caused substantial losses in the market value of our US dollar options, which led to a loss for the year in unadjusted earnings after taxes.



Ladies and Gentlemen,

As an internationally operating company, we have to live with exchange rate developments. This is particularly the case for our Potash and Magnesium Products business, in which more than 40 percent is invoiced in US dollars.

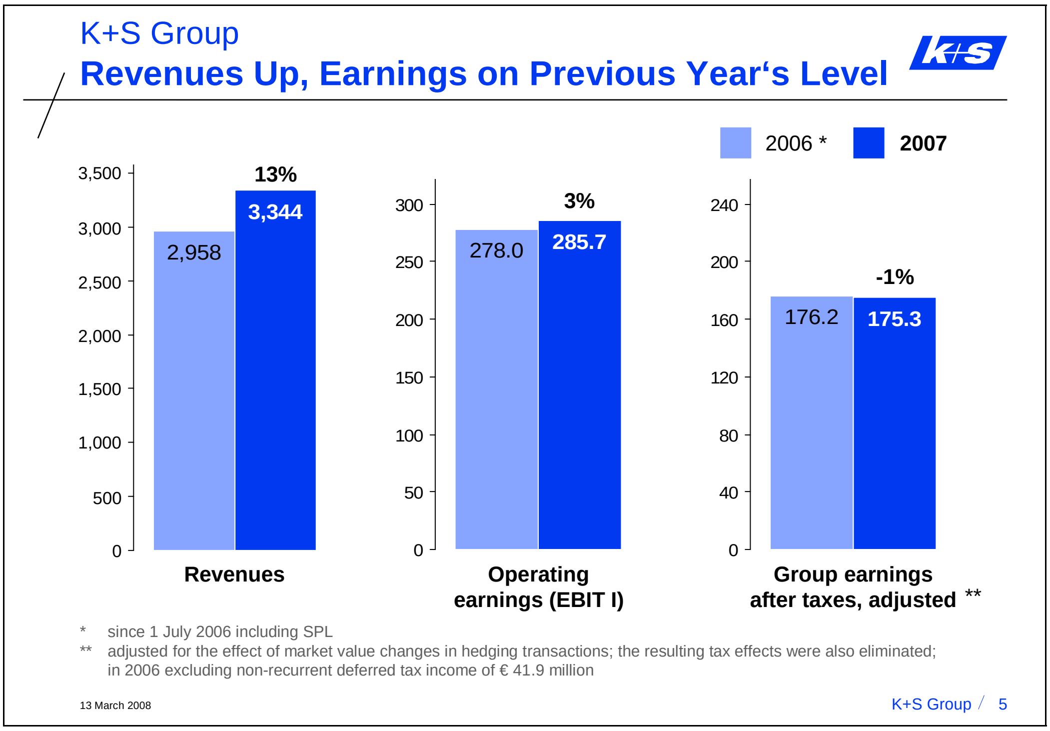
As a hedge against currency risks, in 2003, we started with an active currency hedge by means of “double-barrier” options, which only remain effective if the US dollar spot rate during the maturity of the options stays within previously defined barriers. Using these options enabled us to obtain a very attractive US dollar hedging rate and considerable additional contributions to earnings in comparison to the respective actual US dollar spot rate.

However, in autumn 2007, this system reached its limits as a result of the most rapid depreciation of the US dollar to date. The repeated changing of the barriers necessitated high premium payments – and moreover, a widening of the barriers would have required a no longer justifiable financial deployment for future years.

At the beginning of December 2007, we therefore decided to implement a new hedging system, which hedges the anticipated US dollar incoming payments only from the angle of risk limitation. In this regard, options are used, which lock in a worst-case scenario of about 1.50 USD/EUR including costs, but give us the opportunity to participate in a US dollar that may again become stronger.

Ladies and Gentlemen,

In the past few days, the US dollar has weakened further against the euro – for the first time, the euro was worth more than USD 1.50. With the changeover of our currency hedging system, we have reacted to the challenges in the field of foreign currency management and chosen a way which to a large extent keeps our earnings position in 2008 free from risks stemming from exchange rate fluctuations.



Turning now to the key data for the financial year 2007:

In the past year, we achieved operating earnings of € 285.7 million with revenues of € 3.3 billion. This means that revenues are clearly above the record highs of 2006, and operating earnings slightly above.

If we take into account that our European salt earnings fell back by 75 percent because of the mild winter, and that our US dollar hedging rate was just under 20 percent down compared with the previous year, I can say that I am really happy with that result.

The increase in **revenues** by € 386 million or 13 percent is to a considerable extent attributable to our improved fertilizer business. But our Salt business segment too, which was able to increase revenues – despite the weak de-icing salt business in Europe – due to the first-time inclusion of the Chilean salt producer SPL (acquired in the middle of 2006) for a whole year, was a key factor in this respect.

In terms of the **EBIT I**, which surpassed last year's figure by € 7.7 million or 3 percent, all business segments except Salt and Waste Management and Recycling improved noticeably or significantly.

Group earnings after taxes and minority interests for the year under review fell by € 364.1 million to € -93.3 million. This was attributable to the clearly negative changes in the market value and the losses of the currency option transactions. Moreover, the previous year had benefited from non-recurrent deferred tax income in the amount of € 41.9 million as a result of the reorganisation of the company structure of the SPL Group.

Given the considerable fluctuation margin to which the market values of the currency option transactions are subject, K+S has, since the introduction of the IFRSs, been reporting earnings after taxes adjusted for these effects.

At € 175.3 million, **adjusted group earnings** almost reached the figure for the previous year adjusted for non-recurrent deferred tax income. Slightly higher operating earnings as well as the somewhat lower adjusted corporate tax rate (29.8 percent after 31.7 percent) were thus able to almost completely make up for the weaker financial result.

