WestLB Deutschland Conference

Jan Peter Nonnenkamp, CFO

Frankfurt, 17 November 2011

Experience growth.

K+S Group

Content

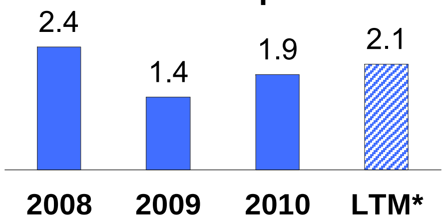
K+S Group
Corporate Structure

K+S Group

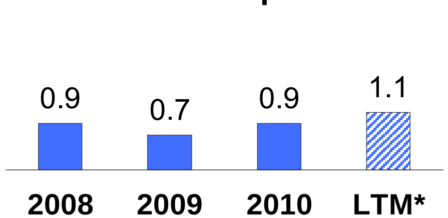
Group revenues 2010: € 4.6 billion (LTM*: € 5.1 billion; 2009: € 3.2 billion)

Core Business Sector Fertilizers		Core Business Sector Salt	Complementary Business Segments	
Potash and Magnesium Products	Nitrogen Fertilizers	Salt	Waste Mgmt. & Recycling	K+S Transport GmbH
			Animal hygiene products	Trading business (CFK)

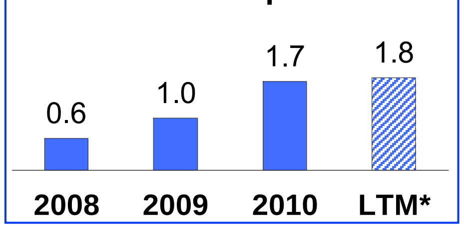
Revenue development in € bn



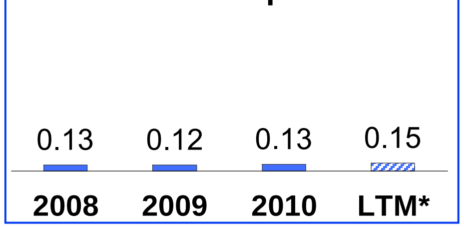
Revenue development in € bn



Revenue development in € bn



Revenue development in € bn

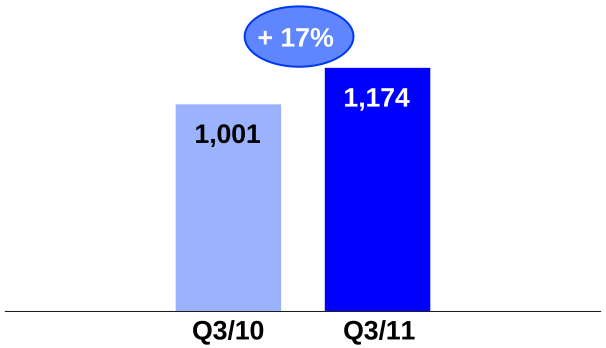


* LTM=Last twelve months as of 30 September 2010

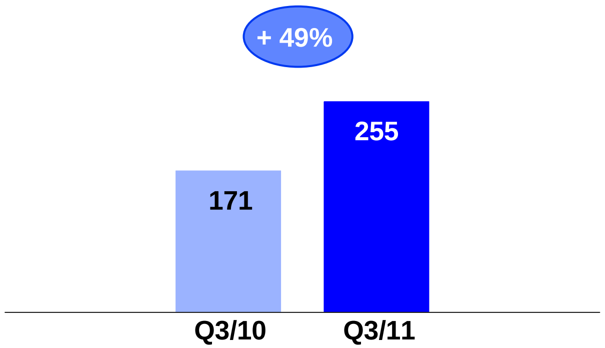
K+S Group

Strong Performance in Q3/11[1]

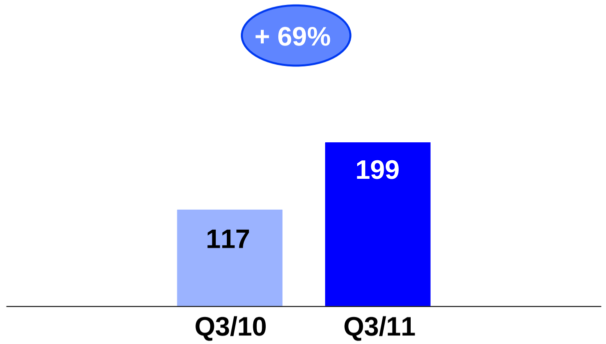
Revenues (€ million)



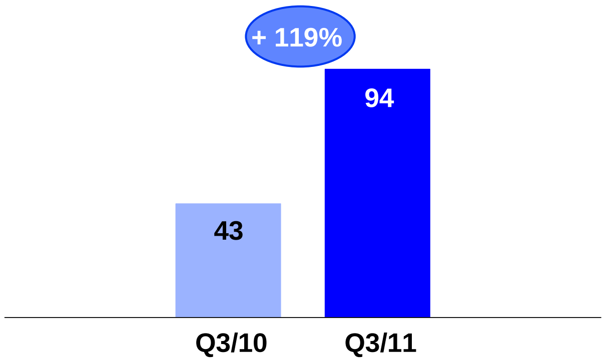
EBITDA (€ million)



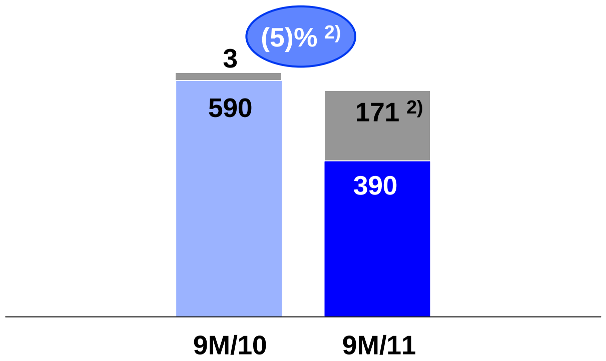
EBIT I (€ million)



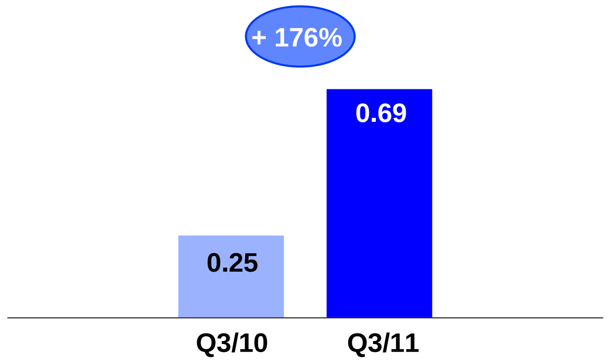
Capex (€ million)



Free cash flow (€ million)



EPS, adj. [3] (€)

