



SQM

March 2016



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Statements in this presentation concerning the Company's business outlook or future economic performances, anticipated profitability, revenues, expenses, or other financial items, anticipated cost synergies and product or service line growth, together with other statements that are not historical facts, are "forward-looking statements" as that term is defined under Federal Securities Laws.

Any forward-looking statements are estimates, reflecting the best judgment of SQM based on currently available information and involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those stated in such statements.

Risks, uncertainties, and factors that could affect the accuracy of such forward-looking statements are identified in the public filing made with the Securities and Exchange Commission, and forward-looking statements should be considered in light of those factors.



1

INVESTMENT
HIGHLIGHTS



► SQM at a Glance

World Leader in Specialty Businesses: Potassium Nitrate, Iodine, Lithium & Solar Salts

✓ Financial Profile

- ✓ 2015 Revenue : US\$ 1.7 billion
- ✓ 2015 EBITDA⁽¹⁾: US\$ 724 million
- ✓ 2015 EBITDA Margin : ~ 42%

✓ Healthy Credit Metrics

- ✓ Debt/Equity Ratio: .93
- ✓ NFD/EBITDA .73
- ✓ Moody's: Baa1
- ✓ Standard and Poor's BBB

(1) EBITDA: gross profit – SGA + depreciation & amortization

FERTILIZERS



Potassium



Specialty Plant
Nutrients



Iodine &
Derivatives

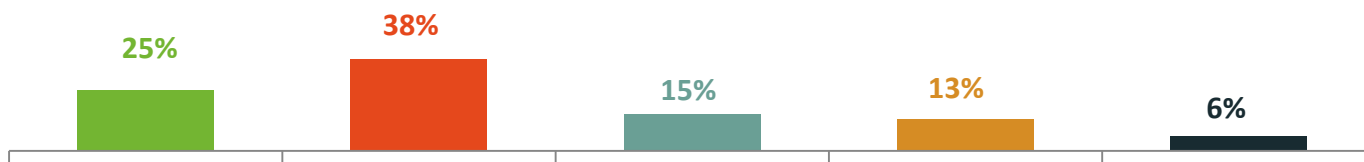


Lithium &
Derivatives

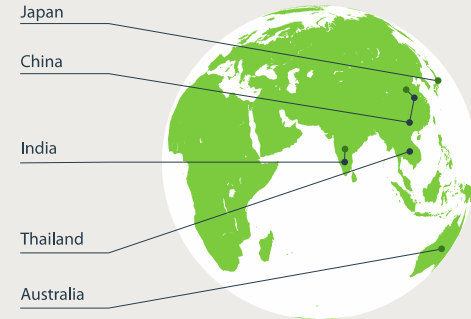
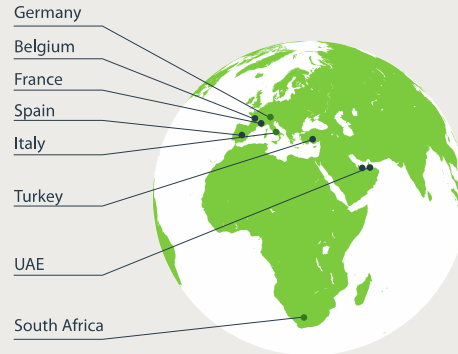


Industrial
Chemicals

Contribution to Revenue



► Diverse Operations



110

Sales to thousands of customers in about 110 countries.

20

Offices and commercial representation

Sales Distribution



2015

- ✓ Sales diversified by industry and region
- ✓ No customer represents more than 4% of sales

► Unique and Abundant Natural Resources

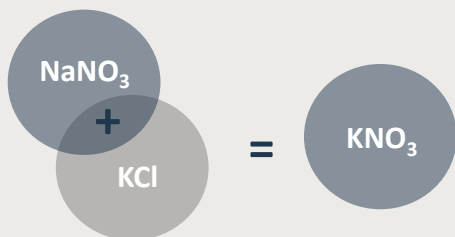
High-quality reserves → low-cost operations