K+S Group

Strong Fertilizer Performance

Operating earnings EBIT I as of 31 Dec. 2007 (€ million)		△ **for 2006:**
Potash and Magnesium products	177.9	+19.3 (+12%)
COMPO	32.0	+ 2.8 (+10%)
fertiva	25.3	+ 8.6 (+52%)
Salt (since 1 July 2006 incl. SPL)	47.8	- 19.8 (-29%)
Waste Management and Recycling	11.5	- 2.3 (-17%)
Services and Trading	27.7	+ 2.3 (+ 9%)
Reconciliation	- 36.5	
K+S Group:	**285.7**	**+ 7.7 (+ 3%)**

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The **operating activities** of the various business segments developed as follows:

Operating earnings EBIT I for the **Potash and Magnesium Products** business segment rose by € 19.3 million or 12 percent to a new record level of € 177.9 million. Higher average prices of potash and magnesium products could clearly more than make up for higher costs, especially in the case of materials, as well as a currency result weaker by approximately € 60 million.

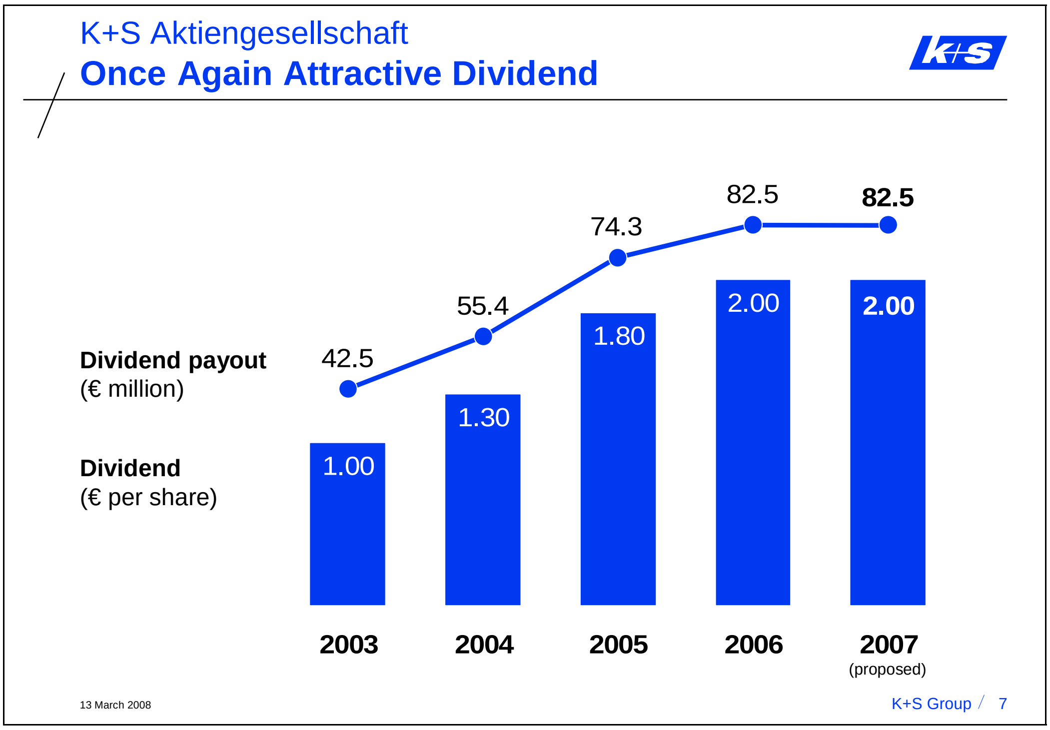
Also satisfactory: Operating earnings for the **COMPO** business segment, which at € 32.0 million were about 10 percent up year on year. Here too, higher revenues could more than make up for increased costs, primarily as a result of higher procurement prices for phosphate and potash.

With its trading business, the **fertiva** business segment achieved EBIT I of € 25.3 million, representing a significant increase of just under 52 percent. That is far more than we had hoped for a year ago – as I have already mentioned: the nitrogen fertilizer markets have developed to a marvellous degree! Here too, higher raw material acquisition costs could be clearly more than offset by higher prices.

At € 47.8 million, the operating earnings of the **Salt** business segment were down € 19.8 million or about 29 percent on the preceding year. However, without the consolidation effect of SPL, which achieved a good result for itself, operating earnings would have fallen by 64 percent. It can therefore be seen that our strategy of regional diversification is bearing fruit here as well!

The **Waste Management and Recycling** business segment generated EBIT I of € 11.5 million in 2007 and was thus down just under 17 percent on the figure for the preceding year. Lower revenues for aluminium granulate as well as higher freight costs in the reutilisation and recycling sectors were key factors in this regard.

