



SQM

2Q2018 RESULTS



Important Notice

SQM

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

2018 LTM⁽¹⁾ Revenues: US\$2.3 billion | 2018 LTM EBITDA: US\$937 million | EBITDA Margin LTM: 41%

NFD/EBITDA: 0.4 | Moody's: Baa1 | Standard and Poor's: BBB+

FERTILIZERS



Potassium



Specialty Plant Nutrients

SPECIALTY CHEMICALS



Iodine & Derivatives

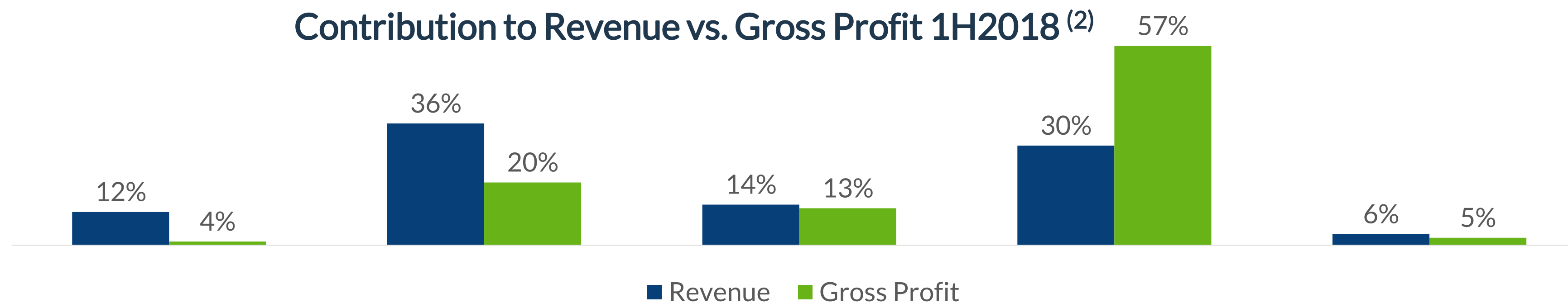


Lithium & Derivatives



Industrial Chemicals

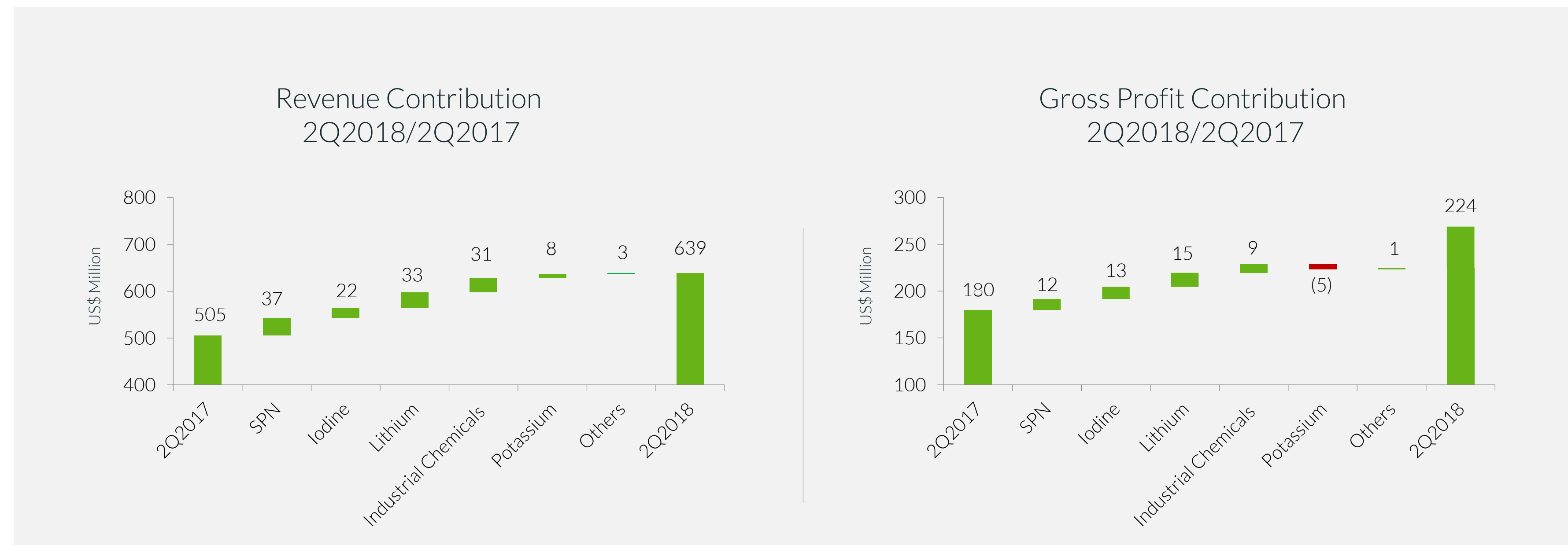
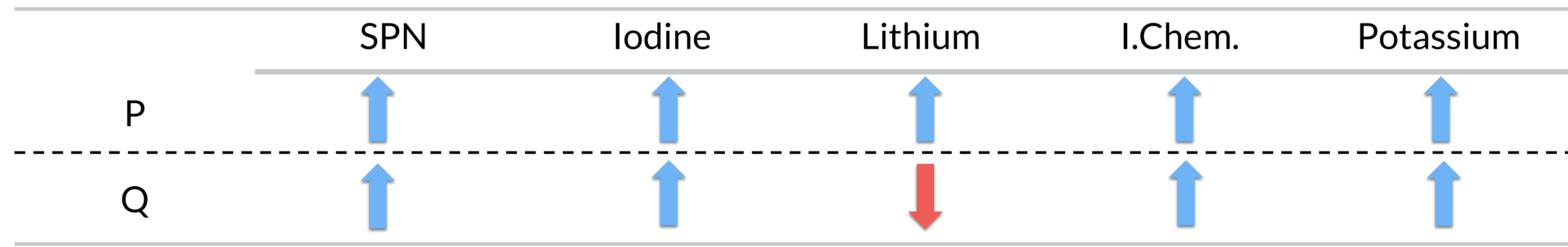
Contribution to Revenue vs. Gross Profit 1H2018⁽²⁾



