

Q1/2023 QUARTERLY REPORT

Q1/2023 figures:

Good start into the year after the record year 2022:

- + K+S Group revenues reach €1,192 million in the first quarter (Q1/2022: €1,212 million)
- + EBITDA amounts to €454 million (Q1/2022: €524 million); EBITDA margin at 38% (Q1/2022: 43%)
- + Adjusted free cash flow reaches € +113 million (Q1/2022: € +103 million); this includes an inflation compensation premium and energy prepayments (total mid double-digit million euro amount)
- + Trade receivables outstanding still at €1.1 billion, as at year-end 2022, and, therefore, at a high level at the reporting date

2023 outlook:

- + EBITDA expected to range between €1.15 billion and €1.35 billion (previous outlook €1.3 billion and €1.5 billion; 2022: €2.4 billion); includes negative valuation effects from mining provisions in the mid double-digit million euro range
- + Adjusted free cash flow expected to range between €650 million and €850 million (previous outlook: €700 million to €900 million; 2022: €932 million); includes expected reduction of the still high level of receivables over the course of the year
- + Now implies postponement of moderate increase of overseas MOP prices compared with current level into the second half of the year

The logo for K+S, consisting of the letters 'K+S' in a bold, white, sans-serif font, set against a dark blue rectangular background.

KEY INDICATORS FROM CONTINUING OPERATIONS

		Q1/2022	Q1/2023	%
K+S Group				
Revenues	€ million	1,212.3	1,192.0	-1.7
EBITDA ¹	€ million	524.1	453.8	-13.4
EBITDA margin	%	43.2	38.1	-11.8
Depreciation and amortization ²	€ million	101.4	107.9	+6.5
Agriculture customer segment ³				
Revenues	€ million	944.1	861.4	-8.8
Sales volumes	million tonnes	1.79	1.73	-3.4
Industry+ customer segment ³				
Revenues	€ million	268.2	330.6	+23.3
Sales volumes	million tonnes	1.83	1.79	-2.2
– thereof de-icing salt	million tonnes	0.61	0.59	-3.3
Capital expenditure (CapEx) ⁴	€ million	49.2	77.5	+57.5
Equity ratio	%	62.1	71.2	+14.7
Return on Capital Employed (LTM) ⁵	%	42.0	23.9	-
Net financial liabilities (-)/net asset position (+) as of March 31	€ million	-520.4	347.0	-
Net financial liabilities/EBITDA (LTM) ⁵	x-times	0.4	-	-
Market capitalization as of March 31	€ billion	5.25	3.75	-28.6
Enterprise value (EV) as of March 31	€ billion	6.90	4.57	-33.8
Book value per share as of March 31	€	29.69	36.11	+21.6
Average number of shares	million	191.4	191.4	-
Employees as of March 31 ⁶	number	10,772	11,198	+4.0

KEY INDICATORS FROM CONTINUING AND DISCONTINUED OPERATIONS

Group earnings after tax, adjusted ⁷	€ million	312.7	232.4	-25.7
Earnings per share, adjusted ⁷	€	1.63	1.21	-25.8
Net cash from operating activities	€ million	252.8	217.3	-14.0
– thereof continuing operations	€ million	253.7	220.5	-13.1
– thereof discontinued operations	€ million	-0.9	-3.2	>-100
Adjusted free cash flow from continuing operations	€ million	103.0	113.2	+9.9

¹ EBITDA is defined as earnings before taxes, interest, depreciation and amortization, adjusted for the amortization amount recognized directly in equity in connection with own work capitalized, the result of changes in the fair value of operating forecast hedges still outstanding, and changes in the fair value of operating forecast hedges recognized in prior periods.

² Relates to depreciation and amortization for property, plant and equipment, intangible assets and impairment losses/reversals of impairment losses on investments accounted for using the equity method, adjusted for the amount of depreciation and amortization recognized directly in equity as part of own work capitalized.

³ No segments in accordance with IFRS 8.

⁴ Relates to cash payments for investments in property, plant, and equipment, and intangible assets, excluding leases in accordance with IFRS 16.

⁵ LTM = last twelve months.

⁶ FTE = full-time equivalents; part-time positions are weighted according to their share of working hours.

⁷ The adjusted key figures include the gains/losses from operating forecast hedges for the respective reporting period; effects from changes in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate Q1/2023: 30.2% (Q1/2022: 30.2%).