Caliche Ore

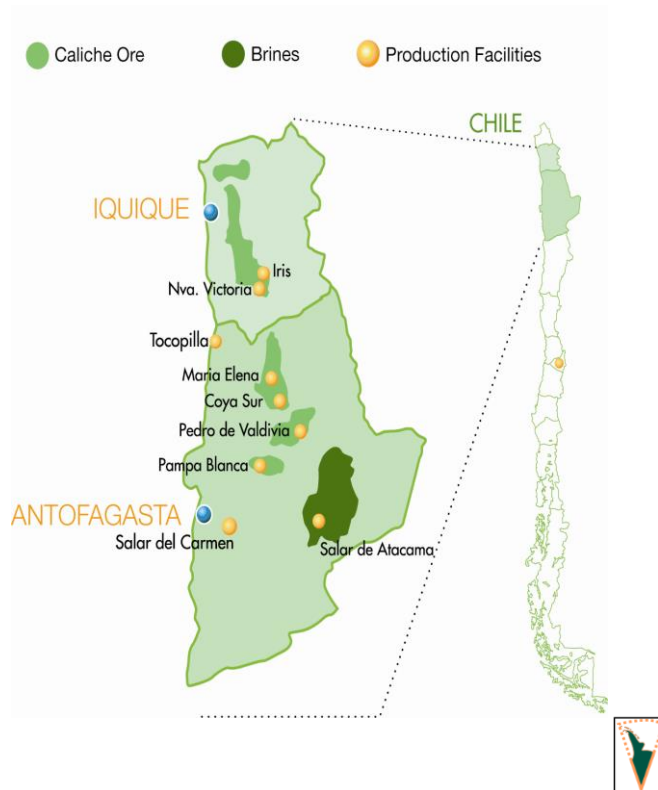
- ✓ Caliche ore is only found in Chile
- ✓ The world's largest deposits of **nitrates and iodine**
- ✓ Proprietary mining rights pursuant to exploitation concessions

Salar Brines

- ✓ Low processing costs due to its high concentrations of **potassium and lithium**
- ✓ High evaporation rates
- ✓ Production rights are pursuant to a lease agreement with CORFO until 2030



Sodium nitrate + Potassium chloride = Potassium nitrate + (Sodium chloride)



- ✓ Sustainable Operations in the North of Chile.

2

Business Lines





>3%

2015 Market Share⁽¹⁾

1.242^{MT}

2015 Sales Volumes

US\$
430mm

2015 Revenues

23%

Contribution to 2015
Gross Profit

Potassium Chloride: Industry Dynamics

- ✓ Potassium chloride is the most commonly used potassium-based fertilizer. Sold all over the world
- ✓ 2015 global demand: ~57-58 million MT⁽¹⁾
- ✓ Major players in Belarus, Canada, and Russia.

SQM Highlights

- ✓ Low-cost producer of potassium chloride
- ✓ Brazil remains the most important market for MOP sales
- ✓ Flexibility to produce potassium chloride, potassium sulfate, and potassium nitrate depending on market needs
- ✓ Effective capacity ~ 2.0 million MT
- ✓ Higher sales volumes expected for 2016

(1) SQM estimates



47%

2015 Market Share⁽¹⁾

831k^{MT}

2015 Sales Volumes

US\$
651mm

2015 Revenues

35%

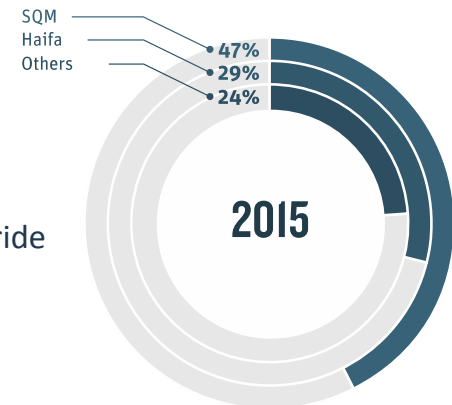
Contribution to 2015
Gross Profit

Industry Dynamics

- ✓ Fertilizer provides unique benefits: Chlorine-free, water soluble, and fast absorption.
- ✓ Demand drivers: Higher cost of land, water scarcity, increased demand for higher quality crops
- ✓ Expected demand growth in 2016 (soluble): >5%⁽¹⁾

SQM Highlights

- ✓ Access to reserves of potassium and nitrate
- ✓ Developed distribution network and diverse customer base
- ✓ Lower price elasticity relative to potassium chloride



