

SI INTERNATIONAL INC
Form 4
August 01, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
OLESON RAY J

(Last) (First) (Middle)

C/O SI INTERNATIONAL,
INC., 12012 SUNSET HILLS
ROAD, SUITE 800

(Street)

RESTON, VA 20190

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SI INTERNATIONAL INC [SINT]

3. Date of Earliest Transaction
(Month/Day/Year)
08/01/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code	V	Amount or Price			
Common Stock	08/01/2005		M			\$ 2,000 A 31.3807	185,347	D	
Common Stock	08/01/2005		M			\$ 2,000 A 31.5506	187,347	D	
Common Stock	08/01/2005		M			\$ 6,000 A 31.1221	193,347	D	
Common Stock ⁽¹⁾	08/01/2005		S			\$ 2,000 D 31.3807	191,347	D	
Common Stock ⁽¹⁾	08/01/2005		S			\$ 2,000 D 31.5506	189,347	D	

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Common Stock ⁽¹⁾ 08/01/2005 S 6,000 D \$ 31.1221 183,347 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Options (Right to Buy) ⁽²⁾	\$ 31.3807	08/01/2005		M	2,000	11/11/2003 11/11/2012	Common Stock	2,000
Stock Options (Right to Buy) ⁽²⁾	\$ 31.5506	08/01/2005		M	2,000	11/11/2003 11/11/2012	Common Stock	2,000
Stock Options (Right to Buy) ⁽²⁾	\$ 31.1221	08/01/2005		M	6,000	11/11/2003 11/11/2012	Common Stock	6,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
OLESON RAY J C/O SI INTERNATIONAL, INC. 12012 SUNSET HILLS ROAD, SUITE 800 RESTON, VA 20190	X		Chairman and CEO	

Signatures

James E. Daniel by Power of
Attorney

08/01/2005

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Sale of shares received upon exercise of options pursuant to a 10b5-1 trading plan.

(2) Sale of shares pursuant to a 10b5-1 trading plan.

(3) Exercise price of the stock options.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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d) Non-current unsecured interest-bearing bonds

The breakdown of non-current unsecured interest-bearing bonds as of December 31, 2010, December 31, 2009 and January 1, 2009 is detailed as follows:

Debtor		Placement		Number of	Series	Placed nominal current amount	Currency or indexed unit	Effective rate	Nominal rate	Interest payment	Period
Tax ID	Subsidiary	Country	in Chile or abroad	registration or ID of the instrument							
93.007.000-9	SQM S.A	Chile	Foreign		single	200.000.000	US\$	6.79 %	6.13 %	Bi-annually	
93.007.000-9	SQM S.A	Chile	Foreign		single	250.000.000	US\$	5.92 %	5.50 %	Bi-annually	
93.007.000-9	SQM S.A	Chile	Chile	446	C	2.325.000	UF	6.63 %	4.00 %	Bi-annually	
93.007.000-9	SQM S.A	Chile	Chile	564	H	4.000.000	UF	6.43 %	4.90 %	Bi-annually	
93.007.000-9	SQM S.A	Chile	Chile	563	G	21.000.000.000	Ch\$	6.19 %	7.00 %	Bi-annually	
93.007.000-9	SQM S.A	Chile	Chile	563	I	1.500.000	UF	5.88 %	3.00 %	Bi-annually	
93.007.000-9	SQM S.A	Chile	Chile	563	J	52.000.000.000	Ch\$	5.37 %	5.50 %	Bi-annually	
				Total							
				Bond issue costs							
				Total							

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.4 Financial liabilities (continued)

Debtor				Number of registration		Placed nominal	Currency	Effective	Nominal	Interest	Amor
Tax ID	Subsidiary	Country	Placement in Chile or abroad	or ID of the instrument	Series	current amount	or indexed unit	rate	rate	payment	pay
93.007.000-9	SQM S.A	Chile	Foreign		single	200.000.000	US	6.79%	6.13%	Bi-annually	A
93.007.000-9	SQM S.A	Chile	Chile	446	C	2.400.000	UF	6.63%	4.00%	Bi-annually	B
93.007.000-9	SQM S.A	Chile	Chile	564	H	4.000.000	UF	6.43%	4.9%	Bi-annually	B
93.007.000-9	SQM S.A	Chile	Chile	563	G	21.000.000.000	Ch\$	6.19%	7.00%	Bi-annually	A
93.007.000-9	SQM S.A	Chile	Chile	563	I	1.500.000	UF	5.88%	3.00%	Bi-annually	A
93.007.000-9	SQM S.A	Chile	Chile	563	J	52.000.000.000	Ch\$	5.37%	5.50%	Bi-annually	A
				Total							
				Bond issue costs							
				Total							