The health and safety of our employees is the highest priority for K+S. We have the guiding principle: “Nothing is more important than health and safety – not production, not revenues, not profit,” and we work constantly to provide a healthy and safe working environment for effective protection of our employees. Based on the corporate policy for health, safety, environment, quality, and sustainability, we continuously develop and improve our processes to protect health and to ensure occupational safety. Meetings of the Board of Executive Directors usually deal with the topic of health and occupational safety every time.

CORPORATE STRATEGY AND GOVERNANCE

For a comprehensive presentation of our corporate strategy and governance, please refer to the corresponding chapters “Corporate strategy” starting on page 39 and “Corporate governance and monitoring” starting on page 110 of the 2022 Annual Report.

SIGNIFICANT EVENTS IN THE REPORTING PERIOD

The macroeconomic and geopolitical effects following Russia's attack on Ukraine and their impact on the K+S Group continue to largely depend on the duration and further course of the war as well as the corresponding reactions worldwide. K+S has established intensive monitoring, especially with regard to emerging or occurring changes in energy availability, sanctions, receivables management, supply chains, cyber security, changes in agricultural prices, as well as the potash supply and demand situation.

On December 14, 2022, the 3-month par call of the K+S bond maturing in April 2023 was utilized and the bond matured on January 6, 2023. The nominal amount of the bond was €396.4 million as of December 31, 2022. €404.2 million, including accrued interest, was paid at the beginning of 2023.

In February 2023, the Supervisory Board of K+S Aktiengesellschaft and Mr. Riemensperger mutually agreed on a separation, as Mr. Riemensperger is taking on a new challenge in another company. He has left K+S. Dr. Carin-Martina Tröltzsch assumed her duties at K+S on February 20, 2023, on the Board of Executive Directors of K+S Aktiengesellschaft. Furthermore, Dr. Christian H. Meyer took up his position as Chief Financial Officer at K+S Aktiengesellschaft on March 15, 2023. Further information can be found on page 137 of the 2022 Annual Report. The current allocation of responsibilities can be found at www.kpluss.com/board-of-executive-directors.

In March 2023, the Kassel Regional Council granted K+S a permit for the second phase of the tailings pile expansion at the Werra integrated plant, Hattorf site. The highest environmental standards will be applied to the expansion to keep impacts on the environment as low as possible.

EARNINGS POSITION, FINANCIAL POSITION, AND NET ASSETS

EARNINGS POSITION

After the record year 2022, K+S made a good start into 2023: In the quarter under review, revenues of the K+S Group reached €1,192.0 million (Q1/2022: €1,212.3 million). Price-related higher revenues in the Industry+ customer segment could not fully offset the moderate decline in revenues in the Agriculture customer segment.

As a result of the effects described in the change in revenues, EBITDA for the K+S Group reached a total of €453.8 million in the first quarter (Q1/2022: €524.1 million) and, therefore, an EBITDA margin of 38.1% (Q1/2022: 43.2%). EBITDA in the reporting quarter was also impacted by price-related higher costs and, to an amount of around €12 million, by higher inflation rates in the valuation of mining provisions.

KEY INDICATORS OF THE EARNINGS POSITION

in € million	Q1/2022	Q1/2023	%
Revenues	1,212.3	1,192.0	-1.7
EBITDA	524.1	453.8	-13.4
Depreciation and amortization ¹	101.4	107.9	+6.5
Group earnings after tax, adjusted ²	312.7	232.4	-25.7

¹ Relates to depreciation and amortization for property, plant and equipment, intangible assets and impairment losses/reversals of impairment losses on investments accounted for using the equity method, adjusted for the amount of depreciation and amortization recognized directly in equity as part of own work capitalized.

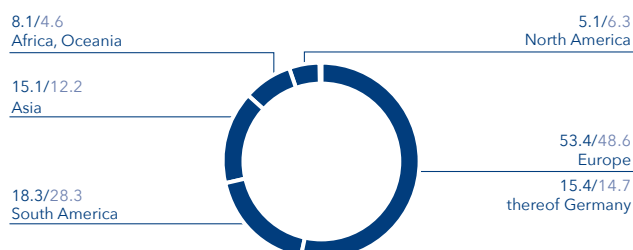
² The adjusted key indicators include the result from operating forecast hedges for the respective reporting period; effects from changes in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate Q1/2023: 30.2% (Q1/2022: 30.2%).

The impairment testing of the Potash and Magnesium Products and Salt cash-generating units in accordance with IFRS is described in the Annual Report from page 194 and 195 respectively. No adjustments were required in the quarter under review.

