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.
SQM at a Glance


NFD/EBITDA: .3 | Moody’s: Baa1 | Standard and Poor’s: BBB

**Fertilizers**
- Potassium
- Specialty Plant Nutrients

**Specialty Chemicals**
- Iodine & Derivatives
- Lithium & Derivatives
- Industrial Chemicals

**Contribution to Revenue vs. Gross Profit 2017**

1 Excluding “Others”
Prices increased significantly in lithium business line. Impact of higher volumes outweighs lower prices in iodine and industrial chemical business lines. Higher prices in potassium business line compensated for lower sales volumes.
## Payments

<table>
<thead>
<tr>
<th>Li2CO3</th>
<th>LiHO</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$/MT</td>
<td>%</td>
</tr>
<tr>
<td>&lt;4,000</td>
<td>6.80%</td>
</tr>
<tr>
<td>4,000-5,000</td>
<td>8.00%</td>
</tr>
<tr>
<td>5,000-6,000</td>
<td>10.00%</td>
</tr>
<tr>
<td>6,000-7,000</td>
<td>17.00%</td>
</tr>
<tr>
<td>7,000-10,000</td>
<td>25.00%</td>
</tr>
<tr>
<td>&gt;10,000</td>
<td>40.00%</td>
</tr>
</tbody>
</table>

**Example**

<table>
<thead>
<tr>
<th>Original Agreement</th>
<th>Li2CO3, LiHO</th>
<th>KCL</th>
<th>US$/MT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Li2CO3</td>
<td>6.80%</td>
<td>1.80%</td>
<td>884</td>
<td>5.04</td>
</tr>
<tr>
<td>KCL</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Agreement</td>
<td>Li2CO3</td>
<td>LiHO</td>
<td>KCL</td>
<td></td>
</tr>
<tr>
<td>Li2CO3</td>
<td>19.78%</td>
<td>14.85%</td>
<td>2,572</td>
<td>8.40</td>
</tr>
<tr>
<td>LiHO</td>
<td>14.85%</td>
<td></td>
<td>1,930</td>
<td></td>
</tr>
<tr>
<td>KCL</td>
<td>3.00%</td>
<td></td>
<td>8.40</td>
<td></td>
</tr>
</tbody>
</table>

1Avg. price lithium: US$13,000/MT, potassium: US$280/MT

## Production allowance

Total production quota until 2030: **349,553 MT of LME**:
- Reminder original quota: 64,816
- New quota: 185,767
- Additional quota: 112,723
- Efficiency quota: 51,063

**Total 2.2 million MT of LCE**

## Capacity Expansion Options

Expansion 1: 50,000 MT by 2023
Expansion 2: 100,000 MT (in 4 stages of 25k MT)

## SQM Capacity Expansions in Chile

- **Li2CO3**: 48,000 MT to 70,000 MT in 2018
  - 70,000 MT to 100,000 in 2019
- **LiHO**: 6,000 MT to 13,500 MT in 2018

### SQM Capacity Expansions in Chile

**SQM Capacity Expansions in Chile**

<table>
<thead>
<tr>
<th>Li2CO3</th>
<th>48,000 MT to 70,000 MT in 2018</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>70,000 MT to 100,000 in 2019</td>
</tr>
<tr>
<td>LiHO</td>
<td>6,000 MT to 13,500 MT in 2018</td>
</tr>
</tbody>
</table>

### Capacity Expansion Options

**Capacity Expansion Options**

- Expansion 1: 50,000 MT by 2023
- Expansion 2: 100,000 MT (in 4 stages of 25k MT)
SQM Lithium Projects

Lithium Carbonate & Hydroxide

Chile

LITHIUM CARBONATE
- Current capacity 48,000 MT
- Expansion to 70,000 MT in 2018
- Expansion to 100,000 MT in 2019
- CAPEX ~US$170 million

LITHIUM HYDROXIDE
- Current capacity 6,000 MT
- Expansion to 13,500 MT in 2018
- CAPEX ~US$30 million

Argentina

- Minera Exar, 50/50 JV
- Caucharí-Olaroz, Jujuy
- Capacity 25,000 MT - I stage in 2020

Australia

- Mt. Holland integrated project, 50/50 JV
- Capacity 40,000 MT in 2021
Market Outlook

• **Lithium Market**: Strong market growth (~20%) in 2018 to ~260k MT, tight market with average prices 20% higher in 1H2018 than in 4Q2017, prices in 2H2018 could be lower than in 1H2018 but higher than in 2H2017. EVs batteries market growing 35% in the next 5 years, total demand more than doubling in the same period. Sales volumes expected to be ~55k MT in 2018 and ~80k MT in 2019.

• **Iodine Market**: Prices have shown recovery in 2017, average price for 2018 is expected to be ~US$23/kg. Sales volumes for 2018 to be slightly higher than in 2017. Current capacity is 11,000 MT to increase to 14,000 MT in 2018.

• **Potassium Nitrate Market**: Increased demand and decreased supply resulted in the strongest sales volumes during 2017, average prices reduced slightly. In 2018 we expect similar sales volumes and flat prices.

• **Potassium Market**: Average price increased slightly in 2017 compared to 2016. Demand reached ~63 million MT/year in 2017. Sales volumes in 2018 should be ~1 million MT. Prices for 2018 will be set later in the year after the contracts with China are closed.

• **Solar Salts**: Sales volumes expected to be ~ 50K MT/year
Historical Maintenance CAPEX: ~US$100 million

2016-2018: Lithium Hydroxide Expansion to 13.5k MT: ~US$30 million

2017-2018: Potassium Nitrate Expansion to 1.5m MT: ~US$50 million

2017-2019: Lithium Carbonate Expansion to 100k MT: ~US$170 million

2017-2018: Iodine capacity expansion to 14k MT: ~US$30 million

CAPEX Framework 2018: ~US$517 million, including ~US$157 investments in project outside Chile
Ownership Structure\(^1\)

- Bank of New York (ADRS) 21%
- Nutrien 32%
- Pampa Group and Kowa Group 32%
- Other Chile 15%

Dividend Policy\(^2\)

2017 Net Income distribution in 3 interim & 1 final dividend

100% 80% 60%

\[ \frac{\text{cash+other current financial assets}}{\text{current financial liabilities}} \geq \begin{cases} 2.5 & \text{if } \text{total liabilities/total equity} \leq 1.1 \\ 2.0 & \text{if } \text{total liabilities/total equity} \leq 1.2 \\ 1.5 & \text{if } \text{total liabilities/total equity} \leq 1.3 \end{cases} \]

If none of the above parameters is met: 50% of 2017 Net Income

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\(^1\)As of December 31, 2017

\(^2\)Please see the full version on our website at www.sqm.com
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