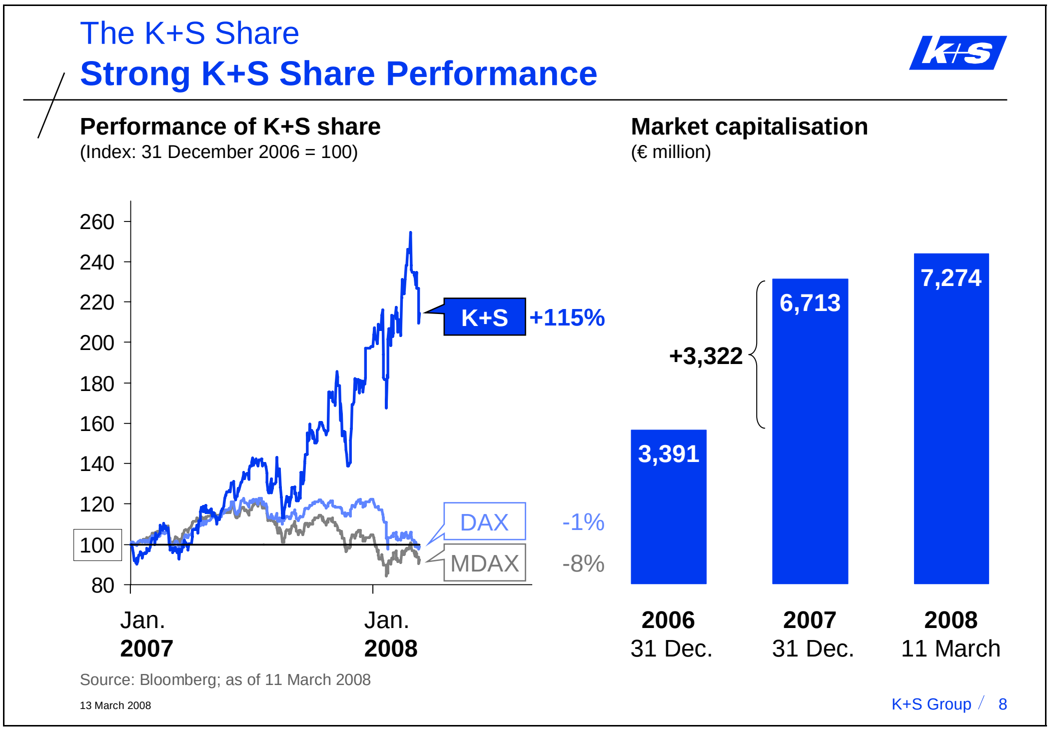
Services and Trading business segment's operating earnings in 2007 rose € 2.3 million or 9 percent on the previous year to total € 27.7 million. This increase is primarily attributable to the contribution to earnings made by the sale of our analytical service provider biodata ANALYTIK GmbH in the third quarter.



Ladies and Gentlemen,

Dividend payment for the financial year 2007 is based on the positive course of business operations and is in line with the long-term policy on dividends of the K+S Group. Therefore, the Board of Executive Directors and the Supervisory Board will – despite negative unadjusted group earnings after taxes – recommend to the Annual General Meeting that a dividend of **€ 2.00 per share** be paid once again.

Assuming that we will not hold any own shares on the date of the Annual General Meeting, this will result in a dividend payment of € 82.5 million. This corresponds to a distribution level of 47 percent, which is therefore within the distribution corridor of 40 to 50 percent of adjusted group earnings of the K+S Group that we are seeking to achieve in a sustainable manner.



As in previous years, the **K+S share** also developed to a marvellous degree in 2007. At the end of the year, it was priced at € 162.75, the highest price so far in its history. This represents an increase of 98.0 percent in terms of performance over the course of the year. If the dividend that was paid in May 2007 is also taken account, the gain even amounted to over 100 percent. Thus, the performance of the K+S share in the past year was almost 93 percentage points better than that of the MDAX and 76 percentage points better than that of the DAX. It thus proved to be one of the top performers of 2007 among the stocks listed on the DAX and MDAX.

In *this* year too, the upward trend of our share is continuing. Meanwhile, on the stock exchange, the K+S Group is valued at approximately € 7.3 billion.

K+S Aktiengesellschaft

Proposal of 1:4 Stock Split

- Stock split of 1:4 will be proposed to the Annual General Meeting on May 14, 2008
- Re-alignment of share capital: Increase of share capital from profit reserves by € 56.2 million to € 165 million (The computed value of the partici-pation in the share capital has to amount to at least € 1 per share)
- Number of outstanding shares to increase from 41.25 million to 165.0 million shares
- Each current holder of one K+S share will in future hold 4 shares
- K+S shares will be made available to an even broader spectrum of investors
- The split reflects our confidence that our earnings-oriented growth will continue to be the basis for the positive development of the K+S share

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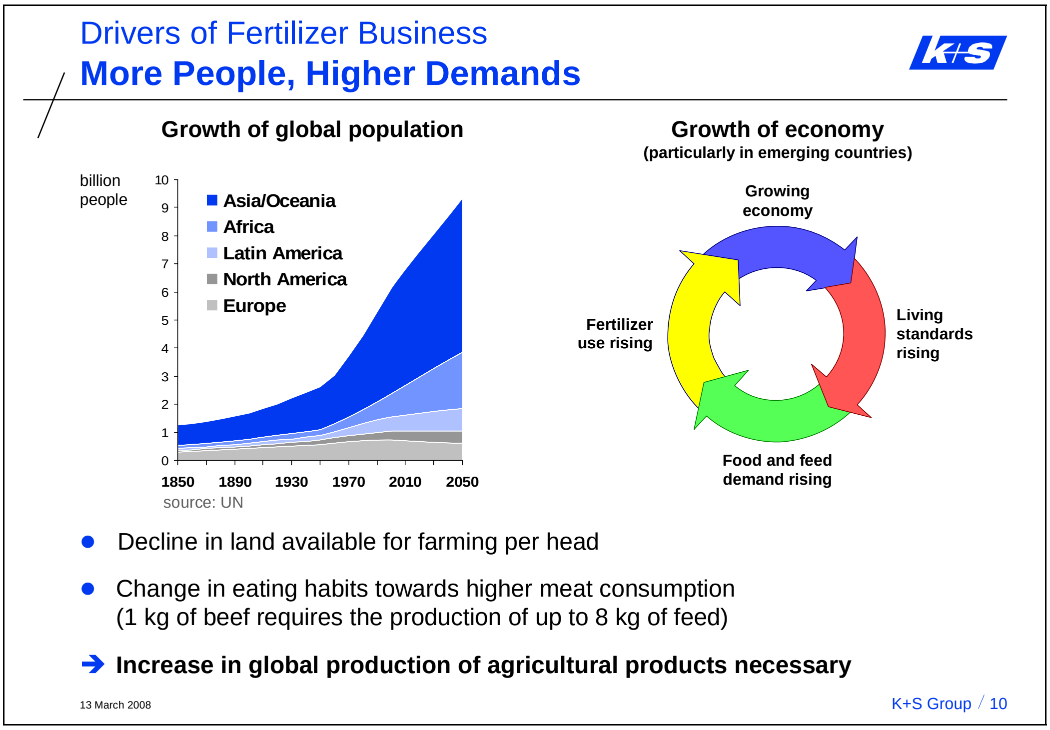
Ladies and Gentlemen,

In connection with a new division of the share capital, a **stock split** in the ratio of 1:4 will be presented to the Annual General Meeting on 14 May 2008 for it to decide on.