(1) SQM estimates



26%

2015 Market Share⁽¹⁾

9.3k^{MT}

2015 Sales Volumes

US\$
262mm

2015 Revenues

14%

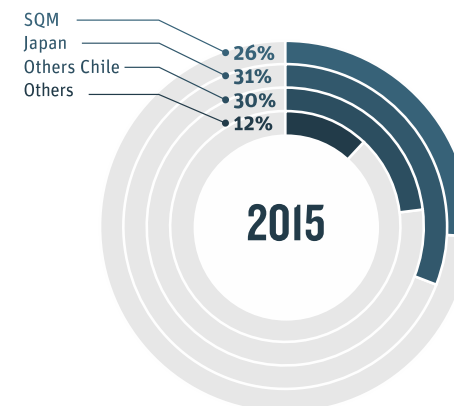
Contribution to 2015
Gross Profit

Industry Dynamics

- ✓ Main uses: X-ray contrast media, LCD, pharmaceuticals and sanitizers
- ✓ Global demand: CAGR of ~3% for the period 2004-2015⁽¹⁾
- ✓ Expected global demand 2016: ~34,000 MT⁽¹⁾
- ✓ Limited sources of iodine worldwide:
 - ✓ Chile 56% (SQM 26%)
 - ✓ Japan (including recycling) 31%
 - ✓ Total recycling 18%

SQM Highlights

- ✓ Low-cost producer
- ✓ Developed distribution and sales network
- ✓ Effective capacity ~10,000 MT per year
- ✓ Prices have been decreasing. Lower average prices expected in 2016.



(1) SQM estimates



26%

2015 Market Share⁽¹⁾

38.7k^{MT}

2015 Sales Volumes

US\$
223mm

2015 Revenue

21%

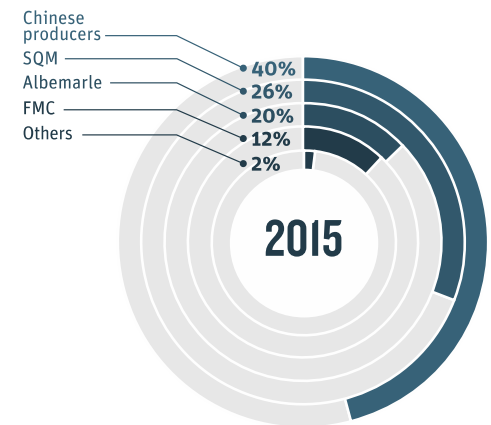
Contribution to 2015
Gross Profit

Industry Dynamics

- ✓ Global demand: Growth of ~5% between 2014 and 2015 period. Growth of ~10% expected in 2016⁽¹⁾.
- ✓ Main uses: batteries, lubricant, glass, pharmaceuticals. Future potential related to batteries for e-cars.
- ✓ Expect new supply in 2016

SQM Highlights

- ✓ Leading chemical lithium producer in the world and the lowest cost producer globally
- ✓ Produce lithium carbonate, lithium hydroxide, and lithium chloride.
- ✓ Current lithium carbonate plant capacity stands at 48,000 metric tons per year



(1) SQM estimates



126.1k^{MT}

2015 Sales Volumes

US\$ 97mm

2015 Revenues

4%

Contribution to 2015 Gross Profit

Industry Dynamics

- ✓ Various traditional uses for industrial nitrates related to glass, metal treatment, water treatment, and explosives
- ✓ **Solar Salts:**
 - ✓ IEA expects installed capacity of concentrated Solar Power (CSP) to double by 2020, and supply 20% of the world electricity by 2050.
 - ✓ 50 MW → approximately 30,000 MT of solar salts
 - ✓ Projects being developed globally

SQM Highlights

- ✓ Operational flexibility with certain industrial sodium and potassium nitrate products
- ✓ **Solar Salts:**
 - ✓ Higher sales volumes in solar salts reported during 2015, expecting even higher sales volumes in 2016.
 - ✓ SQM produces both potassium nitrate and sodium nitrate, the two raw materials in solar salt production

3

Other Information



► Capital Expenditure Program

Capital Expenditures 2015:

Capital expenditure reached approximately US\$111 million, primarily related to:

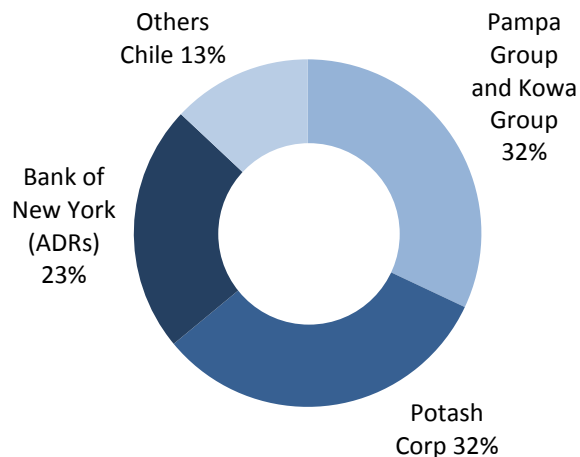
- ✓ Optimization of the potassium nitrate facilities
- ✓ Increasing iodine and nitrate production in Nueva Victoria
- ✓ Maintenance across all production units in order to ensure fulfillment of production targets, specifically at the port and the potassium nitrate facilities.