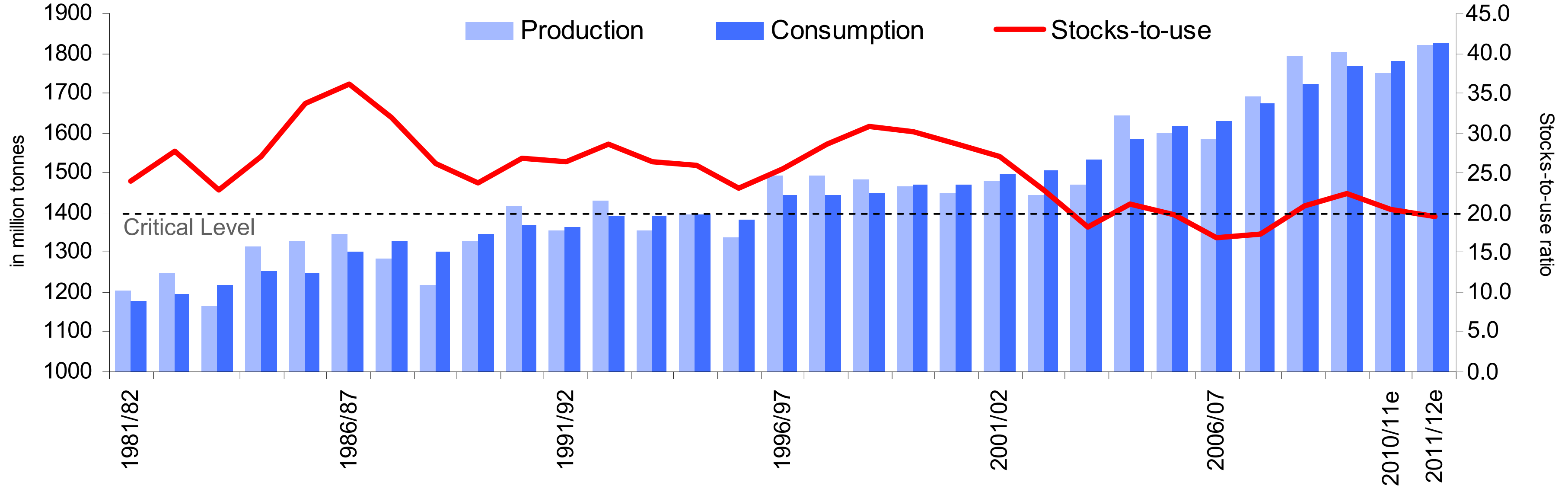


1) Information refers to the continued operations of the K+S Group. Due to its sale, COMPO is in accordance with IFRS disclosed as "discontinued operations". While the income statement and the cash flow statement of the previous year were restated, the balance sheet was not restated.
2) Free cash flow before acquisitions/divestments; adjusted for the out-financing of pension provisions in the amount of € 105.8 million (9M/10: € 2.9 million) as well as the purchase of securities and other financial investments in the amount of € 65.7 million in 9M/11 (9M/10: € 0).
3) The adjusted key figures only include the result actually realised from operating forecast hedges for the respective reporting period. The changes in the market value of operating forecast hedges still outstanding, however, are not taken into account. Any resulting effects on deferred and cash taxes are also eliminated; tax rate Q3/11: 28.3% (Q3/10: 27.9%).

Content

Low Stocks-to-use Ratios of Agricultural Products

Production and consumption development vs. stocks-to-use ratio (Wheat and coarse grains)

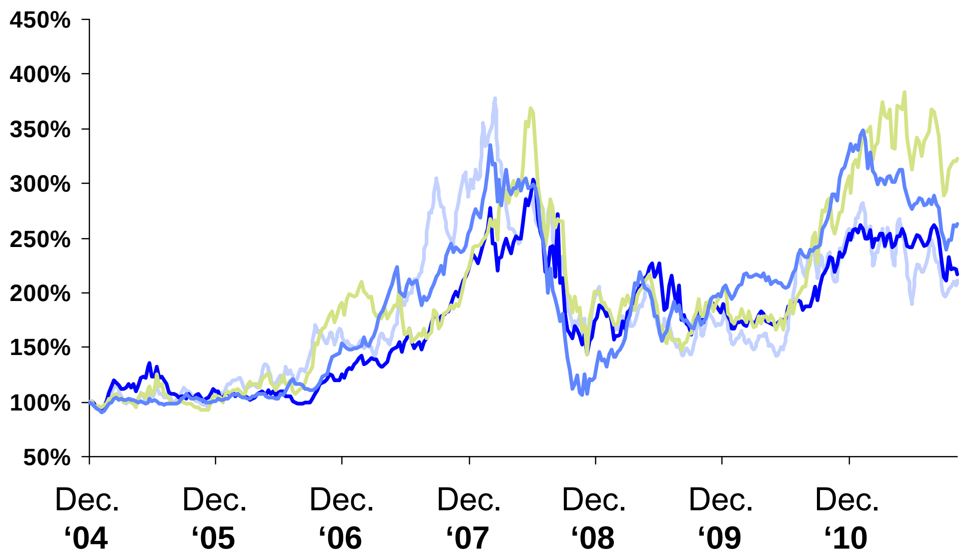


Source: USDA; as of 9 November 2011

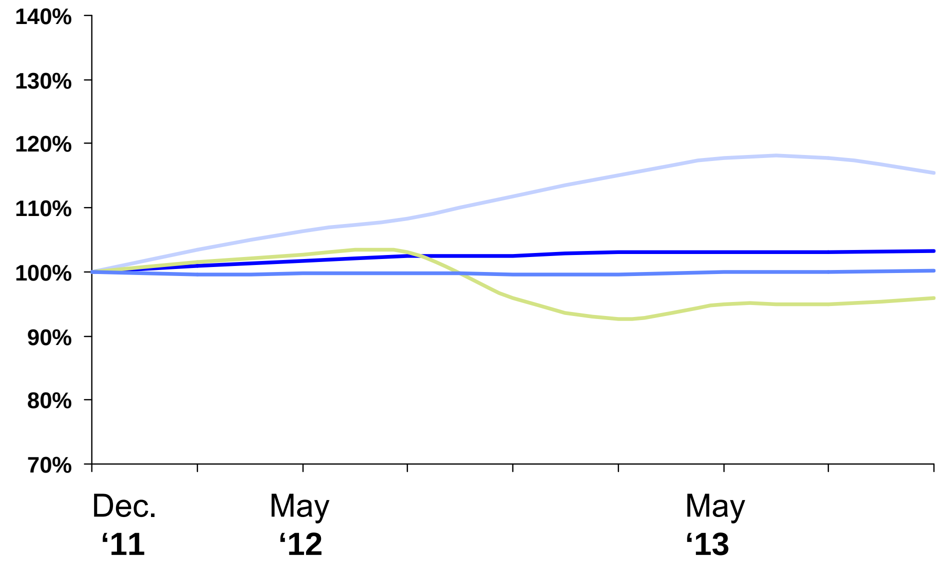
- Over the past thirty years, annual global production of cereals has often fallen short of demand
- Despite reasonable harvest levels during the last ten years, these structural supply and demand gaps have resulted in low stocks-to-use ratios on a historical basis
- Although USDA expects a record production level for the agricultural year 2011/12, the stocks-to-use ratio declines further

Prices for Agricultural Products – Spot vs. Future

Prices for Agricultural Products – spot



Prices for Agricultural Products – future



Wheat Soybeans Corn Palmoil

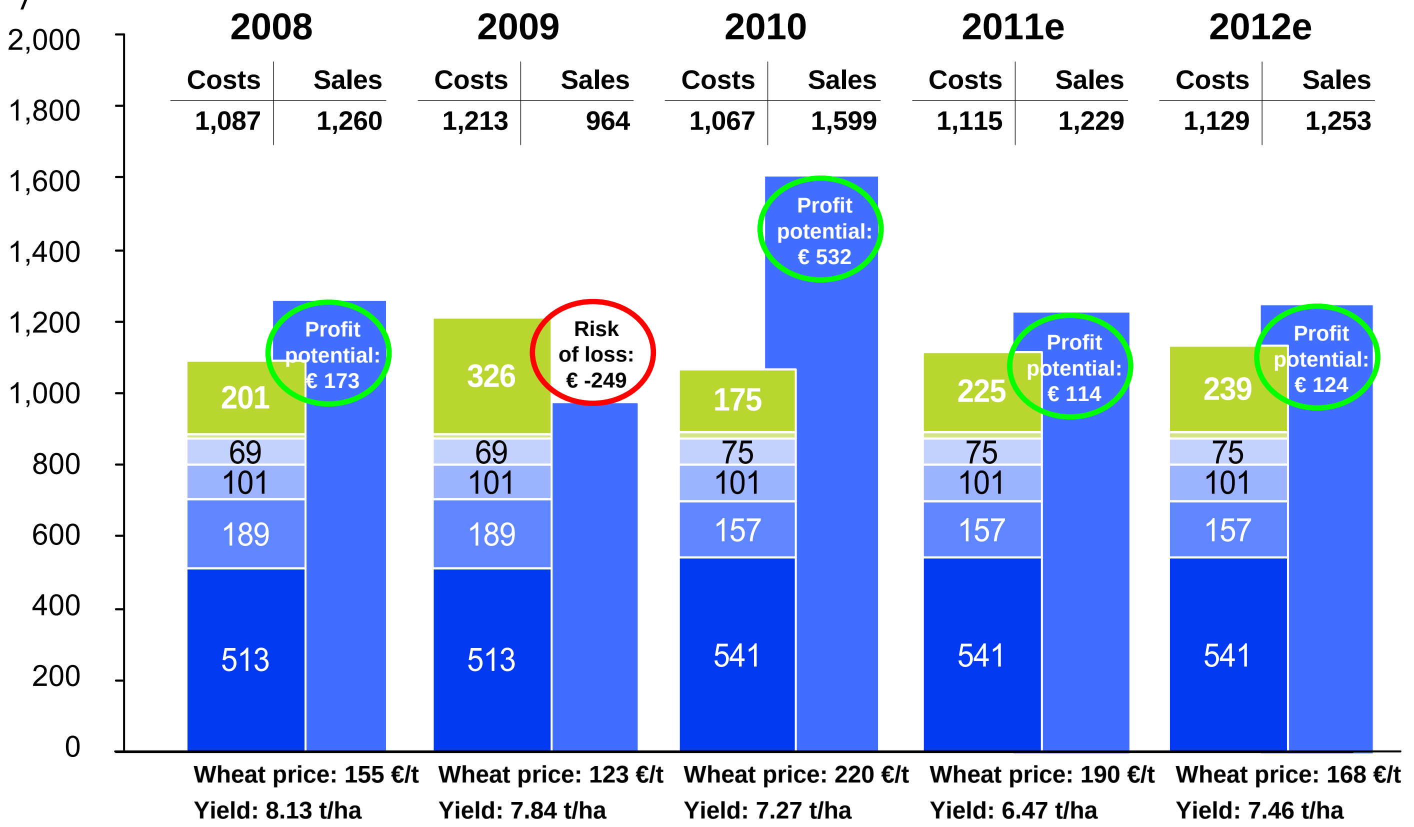
- Strong increase in prices for agricultural products since the middle of 2010