The share capital of K+S Aktiengesellschaft is currently approximately € 108.8 million and is divided into 41.25 million no-par value shares. In order to make certain that each share in the share capital amounts to one euro after the stock split, the share capital is to be increased to € 165 million from retained earnings and then newly divided into 165 million no-par value shares. Each holder of one existing K+S share would then hold four K+S shares.

Arithmetically, the price is reduced to a quarter of the current rate as a result of the stock split, without affecting the total value for shareholders. Given the price achieved in the meantime, the aim is to make the K+S share available to an even wider circle of investors. As no new shares will be issued, there will be no dilution. The stock split reflects our confidence that our earnings-oriented growth will also form the basis of a continuing positive share price performance in future.



Let us now turn our attention to the fertilizer business. What are the drivers behind it?

In the first place: the **growth in the world's population**. Since 1950, the number of people has more than doubled, from 2.5 to 6.6 billion, and the UN is expecting it to grow to over 9 billion by 2050. Agriculture must feed a world which increases by at least 80 million people each year!

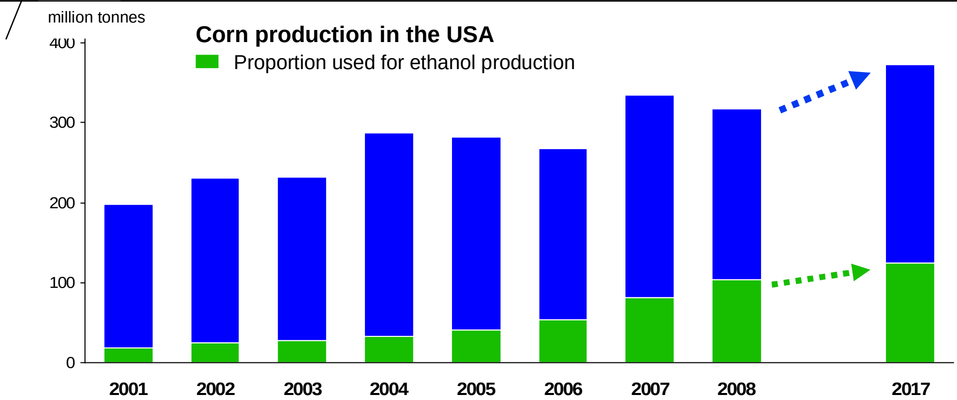
The problem: The size of the agricultural cultivable areas cannot be increased at will, and for years now the total area has been stagnating globally at about 1.5 billion hectares. Whatever is gained in Russia or South America is being lost in Asia or Europe – to housing and industrial areas. Land under cultivation and livestock breeding must constantly see a productivity increase to feed more and more people.

The **balanced use of mineral fertilizers**, which makes possible a higher yield per hectare of cultivated land, is therefore of central importance. It is not just anybody, who shares this view but Dr. Jacques Diouf, director general of the UN’s Food and Agriculture Organization. Recently in December, he made it clear: “We need mineral fertilizers in order to feed the world!”

Another key driver of our fertilizer business is the **growth of the economy,** particularly in the emerging markets. In China and India above all – a third of the world’s population lives here – increasingly well-off people are consuming increasing amounts of meat and milk. The demand for animal feed has therefore also risen enormously here, because the production of 1 kilogramme of meat requires a multiple amount of animal feed – for example, up to 8 kilogrammes of concentrated feed are needed to produce 1 kilogramme of beef. The demand for agricultural products and thus also feed is therefore growing disproportionately in those regions of the world.

Drivers of Fertilizer Business

Bioenergy Constantly Growing in Significance



source: USDA

- Rising oil and natural gas prices, the foreseeable shortage of fossil fuels, but government incentive programmes too are driving the bioenergy trend

➔ **By 2030, an increase in the global use of biofuels to up to 150 million tonnes expected (2007: 35 million tonnes)**

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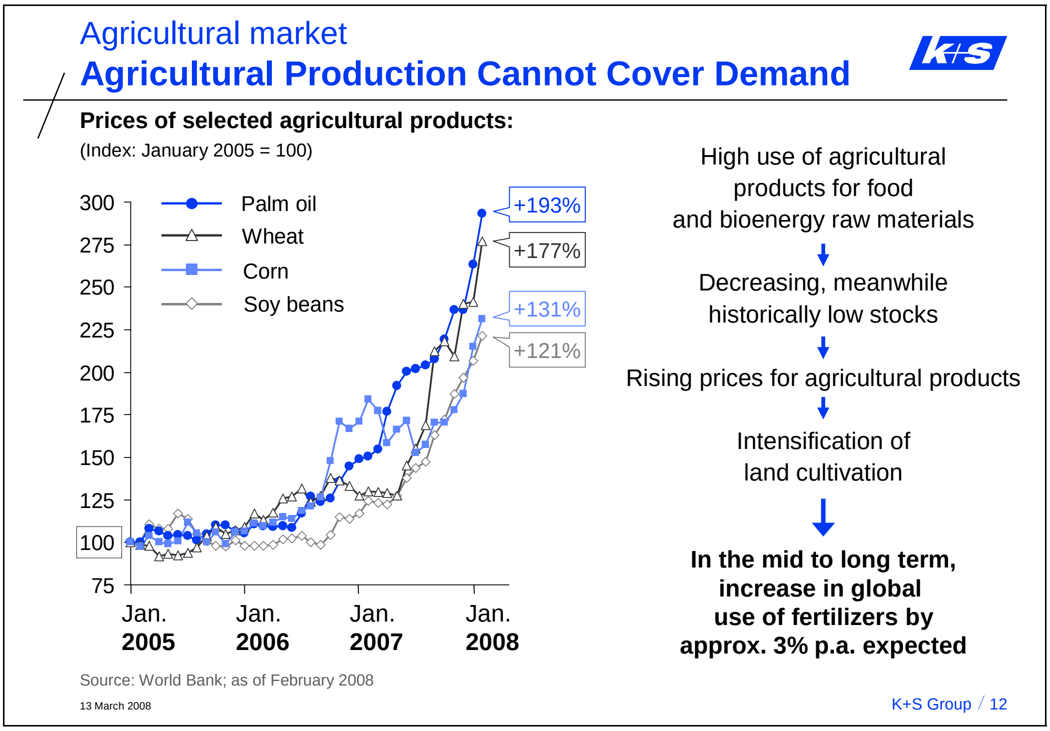
In addition, the **energy industry** has arrived on the scene as a comparatively new demander of agricultural products.