Debtor				Number of registration		Placed nominal	Currency	Effective	Nominal	Interest	Amor
Tax ID	Subsidiary	Country	Placement in Chile or abroad	or ID of the instrument	Series	current amount	or indexed unit	rate	rate	payment	pay
93.007.000-9	SQM S.A	Chile	Foreign		single	200.000.000	US\$	6.79%	6.13%	Bi-annually	At m
93.007.000-9	SQM S.A	Chile	Chile	446	C	2.550.000	UF	6.63%	4.00%	Bi-annually	Bi-an
				Total							
				Bond issue costs							
				Total							

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.4 Financial liabilities (continued)

e) Additional Information

- Bonds

As of December 31, 2010, December 31, 2009 and January 1, 2009, ThUS\$18,244, ThUS\$14,504 and ThUS\$7,344, respectively are presented at short-term related to principal, current portion plus interest accrued at that date, not including borrowing costs and bonds issuance costs. In the long-term, non-current, the Company presented ThUS\$950,288 as of December 31, 2010, ThUS\$660,542 as of December 31, 2009 and ThUS\$281,662 as of January 1, 2009 related to principal installments of Series C bonds, unique Series bonds, Series G bonds, Series H bonds, Series J bonds, Series I bonds and single series second issuance bonds.

As of December 31, 2010, December 31, 2009 and January 1, 2009 the details of each issuance are as follows:

Series "C" bonds

On January 25, 2006, the Company placed Series C bonds for UF 3,000,000 (ThUS\$101,918) at an annual rate of 4.00%

As of December 31, 2010 and 2009, the Company has made the following payments of principal and interest to comply with its obligations in relation to the Series C bonds.

Payments made	12.31.2010		12.31.2009	
	UF	ThUS\$	UF	ThUS\$
Principal	150,000.00	6,298	150,000.00	5,967
Interest	99,515.01	4,175	105,456.30	4,191

Single Series bonds

On April 5, 2006, the Company placed Single Series bonds for ThUS\$200,000 at an annual rate of 6.125% under "Rule 144 and regulation S of the U.S. Securities Act of 1933."

As of December 31, 2010 and 2009, the Company has made the following payments of principal and interest to comply with its obligations in relation to the Single Series bonds.

	12.31.2010	12.31.02009
	ThUS\$	ThUS\$
Interest payments	12,250	12,250

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.4 Financial liabilities (continued)

Series “G” and “H” bonds

On January 13, 2009, the Company placed two bond series in the domestic market. Series H for UF 4,000,000 (ThUS\$139,216) at an annual interest rate of 4.9% at a term of 21 years with payment of principal beginning in 2019 and Series G for ThCh\$ 21,000,000 (ThUS\$34,146), which was placed at a term of 5 years with a single payment at the maturity of the term and an annual interest rate of 7%.

As of December 31, 2010 and 2009, the Company has made the following payments of principal and interest to comply with its obligations in relation to the the Series G and H bonds line:

	12.31.2010	12.31.2009
	ThUS\$	ThUS\$
Interest G series	2,750	1,330
Interest H series	7,763	3,727

Series “J” and “I” Bonds

On May 8, 2009, the Company placed two bond series in the domestic market. Series J for ThCh\$52,000,000 (ThUS\$92,456) which was placed at a term of 5 years with single payment at the expiration date of the term and annual interest rate of 5.5% and Series I for UF 1,500,000 (ThUS\$56,051) which was placed at a term of 5 years with single payment at the maturity of the term and annual interest rate of 3.00%.

As of December 31, 2010 and 2009, the Company has made the following payments of principal and interest to comply with its obligations in relation to the Series J and I bonds:

	12.31.2010	12.31.2009
	ThUS\$	ThUS\$
Interest J series	5,588	2,583
Interest I series	1,873	852

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.4 Financial liabilities (continued)

Single Series bonds (second issuance)

On April 21, 2010, the Company informed the Chilean Superintendence of Securities and Insurance of its placement in international markets of an unsecured bond of ThUS\$250,000 maturing in ten years beginning on the aforementioned date with an annual interest rate of 5.5%.

As of December 31, 2010 and 2009, the Company has made the following payments of principal and interest to comply with its obligations in relation to the second-issuance single series bonds.