Adjusted Group earnings after tax amounted to €232.4 million in the first three months of 2023 (Q1/2022: €312.7 million), resulting in a value of €1.21 per share (Q1/2022: €1.63). This was mainly attributable to lower EBITDA and a negative change in the financial result of €-38.7 million from €+20.9 million in the prior-year period to €-17.8 million in the first quarter of 2023. The financial result in the prior-year quarter benefited from positive interest effects due to significantly higher discount rates for mining provisions. In the reporting quarter, however, a slight normalization in discount rates resulted in a negative interest effect. Additionally, other financial result was weaker due to exchange rate effects.

REVENUES BY REGION

in %



○ January to March 2023/2022

VARIANCE COMPARED TO PREVIOUS YEAR

in %

Change in revenues	-1.7
- volume-/structure-related	-6.5
- price/pricing-related	+1.2
- currency-related	+3.6
- consolidation-related	-

FINANCIAL POSITION

In the first quarter of 2023, the K+S Group invested a total of €77.5 million (Q1/2022: €49.2 million). The increase mainly resulted from the construction and further development of the pads as well as the infrastructural development in Bethune, investments for tailings pile expansions as well as initial investments for the Werra 2060 project.

Cash flow from operating activities decreased to €220.5 million in the first quarter of 2023, compared with €253.7 million in the first quarter of 2022.

Cash flow from investing activities amounted to €59.0 million compared to €-168.4 million in the prior-year period. In 2022, this was impacted by expenditures for the purchase of CO₂ certificates.

Adjusted free cash flow (excluding acquisitions/disposals of securities and other financial investments) increased to €113.2 million (Q1/2023: €103.0 million). This includes the inflation compensation premium paid in March and energy prepayments, which jointly impacted free cash flow in the mid double-digit million euro range. Overall, outstanding trade receivables were still at €1.1 billion, as at year-end 2022, and were, therefore, at a high level at the reporting date.

NET ASSETS

Due to the repayment of the maturing bond, net cash and cash equivalents decreased to €159.2 million as of March 31, 2023 (December 31, 2022: €312.9 million; March 31, 2022: €395.5 million).

While there were still net financial liabilities of €520.4 million on March 31, 2022 and a leverage ratio (net financial liabilities/EBITDA) of 0.4 times (LTM), a net asset position of €347.0 million could be reported as of March 31, 2023 (December 31, 2022: €244.9 million).

KEY INDICATORS OF THE FINANCIAL POSITION

in € million	Q1/2022	Q1/2023	%
Capital expenditure ¹	49.2	77.5	+57.5
Net cash flow from operating activities	253.7	220.5	-13.1
Net cash flow from investing activities	-168.4	59.0	-
Free cash flow	85.3	279.5	>+100
Adjustment for acquisitions/disposals of securities and other financial investments	17.7	-166.3	-
Adjusted free cash flow	103.0	113.2	+9.9

¹ Relates to cash-effective investments in property, plant, and equipment, and intangible assets excluding lease additions in accordance with IFRS 16.

NET FINANCIAL LIABILITIES AND NET DEBT

in € million	March 31, 2022	Dec. 31, 2022	March 31, 2023
Cash and cash equivalents	402.6	320.0	165.9
Non-current securities and other financial investments	13.3	14.8	44.4
Current securities and other financial investments	228.3	665.8	469.8
Financial liabilities	-1,126.5	-730.6	-327.7
Lease liabilities from finance lease contracts	-38.1	-25.1	-5.4
Net financial liabilities (-)/net asset position (+)	-520.4	244.9	347.0
Lease liabilities excluding liabilities from finance lease contracts	-162.8	-144.0	-135.2
Net financial liabilities (-)/net asset position (+) (incl. all lease liabilities)	-683.2	100.9	211.8
Provisions for pensions and similar obligations	-4.8	-2.7	-3.0
Provisions for mining obligations	-953.6	-932.4	-1,028.0
Net debt	-1,641.5	-834.2	-819.2

CUSTOMER SEGMENTS (NO SEGMENTS ACCORDING TO IFRS 8)

AGRICULTURE CUSTOMER SEGMENT

KEY INDICATORS FOR THE AGRICULTURE CUSTOMER SEGMENT

in € million	Q1/2022	Q1/2023	%
Revenues	944.1	861.4	-8.8
– thereof potassium chloride	625.3	545.6	-12.7
– thereof fertilizer specialties	318.8	315.8	-0.9
Sales volume (in million tonnes)	1.79	1.73	-3.4
– thereof potassium chloride	1.11	1.10	-0.5
– thereof fertilizer specialties	0.69	0.63	-8.6

In the Agriculture customer segment, revenues decreased moderately to €861.4 million in the first quarter of 2023 (Q1/2022: €944.1 million). This was attributable to moderately lower average selling prices and slight declines in volumes due to delayed deliveries in view of still strained logistics and a continued wait-and-see attitude on the part of customers. Revenues benefited from positive exchange rate effects. In the reporting quarter, revenues in Europe amounted to €340.1 million (Q1/2022: €349.9 million) and overseas to €521.2 million (Q1/2022: €594.2 million). In total, potassium chloride accounted for €545.6 million of revenues (Q1/2022: €625.3 million) and fertilizer specialties for €315.8 million (Q1/2022: €318.8 million).