(1) Twelve months ended June 30, 2018

(2) Excluding "Others"

Review of Results



Prices increased in all business lines in the 2Q2018 compared to the same period of 2017. Significantly increased lithium prices outweighed the impact of lower sales volumes in the 1H2018.

SQM Lithium Projects



Lithium Carbonate & Hydroxide

Chile⁽¹⁾ 

LITHIUM CARBONATE

- Current capacity 70,000 MT
- Expansion to 120,000 MT in 2019
- Expansion to 180,000 MT in 2021

LITHIUM HYDROXIDE

- Current capacity 6,000 MT
- Expansion to 13,500 MT in 2018

Australia 

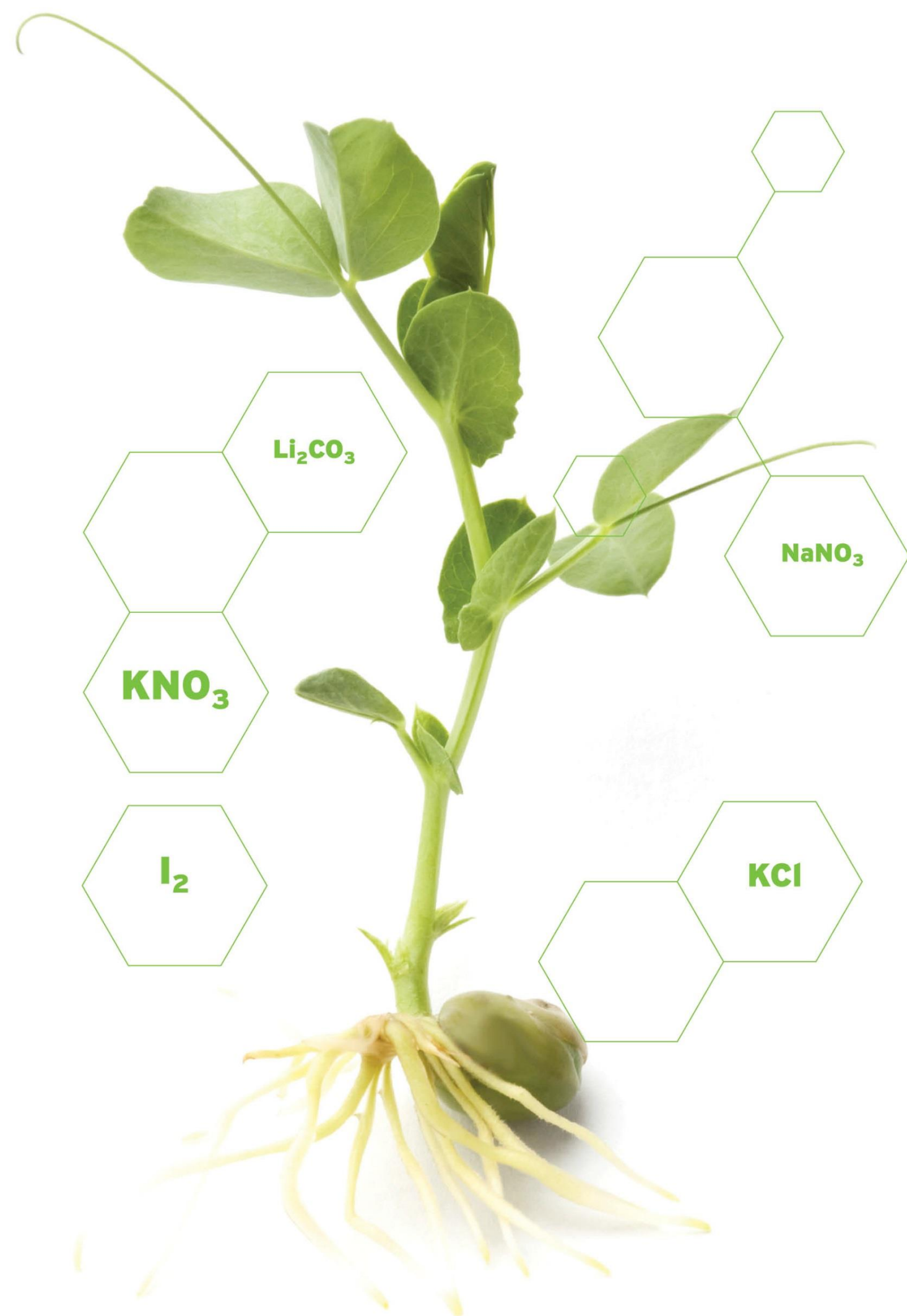
- Mt. Holland fully integrated project, 50/50 JV
- Large hard rock deposit with further exploration upside
- Focus on lithium hydroxide production
- Estimated capacity of 45,000 MT of LiHO
- On track to start spodumene production in 2020, LiHO in 2021



⁽¹⁾ On April 10, 2018, the new lease payment structure as described in our conciliation agreement with CORFO became effective.

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 over 50% in 2018. Sales volumes expected to be almost 50% higher in the 2H2018 compared to 1H2018.
- **Iodine Market:** Average prices increased significantly in 1H2018, reaching ~ US\$23/kg. Sales volumes for 2018 to reach ~ 13,000 MT . Capacity expansion is successfully completed reaching 14,000 MT/year.
- **Potassium Nitrate Market:** Strong sales volumes in 1H2018, market growth is expected to be ~ 6% in 2018 with the water soluble market growing over 10%.
- **Potassium Market:** Average price increased slightly in 1H2018 compared to 1H2017, reaching ~US\$310. Demand is expected to be ~62 million MT in 2018. Sales volumes in 2018 should be under 1 million MT, lower volumes expected in 2019.
- **Solar Salts:** Sales volumes ~ 50K MT in 2018