Capital Expenditure 2016: US\$150



► Other Relevant Topics

Ownership Structure⁽¹⁾



Considerations

- ✓ Market conditions
 - ✓ Iodine prices
 - ✓ Potash prices
- ✓ Arbitration with CORFO
- ✓ Class action lawsuit

Dividends

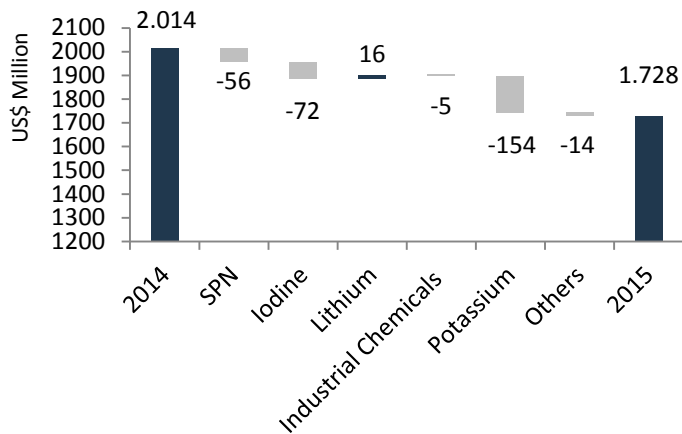
- ✓ Dividend policy: 50% of net income, approved by shareholders in April 2015

SQM Business Opportunities

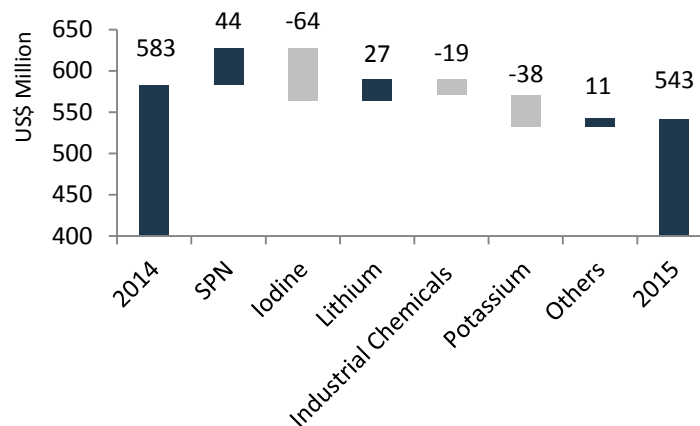
- ✓ Use of SQM's nitrates in the solar energy power generation known as thermal storage material. Increased sales volumes expected 2016 and beyond
- ✓ Recent price increases seen in lithium
- ✓ Strong cost position
- ✓ Water soluble market growth in SPN

Results

Revenue Contribution 2015/2014



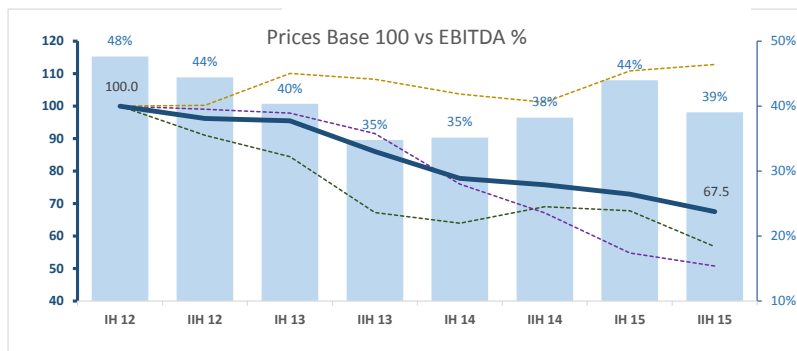
Gross Margin Contribution 2015/2014



- ✓ Revenues impacted by lower pricing in potash and iodine
- ✓ Higher lithium prices