Source: Bloomberg; as of 9 November 2011

- Future prices of agricultural products show that capital markets expect the current high price level to be rather sustainable for the next two years

Potash and Magnesium Products

Profitability of Winter Wheat in Europe



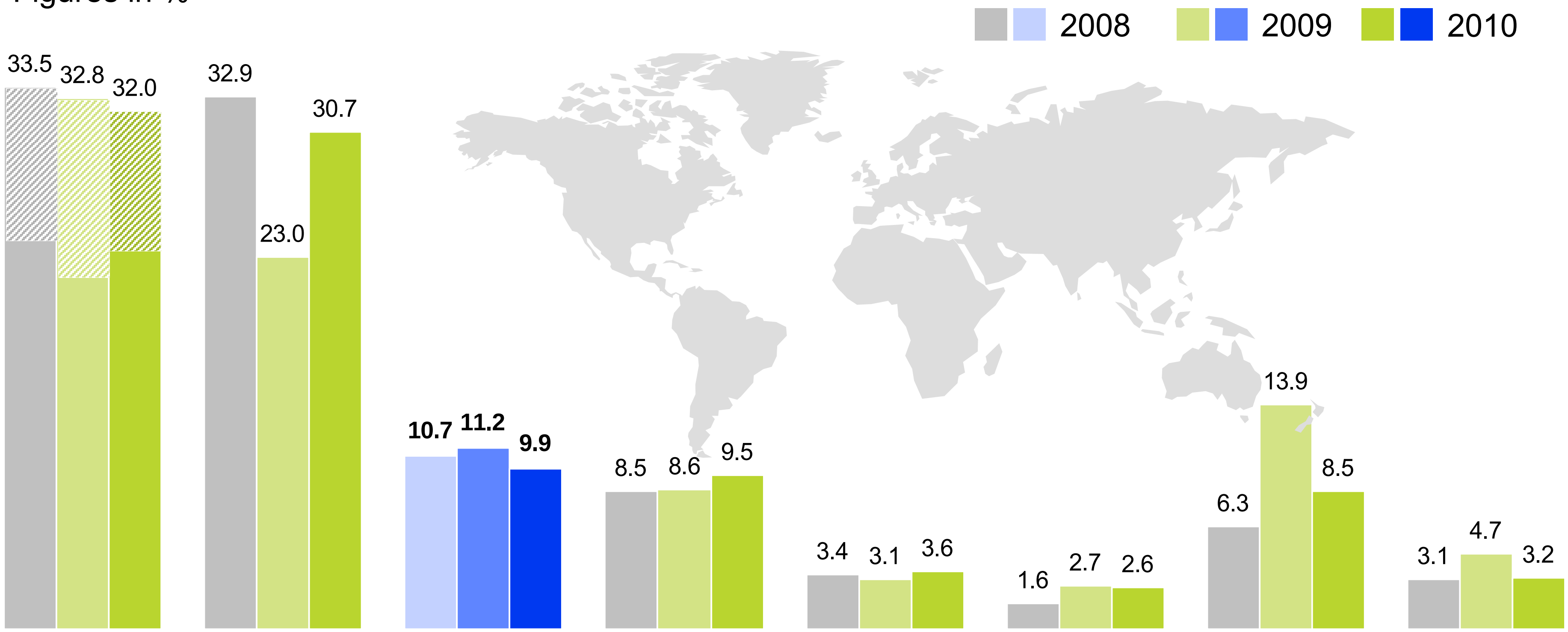
Year	Fertilizer share of total costs
2008	18% fertilizer costs (1% K)
2009	27% fertilizer costs (4% K)
2010	16% fertilizer costs (3% K)
2011e	20% fertilizer costs (2% K)
2012e	21% fertilizer costs (3% K)

The current future curve of the wheat price should enable the farmer to realize a profit potential of € 124 per hectare (excl. subsidies) in 2012e. This is an good level compared to the last years; the application of fertilizers is profitable.

Assumptions: without agricultural subsidies, incl. interest expenses for pre-financing costs, 100% use of mineral fertilizers (no organic fertilizing), straw stays in the field (straw fertilizing); fertilizer use for 8 t/ha yield: 80 kg/ha MOP, 536 kg/ha KAS and 139 kg/ha TSP; for lower yields, lower fertilizer requirement adjusted accordingly; Sources: costs (20 ha) according to Kuratorium für Technik und Bauwesen in der Landwirtschaft e. V. (KTBL) for winter wheat – bread quality, rotating crop growing system; yield according to statistical year book for food nutrition, agriculture and forestry 2010, 2011e: Deutscher Bauernverband, 2012e: 10-year average; nutrient extractions according to Guidelines for Fertilizer Use in Germany; fertilizer prices taken from LAND & Forst at the point of the upcoming fertilization (general fertilization with potash and phosphate in September; nitrogen fertilization in September, February, April and June); wheat price (bread quality B) according to LAND & Forst (average delivery from the yard from July to February), 2011e and 2012e Euronext price less transportation cost assumption.

Potash and Magnesium Products
Supplier Structure on the World Potash Market

Figures in %



BPC
- Belaruskali
- Uralkali/ Silvinit

Canpotex
- Potash Corp
- Mosaic
- Agrium

K+S

ICL
- DSW
- CPL
- Iberpotash

participation of Potash Corp. in ICL

APC

participation of Potash Corp.

SQM

participation of Potash Corp.