Sales volumes in the first quarter of 2023 amounted to 1.73 million tonnes, compared with 1.79 million tonnes in the prior-year quarter. In the quarter under review, 0.62 million tonnes were sold in Europe (Q1/2022: 0.76 million tonnes) and 1.11 million tonnes overseas (Q1/2022: 1.03 million tonnes). In total, potassium chloride accounted for 1.10 million tonnes of the sales volume (Q1/2022: 1.11 million tonnes) and fertilizer specialties for 0.63 million tonnes (Q1/2022: 0.69 million tonnes).

VARIANCE COMPARED TO PREVIOUS YEAR

in %	
Change in revenues	-8.8
– volume-/structure-related	-5.4
– price/pricing-related	-7.9
– currency-related	+4.5
– consolidation-related	-

AGRICULTURE CUSTOMER SEGMENT: DEVELOPMENT OF REVENUES, SALES VOLUMES, AND AVERAGE PRICES BY REGION

		Q1/2022	Q2/2022	Q3/2022	Q4/2022	2022	Q1/2023
Revenues	€ million	944.1	1,244.2	1,162.8	1,114.6	4,465.6	861.4
Europe	€ million	349.9	543.0	372.0	406.8	1,671.6	340.1
Overseas	USD million	666.5	746.5	796.3	722.3	2,931.6	559.3
Sales volume	t million eff.	1.79	1.87	1.56	1.89	7.11	1.73
Europe	t million eff.	0.76	0.84	0.55	0.66	2.81	0.62
Overseas	t million eff.	1.03	1.03	1.01	1.23	4.30	1.11
Average price	€/t eff.	527.0	663.9	744.5	592.2	628.1	498.9
Europe	€/t eff.	462.1	648.4	675.9	617.7	594.1	548.3
Overseas	USD/t eff.	644.3	727.2	787.6	585.6	682.4	505.6

INDUSTRY+ CUSTOMER SEGMENT

KEY INDICATORS FOR THE INDUSTRY+ CUSTOMER SEGMENT

in € million	Q1/2022	Q1/2023	%
Revenues	268.2	330.6	+23.3
Sales volume (in million tonnes)	1.83	1.79	-2.2
– thereof de-icing salt	0.61	0.59	-3.3

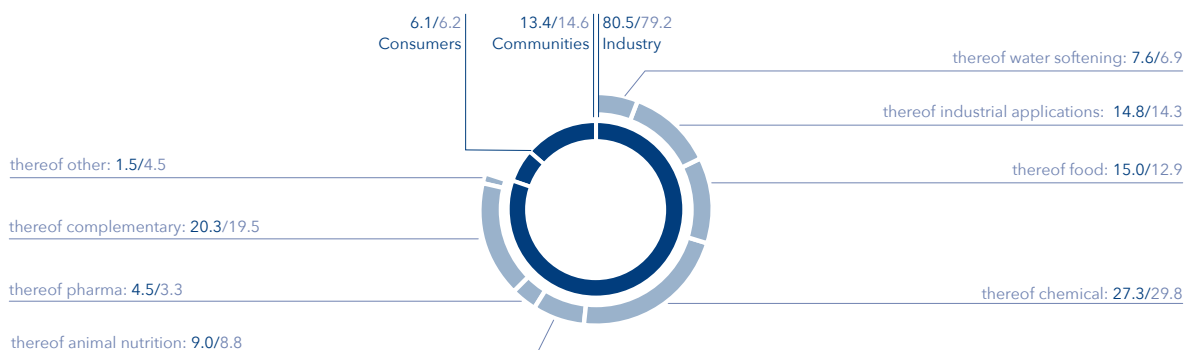
In the Industry+ customer segment, revenues increased significantly to €330.6 million in the reporting quarter (Q1/2022: €268.2 million). This was mainly attributable to higher average prices for potash-containing products as well as our salt products. Average prices for salt products in particular could once again be significantly increased, also compared with the fourth quarter of 2022. While higher prices for industrial products and de-icing salts in particular caused the increase in revenues, higher volumes for pharmaceutical, chemical, and consumer products also had a positive impact. Overall, sales volumes of 1.79 million tonnes were almost at the prior-year level (Q1/2022: 1.83 million tonnes).