- ✓ Positive effect on margins from cost savings

Price (Base 100) vs EBITDA Margin



Purple line = iodine price. Base 100 at First Half 2012, reaching 50 in Second Half 2015
 Green line = potash price. Base 100 at First Half 2012, reaching 53 in Second Half 2015
 Yellow line = lithium price. Base 100 at First Half 2012, reaching 113 in Second Half 2015

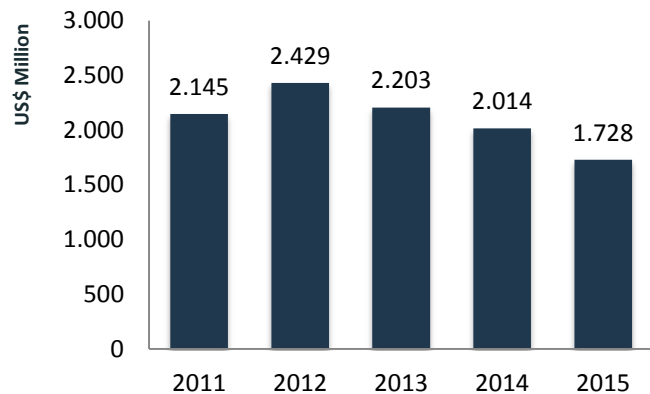
Thick blue = "average price trend" (average price weighted by gross margin contribution). 67.5 in Second Half 2015

Columns represent the EBITDA margin every semester: 2012 full year average 46%, 2013: 38%, 2014: 37% and 42% in 2015

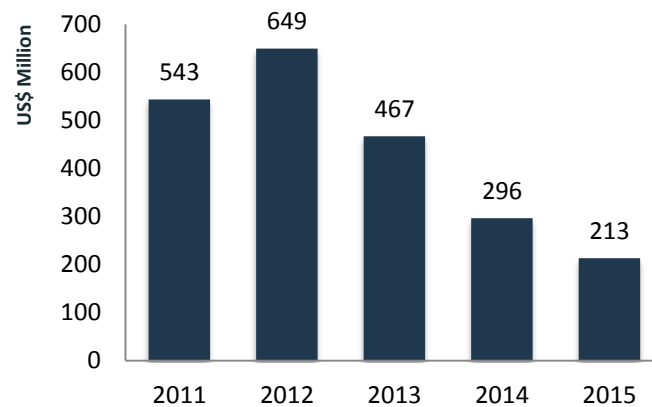
EBITDA margin for 2015: 42% / EBITDA margin for 2014: 37%

► Financial Performance

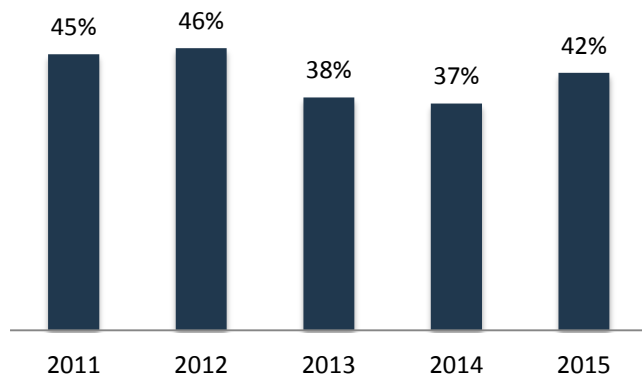
Revenues



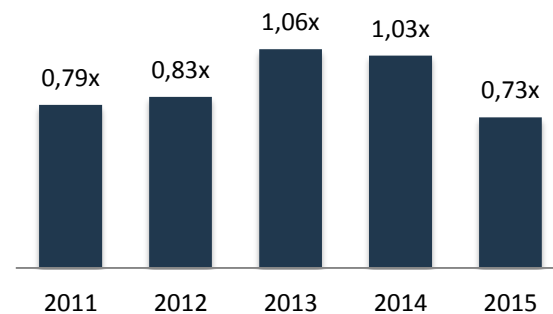
Net Income



EBITDA⁽¹⁾/Revenues



NFD⁽²⁾/EBITDA



(1) EBITDA: Gross Profit – administrative expenses + depreciation & amortization.

(2) Net Financial Debt: interest bearing debt net of cash and cash equivalents, considering the effects of derivatives

► Investment Highlights





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