Today, in the US – a gigantic growth market for the production of biofuels – almost 25 percent of the *corn production* is already being used to produce ethanol – in ten years from now this figure will have risen to approximately 35 percent. In Brazil, ethanol is primarily obtained from *sugar cane*, and in Asia *palm oil* is becoming increasingly popular for the production of biofuels.

Apart from traditional food and feed production, the cultivation of renewable raw materials for bioenergy production has become a further mainstay of global agriculture. One reason for this are the high prices for oil and natural gas – fossil raw materials which will become increasingly scarce in future – but also government incentive programmes.

For example, the European Union decided to increase the proportion of “biopetrol” in fuel consumption to at least ten percent by 2020 – it currently stands at under one percent. Moreover, in Europe, but also in China and Japan, ambitious addition programmes exist, and not only in the US is bioenergy being supported with funds running into billions. According to the International Energy Agency, global consumption of biofuels will increase to up 150 million tonnes per year by 2030 (2007: 35 million tonnes).

Criticism is being voiced that in the future, food production will have to compete with the rising production of renewable raw materials for available agricultural land, which could jeopardise the secure supply of food in developing countries. Viewed in global terms, the answer, from our perspective, can only lie in intensifying the use of land – that also involves the balanced and sustainable use of mineral fertilizers.

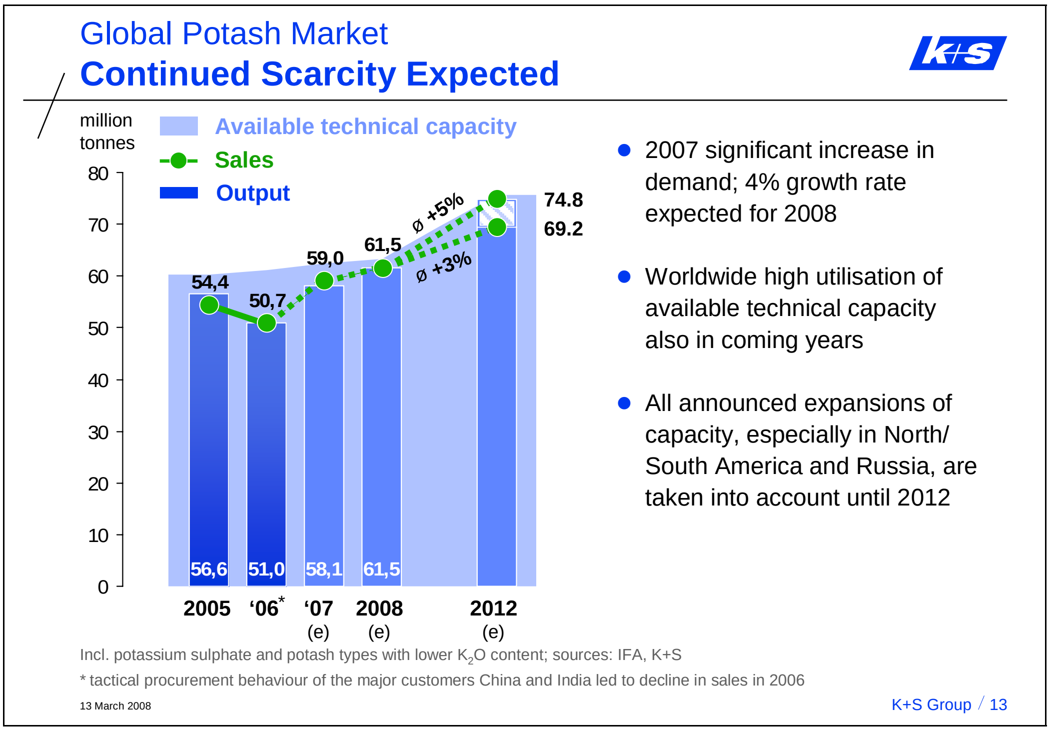


Ladies and Gentlemen,

In recent years, it has only been possible to service the constantly increasing global demand for agricultural commodities by destocking. That is why stocks of most agricultural products also fell significantly in 2007. In the meantime, stocks of numerous types of grain have dropped to their lowest level in more than 30 years – and the trend is more of a declining one. Thus, according to a report produced by the US Department of Agriculture, global wheat stocks will shrink to 272 million bushels by the end of May. That would represent a decrease of 40 percent on the previous year and, at the same time, the lowest level since 1948.

Global demand is encountering supply that is too small worldwide. This has resulted in rising prices for agricultural products: Prices for wheat, corn, soy beans and palm oil have risen by in part more than 190 percent on international commodity exchanges during the past three years. The price of wheat has doubled just since May 2007, and even increased by 200 percent since the turn of the century. And no end to the rise in prices is foreseeable at the present time.