	12.31.2010	12.31.2009
	ThUS\$	ThUS\$
Interest payments	6,875	-

- Commercial papers (promissory notes)

On March 24, 2009, the Company placed promissory notes totaling ThCh\$15,000,000 (ThUS\$25,875) in the Chilean market. These notes are denominated series 2-A, line 46 and mature in 10 years. The maximum amount that can be issued is UF 1,500,000.

On December 15, 2009, the Company repaid Series 2-A.

On April 2, 2009, the Company placed promissory notes totaling ThCh\$15,000,000 (ThUS\$25,770) in the Chilean market. These notes are denominated series 1-B, line 47 and mature in 10 years. The maximum amount that can be issued is UF 1,500,000.

Payments made	12.31.2010		12.31.2009	
	ThCh\$	ThUS\$	ThCh\$	ThUS\$
Principal, Series 2-A	-	-	15,000,000	30,270
Principal, Series 1-B	15,000,000	29,040	-	-

9.5 Trade and other accounts payable

Type of trade and other accounts payable	12.31.2010	12.31.2009	01.01.2009
	ThUS\$	ThUS\$	ThUS\$
Current trade and other accounts payable			
Trade accounts payable	151,516	184,499	109,465
Rentals	207	300	226
Other accounts payable	424	1,176	1,111
Total	152,147	185,975	110,802

The purchase commitments held by the Company are recognized as a liability when the services and goods are received by the Company. The Company has purchase order as of December 31, 2010 which amounts ThUS\$ 51,347 (December 31, 2009 ThUS\$ 122,651 and January 1, 2009 ThUS\$ 215,356)

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.5 Trade and other accounts payable (continued)

Types of creditors and other accounts payable, non-current	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Lease liabilities	-	187	398
Total	-	187	398

9.6 Financial liabilities at fair value through profit or loss

This balance relates to derivative instruments, measured at fair value, the detail by type of instrument is as follows:

Financial liabilities at fair value through profit or loss	Effect on profit or loss as of		Effect on profit or loss as of		01.01.2009 ThUS\$
	12.31.2010 ThUS\$	12.31.2010 ThUS\$	12.31.2009 ThUS\$	12.31.2009 ThUS\$	
Current					
Derivative instruments (forwards)	15,818	(15,818)	3,993	(3,993)	5,029
Derivative instruments (options)	2,535	(2,535)	239	(239)	2,129
	18,353	(18,353)	4,232	(4,232)	7,158

Balances in the column “effect on profit or loss” consider the annual effects of agreements that were in force as of December 31, 2010.

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.7 Financial asset and liability categories

	12.31.2010	12.31.2009	01.01.2009
Description of financial assets	ThUS\$	ThUS\$	ThUS\$
Financial assets at fair value through profit or loss	98,916	60,494	1,599
Financial assets available for sale	69,818	169,798	40,344
Investments held to maturity	118	113	101
Loans and accounts receivable	377,047	330,031	335,557
Financial assets available for sale	-	-	-
Total financial assets	545,899	560,436	377,601

	12.31.2010	12.31.2009	01.01.2009
Description of financial liabilities	ThUS\$	ThUS\$	ThUS\$
Financial liabilities at fair value through profit or loss	18,353	4,232	7,158
Financial liabilities measured at amortized cost	1,411,537	1,475,135	774,504
Total financial liabilities	1,429,890	1,479,367	781,662

9.8 Financial assets pledged as guarantee

On November 4, 2004, Isapre Norte Grande maintained a guarantee equivalent to the total amount owed to its members and healthcare providers, which is managed and maintained by Banco de Chile.

On October 15, 2009, SQM Brazil directly provided a guarantee to governmental entities related to legal processes under development, in a note issued by BBVA Bancomer S.A.

As of December 31, 2010 and December 31, 2009, assets pledged as guarantees are detailed as follows:

	12.31.2010	12.31.2009
Restricted cash	ThUS\$	ThUS\$
Isapre Norte Grande Ltda.	514	446
SQM Brasil Limitada	-	21
Total	514	467

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.9 Estimated fair value of financial instruments and derivative financial instruments

As required by IFRS 7, the following information is presented for the disclosure of the estimated fair value of financial assets and liabilities.

Although inputs represent Management's best estimate, they are subjective and involve significant estimates related to the current economic and market conditions, as well as risk factors.