VARIANCE COMPARED TO PREVIOUS YEAR

in %	
Change in revenues	+23.3
– volume-/structure-related	-10.4
– price/pricing-related	+33.1
– currency-related	+0.6
– consolidation-related	-

REVENUES BY PRODUCT GROUP

in %



○ January to March 2023/2022

REPORT ON RISKS AND OPPORTUNITIES

For a detailed presentation of potential risks and opportunities, please refer to the relevant sections of our 2022 Annual Report from page 120 onwards. The risks to which the K+S Group is exposed, both individually and in interaction with other risks, are limited and, according to today's assessment, do not jeopardize the continued existence of the Company. Opportunities and risks as well as their positive and negative changes are not offset against each other.

2023 OUTLOOK

The medium- to long-term trends for the future industry situation described in the 2022 Annual Report starting on page 139 largely remain valid.

The growing demand for agricultural commodities resulting from a constantly increasing world population and changing eating habits can only be sustained in the future by intensifying agriculture, given the limited availability of arable land. The balanced use of mineral plant nutrients is, therefore, indispensable. The continuing above-average prices for agricultural commodities should provide attractive yield prospects in agriculture and, therefore, an incentive to increase yields per hectare through balanced or higher fertilizer use in the event of undersupply. Against this background, as well as intact profitability in agriculture, we expect global potash sales volumes to increase in 2023, driven by still limited supply from Russia and Belarus (2022: up to 65 million tonnes).

Following the conclusion of contracts by two competitors with India, which was important for the orientation of the MOP market, only at the beginning of April, the wait-and-see attitude on the customer side lasted longer than initially expected. In the northern hemisphere, this partially resulted in deliveries not being called off in time for spring application. Overseas, the expected moderate recovery in potassium chloride prices compared with the current level should be postponed until the second half of the year. Overall, we, therefore, now expect an average price in the Agriculture customer segment for the year as a whole that should be tangibly lower than the figure for the first quarter of 2023 (Q1/2023: 499 €/t; previous forecast: more than 20% below the full-year 2022 figure: 628 €/t). This assumes a moderate recovery in overseas potassium chloride prices for the second half of 2023 compared with current levels. For fertilizer specialties, we also expect a declining price level on average for the year.

This should be offset by lower than previously expected cost increases. Against the background of the effects described, we now expect EBITDA to range between €1.15 billion and €1.35 billion in the 2023 financial year (previous forecast: €1.3 billion to €1.5 billion; 2022: €2.4 billion). Based on the development in the first quarter of 2023, we now assume a non-cash valuation effect from mining provisions in the mid double-digit million euro range for the full year.

Overall, we expect an average level of demand for de-icing salt. Demand for the other products in the Industry+ customer segment should develop positively overall.

Against the background of existing uncertainties regarding the supply of natural gas from Russia to Europe, we refer to our explanations in the Risk and Opportunity Report of the 2022 Annual Report. If a gas shortage were to occur, this would lead to impairments in the energy supply to German sites and consequently to production restrictions.

Our forecast for the full year 2023 is essentially based on the following assumptions:

- + According to our assessment of the market environment in the Agriculture customer segment, we now assume an overall annual average price in the Agriculture customer segment that should be tangibly lower than in the first quarter of 2023 (Q1/2023: 499 €/t; previous forecast: more than 20% below the full-year 2022 figure: 628 €/t). This assumes a moderate recovery in overseas potassium chloride prices for the second half of 2023 compared with the current level.
- + For the full year 2023, cost increases in the low to mid triple-digit million euro range are assumed compared with the cost level in 2022, particularly for energy, logistics, and materials (previous forecast: mid triple-digit million euro range).

- + The expected sales volume of all products in the Agriculture customer segment is expected to range between 7.2 and 7.4 million tonnes (previous forecast: 7.3 to 7.5 million tonnes; 2022: 7.11 million tonnes), particularly due to the easing of logistical bottlenecks. We assume an improvement in sales volumes in the second half of 2023.
- + For the de-icing salt business, we continue to expect sales volumes of about 2 million tonnes in the 2023 financial year (previous forecast: a good 2 million tonnes; 2022: 2.1 million tonnes; normal year: 2.0 to 2.3 million tonnes).
- + With respect to the EUR/USD currency relation, an average spot rate of 1.08 EUR/USD is assumed for the remaining months (2022: 1.05 EUR/USD).

Adjusted Group earnings after tax are expected to be in the mid triple-digit million euro range (previous forecast: higher triple-digit million euro amount; 2022: €1,494.0 million).