China
- more than 20 producers

Others
- Intrepid
- Vale
- Compass

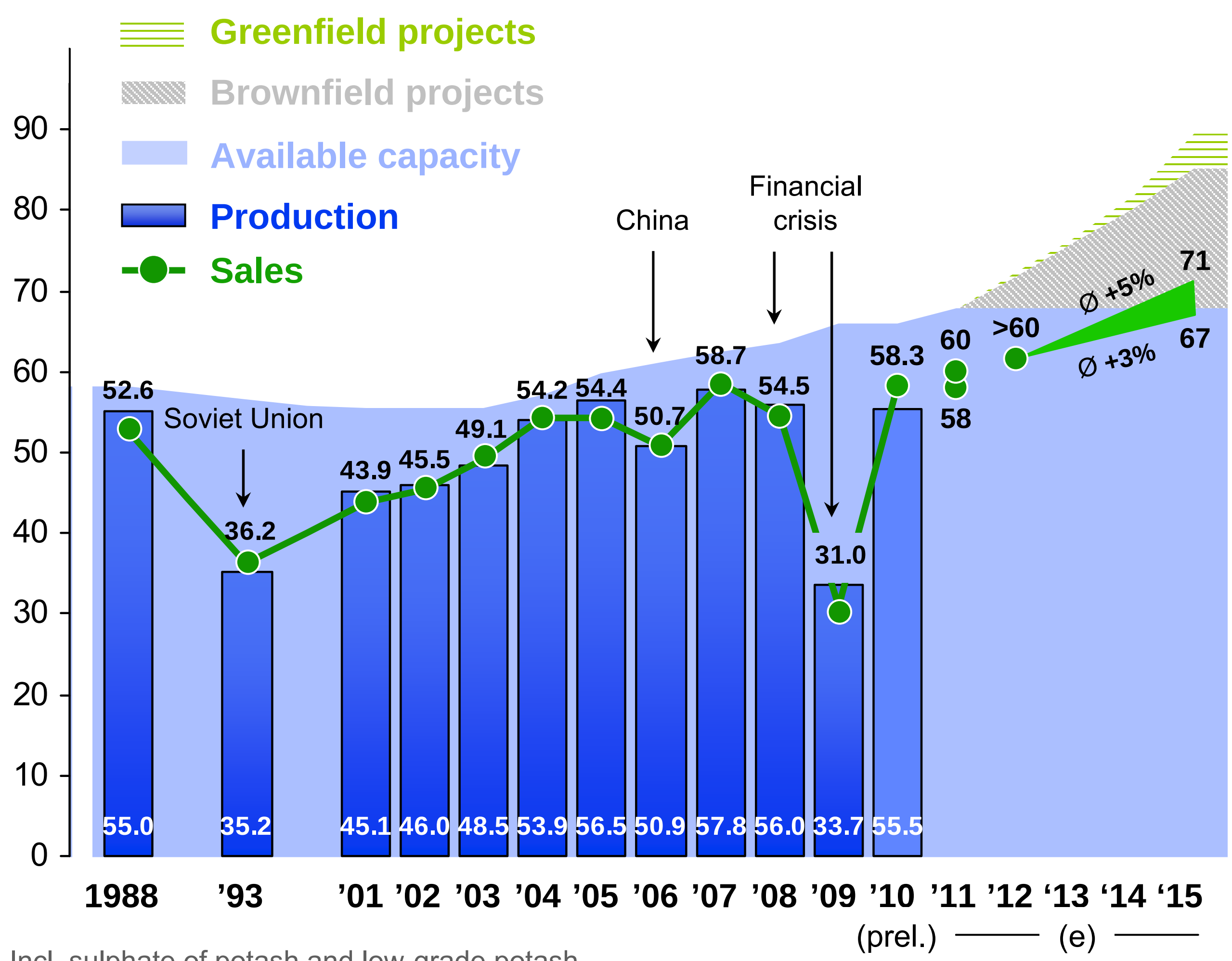
Sales volumes in metric tonnes

Sources: IFA, K+S

Potash and Magnesium Products

World Potash Capacity, Production and Sales

Million tonnes

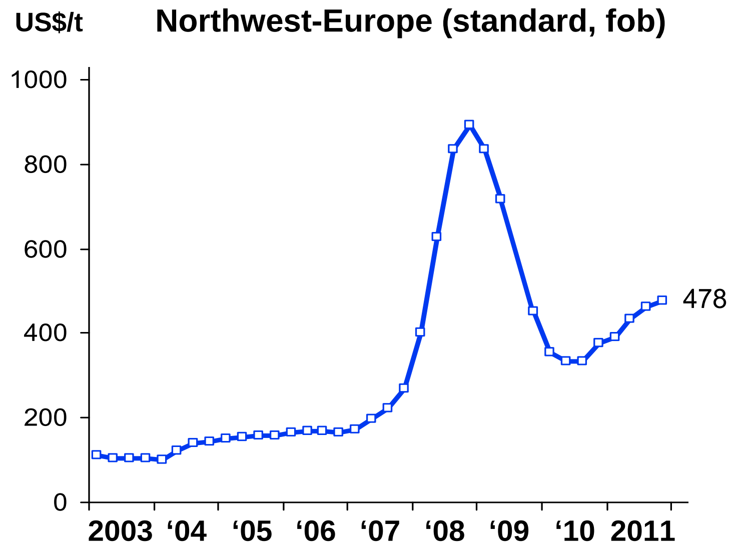


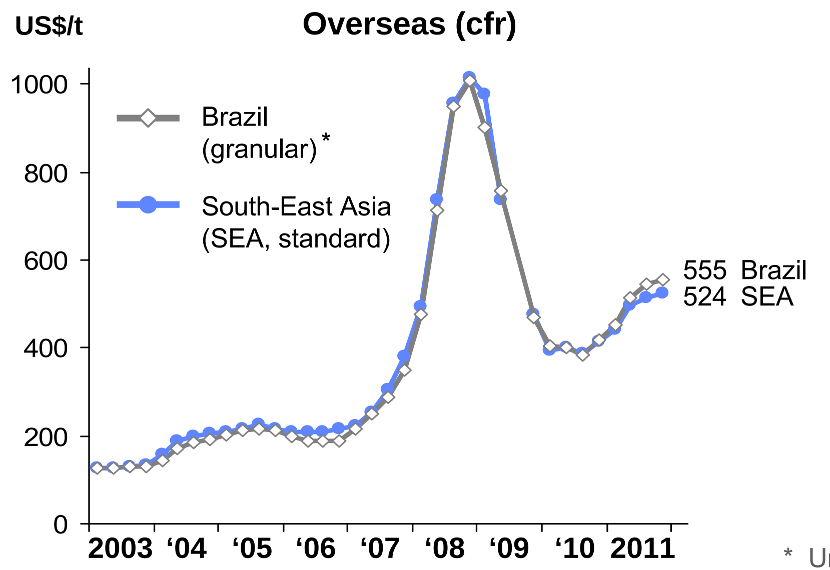
Incl. sulphate of potash and low-grade potash
Capacity development 2010-2015 based on IFA supply capability data.

Sources: IFA, K+S

- As of 2012, long-term growth rates expected to range between 3 and 5% p.a.
- Based on IFA data and "announced" capacity expansions, utilisation rates are estimated to slightly decrease.
- As the future world potash supply increasingly depends on the realisation of capital-intensive greenfield projects, the connected and elevated risk of project delays reduces the forecast quality.

Potash and Magnesium Products
MOP Price Development





End of June 2011:
Contracts with Chinese importers and BPC/Canpotex fixed at US$ 470/t for standard MOP; an increase of US$ 70/t.

Beginning of August 2011:
Contracts with Indian importers and BPC fixed at US$ 490/t until the end of Q1/12 and Canpotex fixed at US$ 470/t for Q4/11 and US$ 530/t for Q1/12 for the delivery of standard MOP (former contract US$ 370/t)

Mid August 2011:
BPC announced the price of standard MOP at US$ 535/t in Asia; an increase of US$ 35/t.

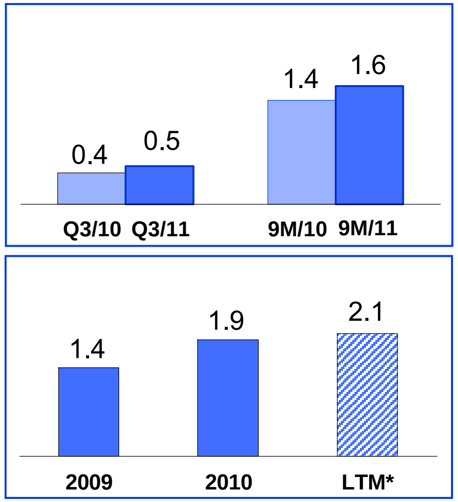
Mid September 2011:
K+S announced the price for granulated MOP at € 375/t in Europe; an increase of € 12/t.

End of September 2011:
BPC announced the price of granulated MOP at US$ 580/t in Brazil; an increase of US$ 30/t.