Capex

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

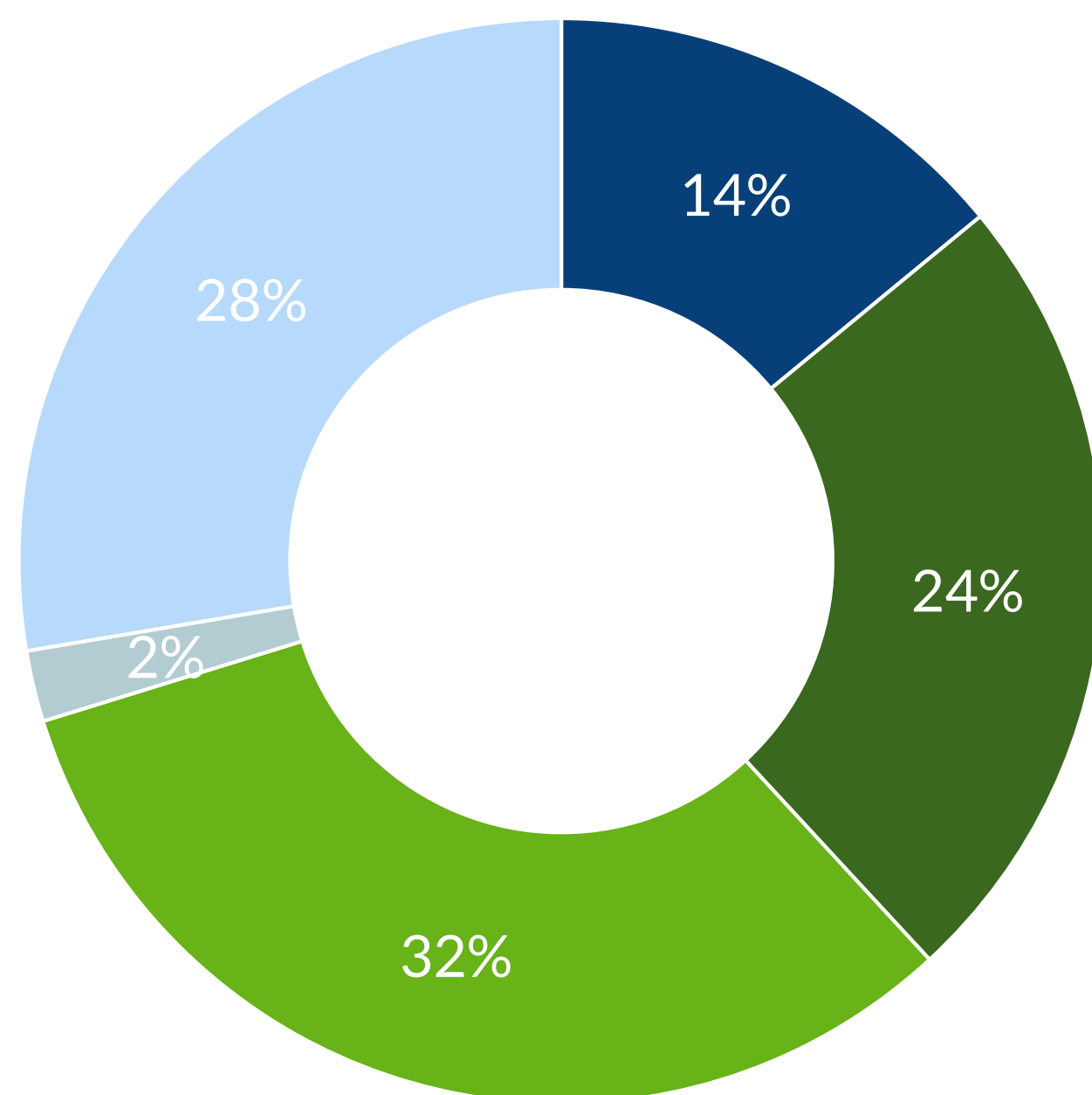
2017-2021: Lithium Carbonate Expansion to 180k MT: ~US\$525 million

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

2018 CAPEX in Chile: ~US\$360 million

Other Relevant Topics

Ownership Structure^{(1) (2)}



- Bank of New York (ADRs)
- Nutrien
- Pampa Group
- Kowa Group
- Other Chile

Dividend Policy⁽³⁾

2018 Net Income distribution in 3 interim & 1 final dividend

	100%	80%	60%
(a) $\frac{\text{cash+other current financial assets}}{\text{current financial liabilities}} \geq$	2.5	2.0	1.5
(b) $\frac{\text{total liabilities}}{\text{total equity}} \leq$	1.1	1.2	1.3

If none of the above parameters is met: 50% of 2018 Net Income

Dividends announced and paid in 2018

May 2018	US\$110 million	Final dividend 4Q2017
May 2018	US\$100 million	Special dividend
June 2018	US\$114 million	Interim dividend 1Q2018
September 2018	US\$134 million	Interim dividend 2Q2018

⁽¹⁾ Registered shareholders as of August 20, 2018

⁽²⁾ On May 17, 2018, Nutrien Ltd. announced the sale of its Series A shares to Tianqi Lithium

⁽³⁾ Please see the full version on our website at www.sqm.com



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