Over the course of the year, we expect a significant reduction in the continuing high level of receivables with a corresponding positive cash flow effect for the full year 2023. Against this background, adjusted free cash flow is expected to range between €650 million and €850 million (previous forecast: between €700 million and €900 million; 2022: €932.0 billion). For the volume of capital expenditure of the K+S Group in 2023, we continue to assume an increase to a mid triple-digit million euro amount (2022: €403.8 million) as a result of time shifts from 2022 due to delivery delays, initial capital expenditure for the Werra 2060 project as well as the accelerated energy transformation.

After the shareholders' participation in the success of the Company, the net financial asset position should improve to a mid to higher triple-digit million euro amount at the end of the year. Net debt should also continue to decline accordingly.

Return on capital employed (ROCE) should reach a high single-digit to low double-digit percentage in 2023 (previous forecast: low double-digit percentage; 2022: 25.4%).

CHANGES IN THE FORECAST FOR THE FULL YEAR 2023

K+S Group		2022 ACTUAL	2023 Forecast 2022 Annual Report	2023 Forecast Q1/2023
EBITDA ¹	€ billion	2.4	1.3 to 1.5	1.15 to 1.35 ²
Capital expenditures ³	€ million	403.8	mid triple-digit million euro amount	mid triple-digit million euro amount
Group earnings after tax, adjusted ⁴	€ million	1,494.0	high triple-digit million euro amount	mid triple-digit million euro amount
Adjusted free cash flow	€ million	932.0	700 to 900	650 to 850
ROCE	%	25.4	low double-digit percentage	high single-digit to low double-digit percentage
EUR/USD exchange rate for remaining months	EUR/USD	1.05	1.08	1.08
Sales volume in Agriculture customer segment	million tonnes	7.1	7.3 to 7.5	7.2 to 7.4
Average price in Agriculture customer segment for the full year	€/t	628.1	decrease by more than 20% vs. FY 2022	tangibly under Q1/2023 (499)
Sales volume of de-icing salt	million tonnes	2.1	a good 2	about 2

¹ EBITDA is defined as earnings before interest, taxes, depreciation, and amortization, adjusted for depreciation and amortization of own work capitalized recognized directly in equity, gains/losses from fair value changes arising from operating anticipatory hedges still outstanding, and changes in the fair value of operating anticipatory hedges recognized in prior periods.

² Includes negative valuation effects from mining provisions in the mid double-digit million euro range.

³ Relates to cash-effective investments in property, plant and equipment and intangible assets excluding lease additions in accordance with IFRS 16.

⁴ The adjusted key indicators include the gains/losses from operating forecast hedges for the respective reporting period; effects from changes in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate 2022: 30.2%.

RESPONSIBILITY STATEMENT FROM THE LEGAL REPRESENTATIVES OF K+S AKTIENGESELLSCHAFT

We hereby declare that, to the best of our knowledge, and in accordance with the applicable reporting standards for interim financial reporting, the interim consolidated financial statements provide a true and fair view of net assets, financial, and earnings position of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Kassel (Germany), May 9, 2023

K+S AKTIENGESELLSCHAFT

The Board of Executive Directors

INCOME STATEMENT

in € million	3M/2022	3M/2023	12M/2022	LTM ¹
Revenues	1,212.3	1,192.0	5,676.6	5,656.3
Costs of goods sold	-707.5	-756.8	-3,219.3	-3,268.6
Gross profit	504.8	435.2	2,457.3	2,387.7
Selling, general, and administrative expenses	-49.7	-48.6	-186.3	-185.2
Other operating income	41.5	40.3	241.8	240.6
Other operating expenses	-58.0	-61.8	-374.6	-378.4
Share of profit or loss of equity-accounted investments	-0.5	-3.4	-2.7	-5.6
– thereof impairment losses	–	-3.1	-1.5	-4.6
Income from equity investments, net	0.2	0.2	2.1	2.1
Gains/(losses) on operating anticipatory hedges	-18.2	28.4	-138.0	-91.4
Earnings after operating hedges²	420.1	390.3	1,999.6	1,969.8
Interest income	21.3	3.9	103.4	86.0
Interest expense	-8.6	-19.7	-28.3	-39.4
Other financial result	8.2	-2.0	60.0	49.8
Financial result	20.9	-17.8	135.1	96.4
Earnings before tax	441.1	372.6	2,134.7	2,066.2
Income tax expense	-130.1	-109.1	-626.4	-605.4
– thereof deferred taxes	-13.6	-19.8	-212.5	-218.7
Net income	310.9	263.4	1,508.3	1,460.8
Non-controlling interests	–	–	–	–
Earnings after tax and non-controlling interests	310.9	263.4	1,508.3	1,460.8
Earnings per share in € (undiluted = diluted)	1.62	1.38	7.88	7.63

¹ LTM = last twelve months.