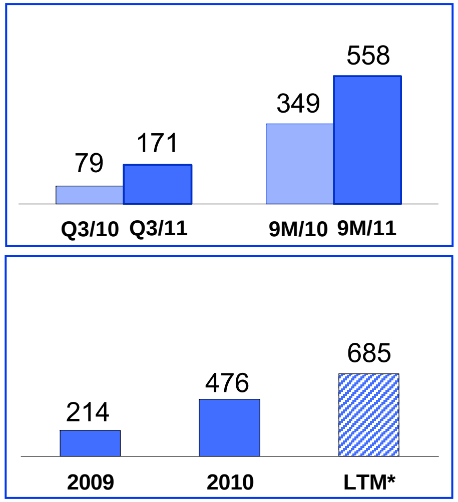
* Until end of September 2010 MOP standard
Source: FMB; as of 3 November 2011

K+S Group
Potash and Magnesium Products

Revenues (€ billion)



EBIT (€ million)

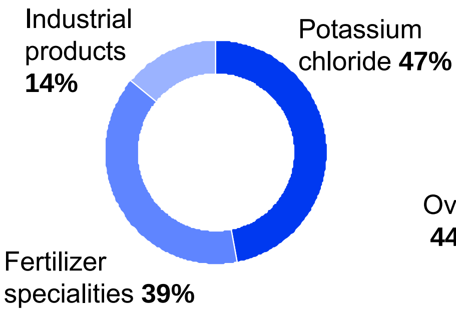


Highlights 9M/11

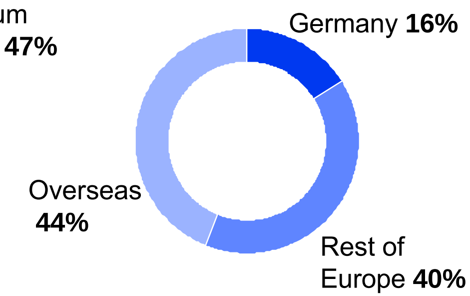
- Strong demand for potash and magnesium fertilizers
- Sales volumes in the first nine months 2011 at 5.28 million tonnes at the same level as for the previous year (9M/10: 5.30 million tonnes)
- For most potash producers, the utilisation of capacity reached a very high level against the backdrop of strong demand
- Higher average prices combined with lower cost increases led to strong increase in earnings

Revenue split 2010

By product group



By region



Outlook 2011

- Sales volume forecast of about 7 million tonnes (2010: 7.06 million tonnes)
- Significantly higher average price level expected compared to the previous year
- Significant increase in revenues should more than make up for expected rise in costs => strong earnings growth

* LTM=Last twelve months as of 30 September 2011

Nitrogen Fertilizers
K+S sells COMPO

- COMPO, based in Münster / Westphalia, is one of the leading suppliers of branded goods for home and garden and employs more than 1,000 employees globally.
- In compliance with its growth strategy, K+S will focus its financial and management resources in particular on the Potash and Magnesium Products and Salt business segments.

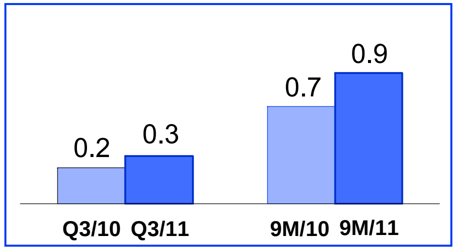
➔ Therefore, on 20 June 2011, K+S announced the sale of COMPO to the investment company Triton for an enterprise value of € 205 million.

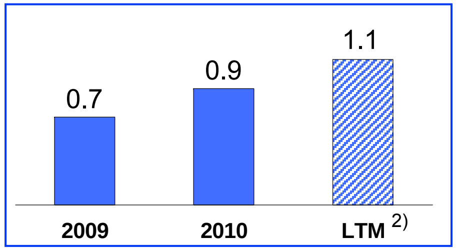
➔ The closing of the transaction was successfully completed on 18 October 2011.

➔ Since the reporting on the second quarter, COMPO is stated as a “discontinued operation” in accordance with IFRS.

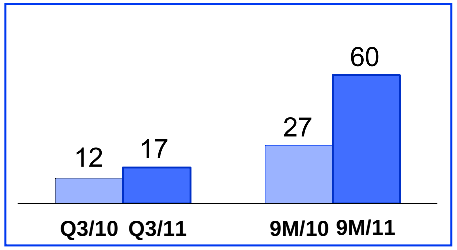
K+S Group
Nitrogen Fertilizers[1)]

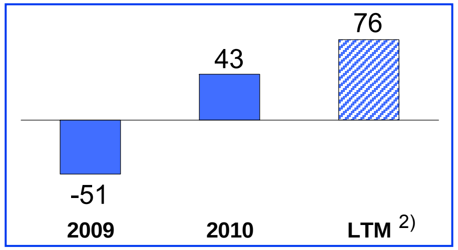
Revenues (€ billion)





EBIT (€ million)



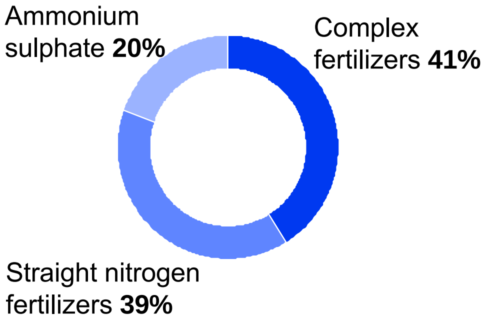


Highlights 9M/11

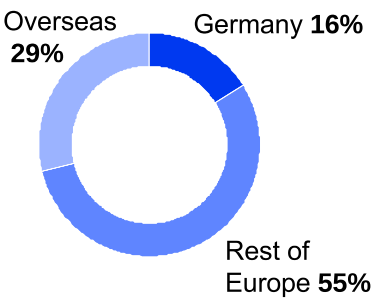
- The positive demand trend for nitrogen fertilizers was accompanied by a significant increase in prices
- European production facilities for nitrogen fertilizers were operating with a good level of utilisation in the first nine months
- The significantly higher revenues due to price factors were able to more than make up for higher input costs

Revenue split 2010

By product group



By region



Outlook 2011

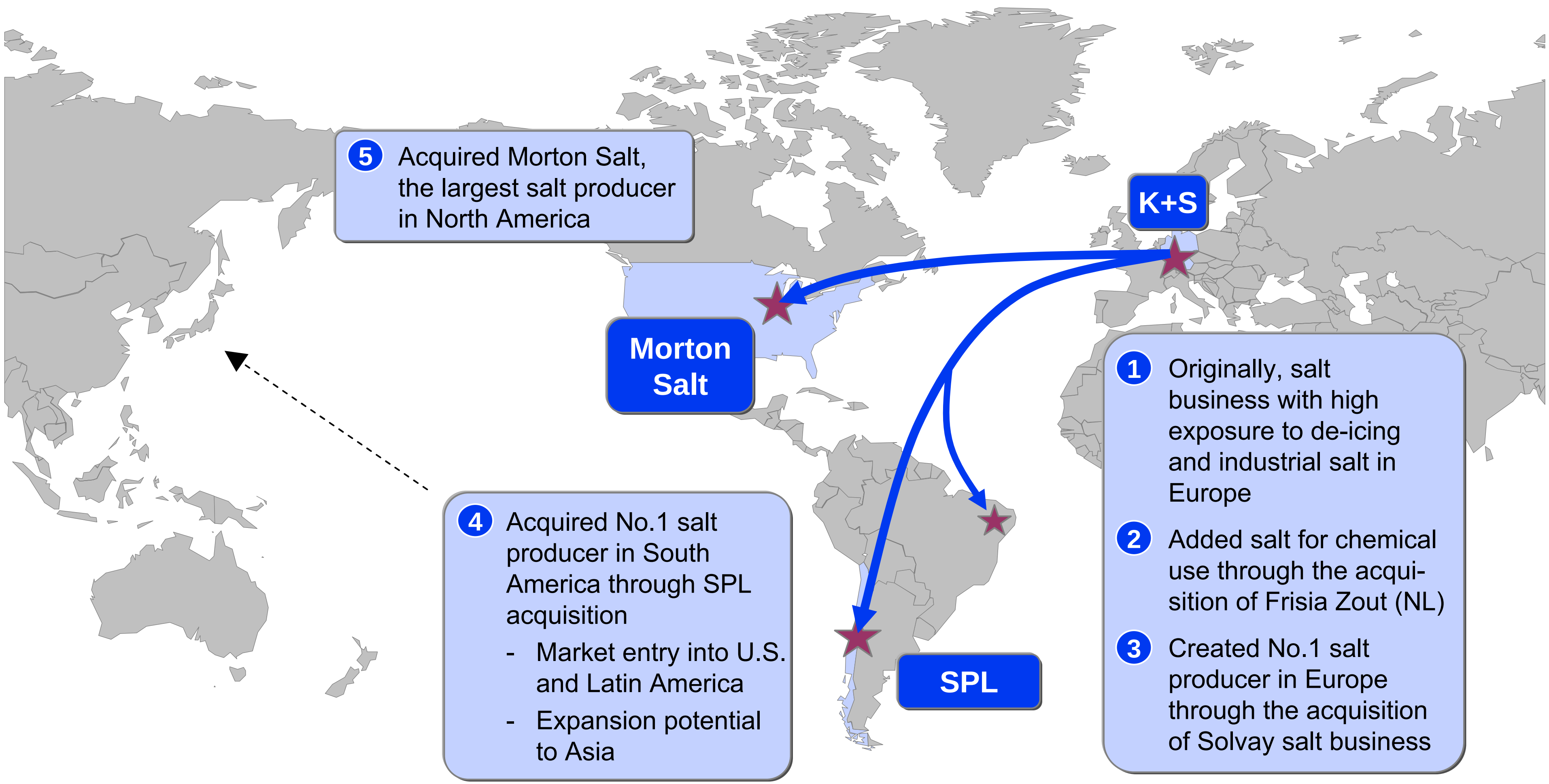
- Strong, price-related, increase in revenues expected
- A high level of capacity utilisation and attractive price prospects should, despite increasing input costs, facilitate a strong increase in operating earnings year on year