Higher prices for agricultural products create an opportunity worldwide for farming to become increasingly worthwhile. Farmers around the world are investing heavily at the present time: They are borrowing to finance supplies, storage facilities or agricultural machinery. Farming is progressing into becoming a growth industry. Thus, cultivation on previously unprofitable land is becoming worthwhile too – and farmers get incentives to increase their output and their productivity. Both require greater use of fertilizers and could result in global demand for fertilizers rising by 3 percent per year over the medium and long term.



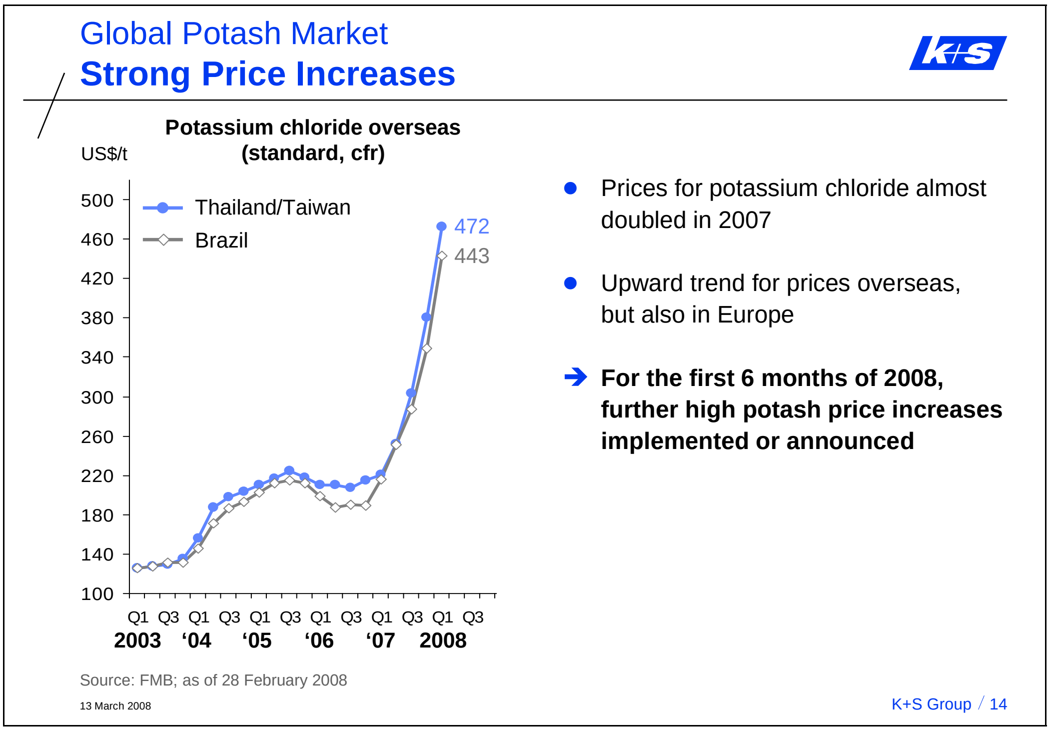
Ladies and Gentlemen,

What applies to worldwide fertilizer consumption, applies to global potash demand to a particular degree.

After rising at an above average rate last year, it can be expect to continue to rise tangibly by at least 4 percent in 2008. Over the medium term, we are forecasting average rates of increase of between 3 and 5 percent annually for global potash consumption. The most important growth regions remain Asia and Latin America.

Because of the extraordinary demand situation, all international potash fertilizer manufacturers are currently producing at the limits of their available technical capacity. This also holds true for our Potash and Magnesium Products business segment, which has a global market share of just under 12 percent.

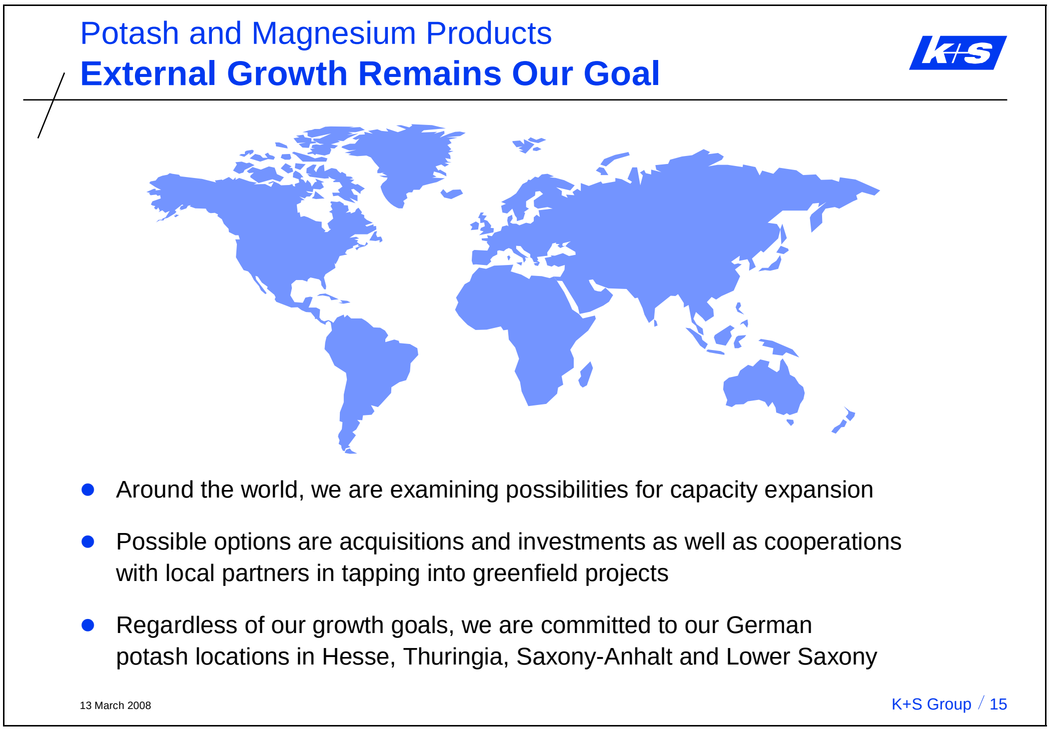
In 2008, only relatively small additional capacities can be expected to be added globally. In addition, as the increase in capacity is foreseeable for the coming five years – our projection takes account of all the capacity expansion that has been announced, especially in North and South America as well as in Russia – we are convinced that potash will remain scarce, at least over the medium term.