² Key indicators not defined in IFRS.

RECONCILIATION OF OPERATING RESULT AND EBITDA¹

in € million	3M/2022	3M/2023	12M/2022	LTM ²
Earnings after operating hedges	420.1	390.3	1,999.6	1,969.8
Income (-)/expenses (+) arising from changes in the fair value of outstanding operating anticipatory hedges	13.5	-27.5	10.4	-30.6
Elimination of prior-period changes in the fair value of operating anticipatory hedges	-10.9	-16.9	-30.9	-36.9
Earnings before operating hedges	422.7	345.9	1,979.1	1,902.3
Depreciation and amortization (+)/impairment losses (+)/reversal of impairment losses (-) on non-current assets	103.0	106.4	449.1	452.5
Capitalized depreciation (-) ³	-1.6	-1.6	-6.8	-6.8
Impairment losses (+)/reversals of impairment losses (-) of investments accounted for using the equity method	–	3.1	1.5	4.6
EBITDA	524.1	453.8	2,422.9	2,352.6

¹ Key indicators not defined in IFRS.

² LTM = last twelve months.

³ This relates to depreciation of assets used in the production of other items of property, plant, and equipment. Depreciation is capitalized as part of cost of production and is not recognized in profit or loss.

BALANCE SHEET - ASSETS¹

in € million	March 31, 2022	December 31, 2022	March 31, 2023
Intangible assets	164.4	181.4	181.1
– thereof goodwill from acquisitions of companies	13.7	13.7	13.7
Property, plant, and equipment	6,433.7	6,292.8	6,270.0
Investment property	4.6	4.5	4.5
Financial assets	36.9	42.9	43.0
Investments accounted for using the equity method	175.4	166.4	163.0
Other financial assets	8.1	27.1	28.3
Other non-financial assets	38.4	67.0	61.0
Securities and other financial investments	13.3	14.8	44.4
Deferred taxes	30.1	43.9	39.0
Non-current assets	6,904.8	6,840.9	6,834.3
Inventories	557.9	675.1	778.1
Trade receivables	807.8	1,143.7	1,105.8
Other financial assets	122.3	101.8	179.0
Other non-financial assets	81.7	106.6	137.4
Income tax refund claims	42.4	36.2	42.7
Securities and other financial investments	228.3	665.8	469.8
Cash and cash equivalents	402.6	320.0	165.9
Current assets	2,243.0	3,049.1	2,878.7
TOTAL ASSETS	9,147.8	9,890.0	9,713.0

¹ Prior year restated. See note on "Changes in accounting policies, restatement of prior-year figures and balance sheet structure" in the 2022 Annual Report.

BALANCE SHEET - EQUITY AND LIABILITIES¹

in € million	March 31, 2022	Dec. 31, 2022	March 31, 2023
Issued capital	191.4	191.4	191.4
Capital reserve	645.7	646.0	646.0
Other reserves and net retained earnings	4,846.1	5,882.6	6,074.7
Equity	5,683.2	6,720.0	6,912.1
Financial liabilities	917.3	319.3	312.9
Other financial liabilities	125.5	102.0	98.9
Other non-financial liabilities	14.8	14.7	14.8
Provisions for pensions and similar obligations	4.8	2.7	3.0
Provisions for mining obligations	953.6	932.4	1,028.0
Other provisions	153.7	145.0	151.3
Deferred taxes	166.1	382.7	392.3
Non-current liabilities	2,335.8	1,898.8	2,001.2
Financial liabilities	209.2	411.3	14.8
Trade payables	238.6	312.9	244.9
Other financial liabilities	188.8	197.2	108.2
Other non-financial liabilities	77.0	60.5	59.1
Income tax liabilities	161.2	26.1	54.4
Provisions	254.0	263.2	318.3
Current liabilities	1,128.8	1,271.2	799.7
TOTAL LIABILITIES AND EQUITY	9,147.8	9,890.0	9,713.0

¹ Prior year restated. See note on "Changes in accounting policies, restatement of prior-year figures and balance sheet structure" in the 2022 Annual Report.