1) Information refers to the continued operations of the K+S Group
2) LTM=Last twelve months as of 30 September 2011

K+S Group
Content

A.	Corporate Structure
B.	**Core Business Sectors:**
	Fertilizers
	Salt
C.	Ongoing Projects / Outlook

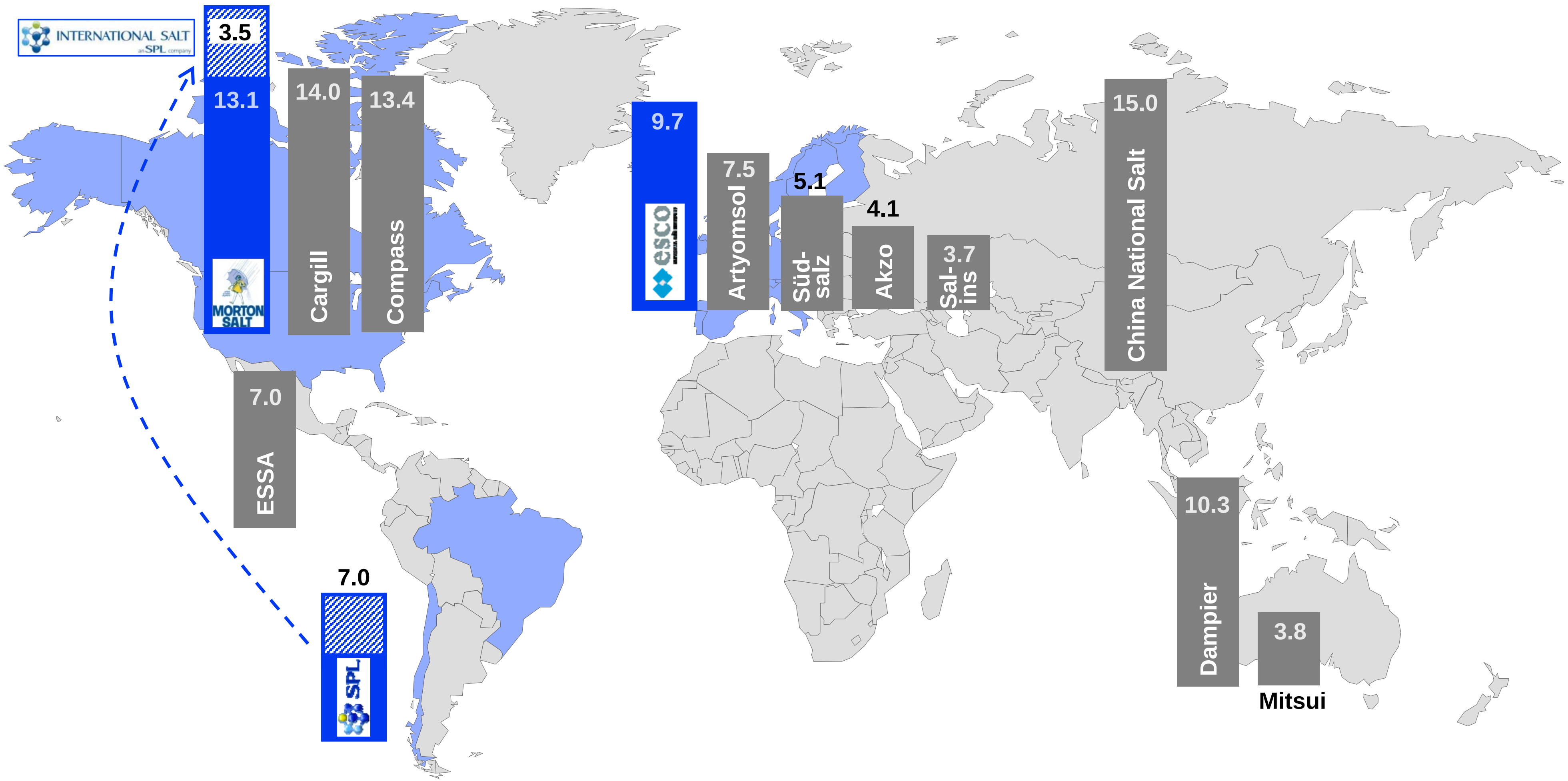
Executing Our Salt Strategy



Salt

Main Salt Suppliers Worldwide

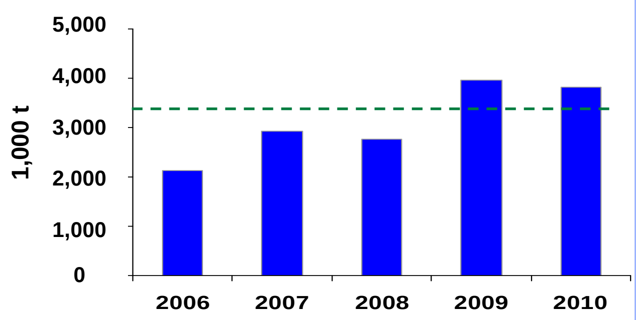
Capacity in million tonnes (crystallised salt and salt in brine; excl. captive use)



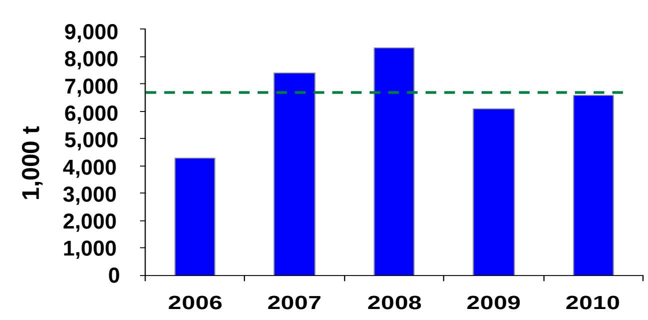
Sources: Roskill 2011, K+S

Salt
Mitigation of Volatility in De-icing Business

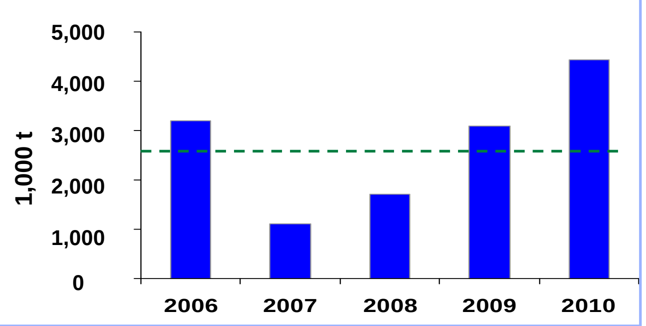
Sales Volume De-icing Salt SPL/ISCO*:



Sales Volume De-icing Salt Morton*:

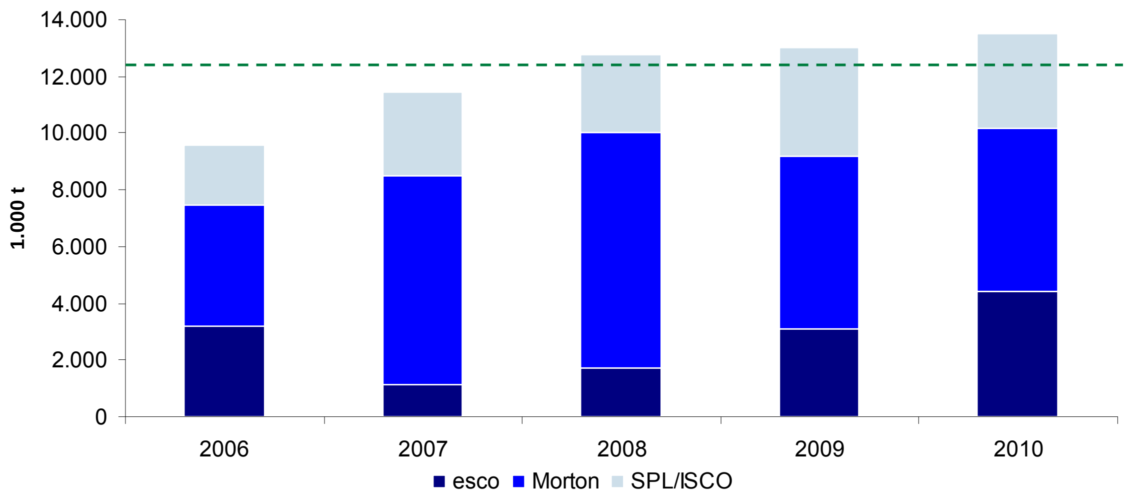


Sales Volume De-icing Salt esco*:



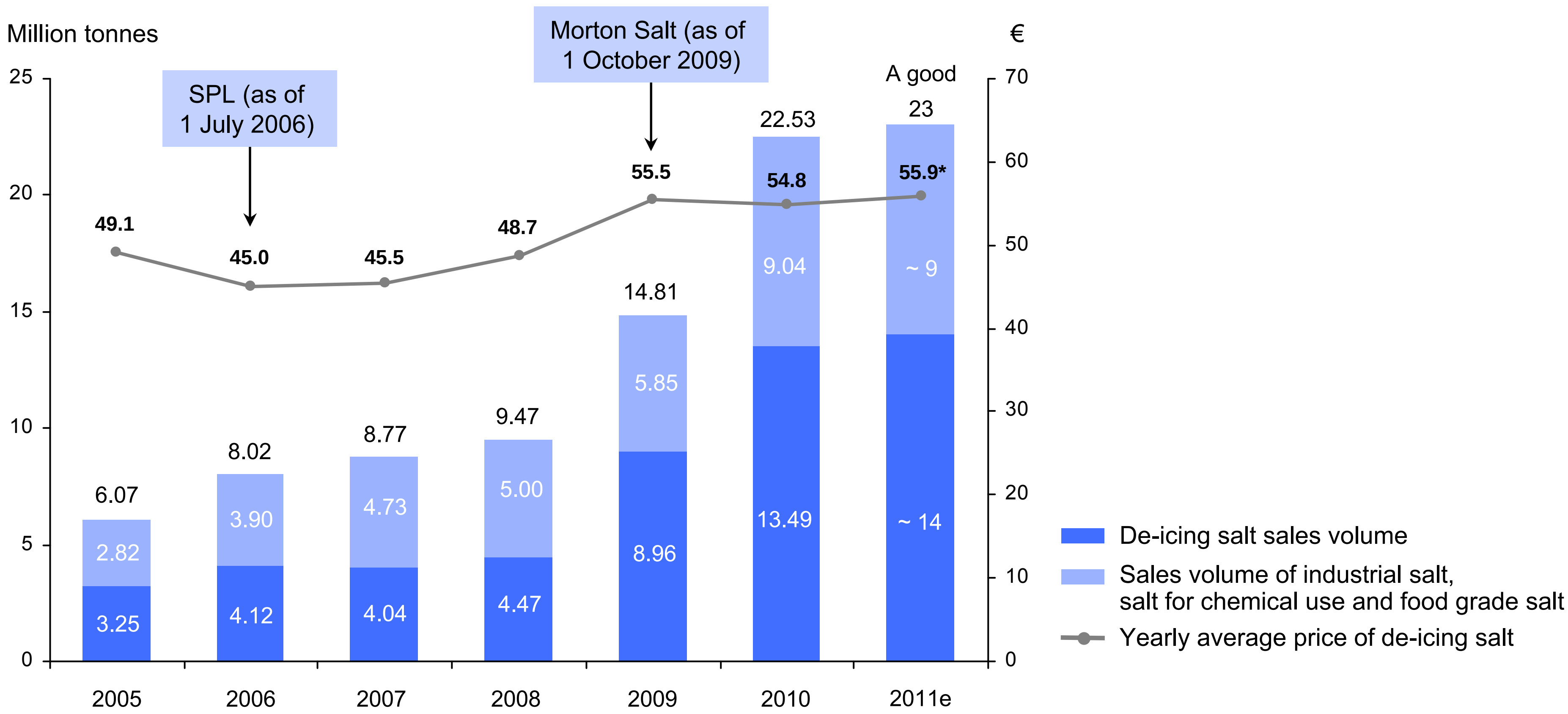
- - - - 10 year average sales volume (2001 – 2010)

* before consolidation of intersegment sales volumes



- ➔ The worldwide de-icing salt market exhibits varying volatility
- ➔ Access to the largest de-icing world markets mitigates the overall degree of fluctuation in the de-icing salt business
- ➔ Unique, interregional production network (including access to salt production from potash facilities) allows benefiting from strong demand surges at short notice

Salt
Historic and Recent Volume and Price Development

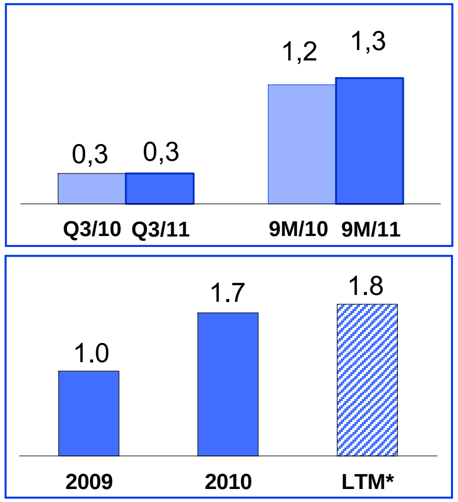


- Sales volumes increased over the past years mainly due to external growth, while the de-icing salt share remained rather stable
- Sales volume 2011e based on good start into the year caused by the weather as well as long-term average volumes in the course of the year: a good 23 million tonnes (of which de-icing salt: about 14 million tonnes)

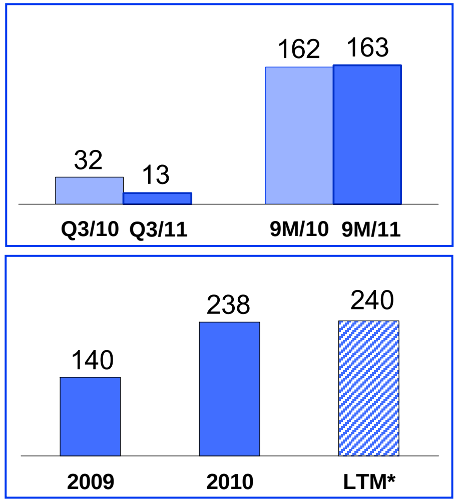
* LTM = Last twelve months as of 30 September 2011

K+S Group
Salt

Revenues (€ billion)



EBIT (€ million)

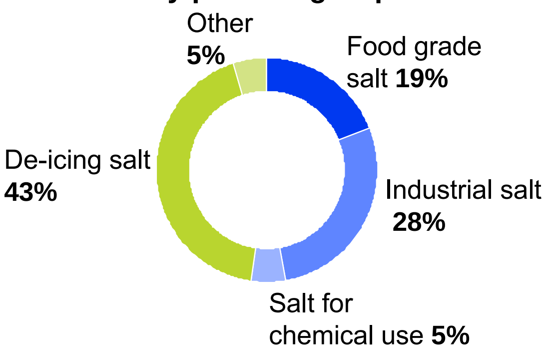


Highlights 9M/11

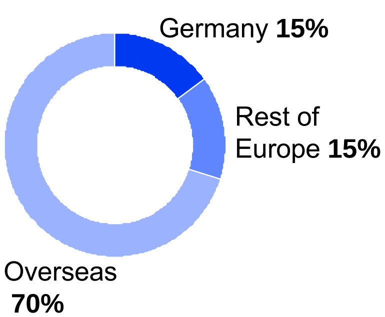
- **Europe:** Above-average demand for de-icing salt and a tangible increase in the price level in the preceding and upcoming season.
- **North-America:** Good demand for de-icing salt in North America in the first nine months with an overall stable price level. Tenders for the coming season lead to stable prices in the Midwest and slightly rising prices in Canada, while prices at the East Coast decrease as a result of lower freight rates for salt imports.