Ladies and Gentlemen,

Against the backdrop of the aforementioned strong demand and scarce supply situation, prices for potassium chloride almost doubled everywhere in the world in 2007. Additional reasons were higher freight rates worldwide, but also the weak US dollar, being disadvantageous for all potash producers.

Like our competitors, we also expect potash prices to *continue* to rise. Significant price increases have been already been implemented in or announced for the first half of 2008. Significantly higher prices are also to be expected for the upcoming agreements with Chinese and Indian customers.



Ladies and Gentlemen,

In addition to safeguarding and expanding our German sites in Hessen, Thuringia, Saxony-Anhalt and Lower Saxony, we also want to **grow externally** in our core business sectors.

In our Potash and Magnesium Products business segment in particular, we are examining appropriate possibilities within and outside Europe. Acquisitions and investments are conceivable, but – in the case of tapping greenfield projects – so are cooperation arrangements with local partners who are familiar with local structures.

The construction of a new potash mine does among other things require a mining licence and normally involves long lead times for exploration, the sinking of shafts and the erection of an under- and above-ground infrastructure. Nevertheless, we are convinced that it pays to invest in a growing market – but we will not, of course, jeopardise the strong financial base of the K+S Group in doing so and continue to proceed prudently.

Salt

Opportunities for Growth

- SPL: consistent expansion of weather-independent product segments
(e.g. long-term supply agreement for salt for chemical use to Brazil)
- Investments in logistics
(e.g. purchasing of own cargo ships, doubling of loading capacity of the SPL port Patillos to about 10 mln. t/a)
- In Europe, pleasant development of business with specialities (e.g. pharma-ceutical salt, dishwasher salt etc.)

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We also see growth opportunities in our **Salt business segment**.

After having acquired Chilean salt producer SPL in 2006, we have an excellent starting point for participating in the dynamic growth of the South and Central American markets. Particularly in large markets such as Brazil, in which the chemical industry as an important customer for salt for chemical use is growing, we want to further enhance what is already a good market position in South America today over the medium term by means of our advantages in terms of quality and cost structure.

SPL is already consistently expanding its product segments that are independent of the weather. Thus, last year, SPL concluded a long-term contract with the Brazilian chemical company Carbocloro for the supply of an additional several hundred thousand tonnes of salt for chemical use per year.

At the same time, SPL is investing in logistics: We are acquiring own freight ships for SPL shipping company Empremar; in addition, we will double loading capacity at the SPL port of Patillos to about 10 million tonnes per annum already this year. These are important prerequisites for being able to remain the market leader in, for example, the North American de-icing salt business despite higher freight rates.

In Europe too, esco is increasingly banking on product segments that are independent of the weather. Thus, the pleasing development of the European salt business with specialities – e.g., with pharmaceutical salt, dishwasher salt etc. – which was already discernible in the previous year, will continue in this year too.

K+S Group

Number of Employees Up Slightly

Number	2007 31 Dec.	2006 31 Dec.	+/-
K+S Group *	12,033	11,873	+ 160
Trainees	614	620	- 6

* Total number incl. temporary employees, measured on full-time equivalent basis

- Growth in personnel at SPL and in the potash segment
- 90% of trainees were taken on in 2007

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Ladies and Gentlemen,

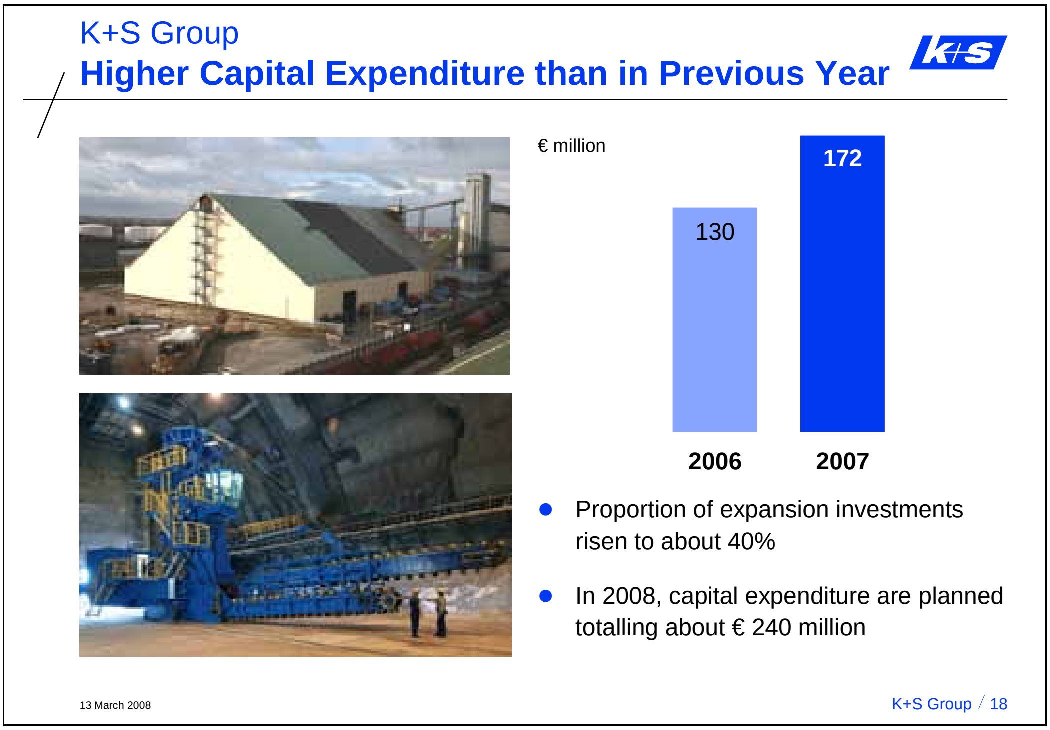
As a mature raw material company and with the growing importance of raw materials, we know: People remain our most important “resource”.