STATEMENT OF CASH FLOWS

in € million	3M/2022	3M/2023	12M/2022	LTM ¹
Earnings after operating hedges	420.1	390.3	1,999.6	1,969.8
Income (-)/expenses (+) arising from changes in fair value of outstanding operating forecast hedges	13.5	-27.5	10.4	-30.6
Elimination of prior-period changes in the fair values of operating anticipatory hedges	-10.9	-16.9	-30.9	-36.9
Depreciation and amortization (+)/reversal of impairment losses (-) on intangible assets, property, plant and equipment, and financial assets	101.4	107.9	443.8	450.3
Increase (+)/decrease (-) in non-current provisions	-3.3	6.4	75.2	84.9
Interest received and similar income	0.8	3.6	5.3	8.1
Realized gains (+)/losses (-) on financial assets/liabilities	3.1	-6.0	34.8	25.7
Interest paid and similar expense (-)	-6.0	-12.5	-52.6	-59.1
Income tax paid (-)	-16.7	-66.4	-441.4	-491.1
Other non-cash expenses (+)/income (-)	-2.5	-	0.1	2.6
Gains (-)/losses (+) on sale of assets and securities	1.4	1.8	5.8	6.2
Increase (-)/decrease (+) in inventories	-55.6	-103.1	-190.9	-238.4
Increase (-)/decrease (+) in receivables and other operating assets	-222.7	-45.4	-536.6	-359.3
Increase (+)/decrease (-) of current operating liabilities	-1.2	-70.9	9.0	-60.7
Increase (+)/decrease (-) in current provisions	31.5	56.0	63.9	88.4
Allocation to plan assets	-	-	-3.6	-3.6
Net cash flow from operating activities	252.8	217.3	1,391.9	1,356.4
– thereof from continuing operations	253.7	220.5	1,393.7	1,360.5
– thereof from discontinued operations	-0.9	-3.2	-1.8	-4.1
Proceeds from sale of assets	0.4	0.8	5.9	6.3
Purchases of intangible assets	-82.8	-0.8	-118.0	-36.0
Purchases of property, plant, and equipment	-68.1	-107.3	-356.3	-395.5
Dividend distributions by investments accounted for using the equity method	-	-	6.8	6.8
Purchases of financial assets/investments accounted for using the equity method	-	-	-2.7	-2.7
Proceeds from the sale of consolidated companies	-	-	2.8	2.8
Cash and cash equivalents of companies deconsolidated in the year under review	-0.2	-	-0.2	-
Proceeds from sale of securities and other financial assets	60.0	394.7	303.0	637.7
Purchases of securities and other financial assets	-77.7	-228.4	-749.9	-900.6
Net cash used in investing activities	-168.4	59.0	-908.6	-681.2
– thereof from continuing operations	-168.4	59.0	-908.6	-681.2
Dividends paid	-	-	-38.3	-38.3
Other proceeds from issuance of share capital	-	-	1.6	1.6
Purchase of treasury shares	-	-	-2.1	-2.1
Sale of treasury shares	-	-	0.4	0.4
Repayment (-) of borrowings	-92.1	-429.9	-538.9	-876.7
Proceeds (+) from borrowings	10.0	-	17.7	7.7
Net cash from financing activities	-82.1	-429.9	-559.6	-907.4
– thereof from continuing operations	-82.1	-429.9	-559.6	-907.4
Cash change in cash and cash equivalents	2.3	-153.6	-76.3	-232.2
Exchange rate-related change in cash and cash equivalents	7.1	-0.1	3.1	-4.1
Consolidation-related changes in cash and cash equivalents	3.4	-	3.4	-
Net change in cash and cash equivalents	12.8	-153.7	-69.8	-236.3
Net cash and cash equivalents as of January 1	382.7	312.9		
Net cash and cash equivalents as of March 31	395.5	159.2		
– thereof cash and cash equivalents	402.6	165.9		
– thereof cash received from affiliated companies	-7.1	-6.7		

¹ LTM = last twelve months.

FINANCIAL CALENDAR

DATES

	2023/2024
Annual General Meeting, virtual	May 10, 2023
Dividend payment	May 15, 2023
Half-Year Financial Report as of June 30, 2023	August 10, 2023
Quarterly Report as of September 30, 2023	November 14, 2023
2023 Annual Report	March 14, 2024
Quarterly Report as of March 31, 2024	May 13, 2024

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FORWARD-LOOKING STATEMENTS

This Quarterly Report contains statements and forecasts relating to the future development of the K+S Group and its companies. The forecasts represent assessments based on all the information available to us at the present time. Should the assumptions on which the forecasts are based prove to be incorrect or risks – such as those mentioned in the Report on Risks and Opportunities in the current Annual Report - materialize, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this Quarterly Report beyond the disclosure requirements stipulated by law.