Revenue split 2010

By product group



By region



* LTM=Last twelve months as of 30 September 2011; including above average de-icing salt business in Q4/10

Outlook 2011

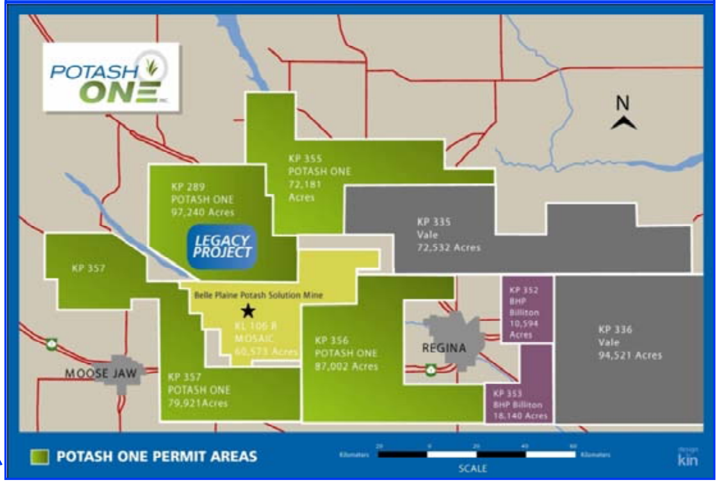
- Expectation of stable revenues at a high level in comparison to the record year 2010 under the assumption of an average de-icing salt business in the fourth quarter 2011.
- Sales volume forecast of a good 23 million tonnes of crystallised salt (2010: 22.5 million tonnes).
- Operating earnings should decline moderately on the basis of a lower building-up of stocks.

K+S Group
Content

K+S Group
Legacy Project – Canada

- K+S Potash Canada holds several potash exploration licences in Saskatchewan/Canada incl. the Legacy Project (advanced greenfield project for solution mining)
- Given the available resources and environmental permit, the Legacy Project offers potential for gradually increasing output to significantly in excess of 2.7 million tonnes of KCl per year

Located in the Heart of Saskatchewan's Potash-Rich Basin



Two additional potash permit areas in the Esterhazy potash region

Reserves and Resources – K+S Potash Canada

		million tonnes KCl	% KCl	% K_2O
Mineral Reserves (Proven and Probable Reserves) [1,2]	Legacy Project area	135.8	28.9	18.3
Resources (Indicated and Inferred Resources) [1]	Legacy Project area + KLSA 009	940	26.9	17.0

1) The reserves figures were determined by Agapito Associates Inc., Grand Junction, Colorado, in cooperation with North Rim Exploration Ltd., Saskatoon, Saskatchewan. The technical reports for the determination of reserves were created in accordance with the requirements of the Canadian standard NI 43-101 of the "Canadian Securities Regulators".

2) After conversion of the exploration permit (KP 289) to a mine lease (KLSA 009) an additonal 1,150 acres (approx. 4.7 km^2) of land with extraction rights are available, which contain further reserves in the magnitude of 24.5 million tonnes of KCl product. An official update of the determination of reserves by the above-mentioned independent experts, including these additional volumes, is planned.

Progress Legacy Project

- With Potash One, we bought a very attractive potash deposit and a third-party, ready-made feasibility study.
- The project size requires us to review and customise the feasibility study of Potash One in detail.
- Results will be communicated in autumn/winter. Aspects like product mix, energy concept, ramp-up curve as well as a global procurement process require a thorough analysis.
- We envisage first production volumes from 2015 onwards.
- In 2011, we assume to spend just under €40 million of capex, mainly for the following measures: water connection, site preparation, roads, drilling preparations and first drillings.

K+S Group
Revenues and Earnings Expectations for 2011[1)]

Outlook for the entire year of K+S Group:

- Revenues:	€	5.00 -	5.25	billion	(2010: € 4.63 bn)
- EBITDA:	€	1,150 -	1,250	million	(2010: € 953.0 m)
- Operating earnings (EBIT I):	€	950 -	1,000	million	(2010: € 714.5 m)
- Group earnings from continued operations, adj.:	€	650 -	690	million	(2010: € 447.8 m)
- Earnings per share from continued operations, adj.:	€	3.40 -	3.60		(2010: € 2.34)
- Earnings per share, adjusted [2)]:	€	2.90 -	3.10		(2010: € 2.33)

Underlying assumptions

Fertilizers Business Sector

Potash and Magnesium Products

Significant rise in revenues and strong growth in operating earnings

- Sales volume of about 7 million t of goods
- On the basis of the currently achieved potash price level, significant rise in FY average prices
- Moderate rise in total costs
- Continued attractive agricultural prices

Nitrogen Fertilizers

Strong increase in revenues and operating earnings

- Revenue increase due to price factors
- Increase in operating earnings despite higher input costs
- Continued attractive agricultural prices

Salt Business Sector

Stable revenues at a high level and moderate decline in operating earnings

- Sales volume of crystallised salt of a good 23 million t
- Operating earnings decrease moderately on the basis of a lower building-up of stocks
- Average de-icing salt business in Q4/11 assumed

Effects/Assumptions on Group Level

- An average US dollar exchange rate of 1.40 USD/EUR
- Significantly better financial result in comparison to 2010
- An adjusted Group tax rate of about 27%

Earnings-based Dividend Policy

Dividend payout ratio of between 40% and 50% of adj. earnings after taxes (including discontinued operations)

1) Unless stated otherwise, information refers to continued operations; Outlook statement as of 3 November 2011
2) Earnings from continued and discontinued operations

K+S Group
Revenues and Earnings Expectations for 2012*

The currently omnipresent uncertainty regarding the future economic development of the global economy has prompted us to be somewhat more cautious in respect of our estimate for 2012 and therefore take the lower visibility into account.

K+S Group:
- **Stable revenues**
- **Stable operating earnings (EBIT I) and adjusted Group earnings after taxes**

Underlying assumptions

Fertilizer Business Sector

Potash and Magnesium Products

Tangible rise in revenues and slight growth in operating earnings
- Sales volume of about 7 million t of goods
- On the basis of the currently achieved potash price level, tangible rise in FY average prices
- Tangible rise in total costs
- Continued attractive agricultural prices

Nitrogen Fertilizers

Largely stable revenues and operating earnings
- Continued attractive agricultural prices

Salt Business Sector

Moderate decline in revenues and significant decline in operating earnings
- Sales volume of crystallised salt of about 22 million t, of which de-icing salt: 12 million t
- Assumption: Average de-icing salt business

Effects/Assumptions on Group level

- A USD exchange rate of 1.40 USD/EUR
- A negative currency result (exchange rate after premiums weaker than the expected spot rate)
- A largely unchanged financial result
- A slightly higher adjusted Group tax rate of 27% to 28%

*Outlook statement as of 3 November 2011

Forward-Looking Statements

This presentation 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 not to be correct or should certain risks – such as those referred to in the recent Risk Report – materialise, actual developments and events may deviate from current expectations. The Company assumes no obligation to update the statements contained in this presentation, save for the making of such disclosures as are required by the provisions of statute.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