As of 31 December 2007, we employed a total of 12,033 people. Compared with 31 December 2006 (11,873 employees), the number increased by 160 employees, that is by 1.3 percent. The rise in the number of employees is mainly attributable to two factors: In the Potash and Magnesium Products business segment, the workforce was increased to maintain the volume of crude salts extracted and at SPL, those persons who previously have been employed by external companies, were taken over into our workforce because of legal considerations.

Of our employees, more than 83 percent are employed in Germany. This is primarily due to the geographical location of the crude salt deposits of the Potash and Magnesium Products and Salt business segments. About 8 percent of our employees work in other European countries and a further 8 percent are employed overseas.

We are responding to demographic and socio-political change with our vocational training that is geared towards needs and with our committed support for future generations of employees. This is also reflected in our training figures: As of 31 December 2007, 607 young people were preparing for entry into professional life by being trained in 19 professions at 17 sites in Germany. We thus achieved a trainee ratio of 6.1 percent at the end of the year (2006: 6.2 percent). If we add entry-level employees at our foreign sites, we employed a total of 614 trainees at the end of the year.

Assuming appropriate performance, these future employees stand a very good chance of being offered a firm job with us. In the past year, we took on 90 percent of our trainees.



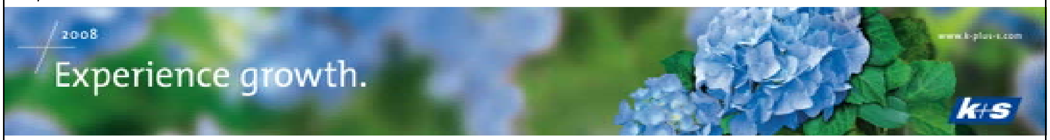
To turn to capital expenditure. In 2007, we invested a total of € 171.6 million in property, plant and equipment as well as intangible assets, about 32 percent more than in the previous year. The share of **capital expenditure on expansion** increased to about 40 percent.

Major projects included – apart from the purchase of the first own freight ship for the SPL shipping company Empremar since it became part of the K+S Group and the expansion of the SPL port at Patillos – the expansion of storage capacity for our Kali-Transport-Gesellschaft (KTG) in Hamburg. In addition, fertiva has supplemented its product portfolio and, in this regard, invested in the construction of a new sifting plant at the Lanxess site in Antwerp. The **depreciation charges** totalling € 128.2 million were able to fully fund capital expenditure on replacement and ensuring production and, furthermore, cover part of the investment in expansion and rationalisation.

For **2008**, we expect a capital expenditure volume of about € 240 million. Just under 60 percent of this will be spent on replacement and ensuring production; these should be in the amount of € 140 million and, as usual, thus remain at the level of the expected depreciation charges. Furthermore, the anticipated increases in earnings should result in a cash flow provided by operating activities, which leaves sufficient scope for profitable investments in expansion and rationalisation projects.

K+S Group

Strong Business Performance Expected in 2008



- **In 2008, revenues should rise <u>significantly</u>:**
  - Estimate is supported primarily by higher revenues in the Potash and Magnesium Products business segment due to large price increases on the world's potash markets
  - Negative currency effects and another warm winter should have an only disproportionate impact
- **<u>Major</u> increase in operating earnings expected – at least a doubling should be possible from today's perspective:**
  - Sharply increasing average prices in the Potash and Magnesium Products business segment should clearly exceed rise in costs (above all for energy)
  - After changeover of US dollar hedging system, no significant expenditure on follow-up hedging is expected

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Ladies and Gentlemen,

The K+S Group is well positioned to further increase its enterprise value in the growing markets for fertilizers and plant care as well as salt.

In the financial year 2008, the **revenues** of the K+S Group should increase significantly in comparison with the previous year. This projection is based primarily on higher than previously expected revenues in the Potash and Magnesium Products business segment as a consequence of substantial price rises on the global potash markets.

In comparison with the previous year, we estimate that **EBIT I** for financial year 2008 will also rise significantly – from today's perspective, at least a doubling of the figure should be possible. This primarily depends on the already described sharp increase of average prices in the Potash and Magnesium Products business segment which should far exceed the rise in costs (for energy above all).

Even a markedly poorer US dollar exchange rate compared with the previous year does not lead to a change in this assessment: As reported, having fundamentally reorganised the US dollar hedging system in December of last year, no significant expenditure has to be expected on follow-up hedging in connection with double-barrier options hitherto used to hedge the US dollar exchange rate.

Similarly, the renewed absence of winter weather conditions with the resulting effects for our de-icing salt earnings should, in view of the anticipated pace of growth in the fertilizer area, only have a disproportionately low impact on total Group earnings. Thus, our assessment of the overall economic situation remains very positive.

Our outlook is based on the following premises in particular:

- continued rising demand for potash fertilizers worldwide;
- a US dollar exchange rate of 1.44 USD/EUR;
- oil and natural gas prices that will remain at their current levels as well as
- an average level of de-icing salt business in Europe and North America in the fourth quarter.

I would like to thank you for your attention – now I am happy to answer any questions you may have.