Methodologies and assumptions used depend on the risk terms and characteristics of each instrument, and include the following as a summary:

- Cash equivalents approximate fair value due to the short-term maturities of these instruments.
- Other current financial liabilities are considered at fair value equal to their carrying values.
- For interest-bearing liabilities with an original maturity of more than a year, fair values are calculated by discounting contractual cash flows at their original current market with similar terms.
- For forward and swap contracts, fair value is determined using quoted market prices of financial instruments with similar characteristics.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 9 - Financial instruments (continued)

9.9 Estimated fair value of financial instruments and derivative financial instruments (continued)

The Company's instruments, listed at carrying value and estimated fair value, are detailed as follows:

	12.31.2010		12.31.2009		01.01.2009	
	Carrying Value ThUS\$	Fair Value ThUS\$	Carrying Value ThUS\$	Fair Value ThUS\$	Carrying Value ThUS\$	Fair Value ThUS\$
Cash and cash equivalents	524,652	524,652	375,639	375,639	283,576	283,576
Current trade and other accounts receivable	375,945	375,945	325,823	325,823	334,791	334,791
Other current financial assets:						
- Time deposits (L2)	69,818	69,818	169,798	169,798	40,344	40,344
- Derivative instruments (L2)	1,363	1,363	9,155	9,155	1,599	1,599
- Current hedging assets (L2)	4,997	4,997	1,616	1,616	-	-
Total other current financial assets	76,178	76,178	180,569	180,569	41,943	41,943
Other non-current financial assets:						
Non-current hedging assets (L2)	92,556	92,556	49,723	49,723	-	-
Total other non-current financial assets	92,674	92,674	49,836	49,836	101	101
Other current financial liabilities						
- Bank loans	150,958	150,958	220,756	220,756	133,587	133,587
- Derivative instruments (L2)	18,353	18,353	4,232	4,232	7,158	7,158
- Hedging liabilities (L2)	-	-	-	-	2,233	2,233
- Unsecured obligations	18,244	18,244	43,867	43,867	7,344	7,344
Total other current financial liabilities	187,555	187,555	268,855	268,855	150,322	150,322
Trade accounts payable	152,147	152,147	185,975	185,975	110,802	110,802
Other non-current financial liabilities:						
- Bank loans	140,000	143,174	363,808	365,489	229,680	229,585
- Non-current hedging liabilities (L2)	-	-	-	-	8,798	8,798
- Unsecured obligations	950,188	1,092,026	660,542	734,618	281,662	346,739
Total other non-current financial liabilities	1,090,188	1,235,200	1,024,350	1,100,107	520,140	585,122

Fair value hierarchy

Fair value hierarchies correspond to:

Explanation of Responses:

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Level 1 (L1): when only quoted (unadjusted) prices have been used in active markets.

Level 2 (L2) :when in a phase in the valuation process variables other than prices quoted in Level 1 have been used which are directly observable in markets.

Level 3 (L3): when in a phase in the valuation process, variables not based on observable market data have been used.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries

10.1 Disclosures on investments in subsidiaries

a) Operations acquired in 2010

On February 2, 2010, the subsidiary SQM Beijin Comercial was formed, to which SQM Industrial S.A. contributed capital of ThUS\$100, obtaining an equity interest of 100% in that entity.

b) Operations acquired in 2009

On July 14, 2009, the subsidiary Comercial Agrorama Callegari Limitada was formed, to which Soquimich Comercial S.A. contributed capital of ThUS\$1,021, thereby obtaining an equity interest of 70% in that entity.

On December 17, 2009, Soquimich European Holdings B.V. acquired 51% of SQM Agro India Private Ltda. for ThUS\$50. Through this acquisition, it now holds an equity interest of 100% of this entity. The Company conducted the valuation considering the carrying value of the equity of SQM Agro India Private Ltda., which does not significantly differ from its fair value determined at that date.

The Company controls all the subsidiaries in which it has more than 50% direct or indirect voting rights.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries (continued)

10.1 Disclosures on investments in subsidiaries (continued)

Financial information as of December 31, 2010 of the companies included in the consolidation process is detailed as follows:

Subsidiaries	Country	Functional currency	Interest %	12.31.2010		Total ThUS\$	Liabilities	
				Current ThUS\$	Assets Non- current ThUS\$		Current ThUS\$	Non- current ThUS\$
SQM Nitratos S.A.	Chile	US dollar	100	652,776	61,542	714,318	610,283	11,599
Proinsa Ltda.	Chile	Chilean peso	60.58	227	1	228	-	-
SQMC Internacional Ltda.	Chile	Chilean peso	60.6382	302	-	302	-	-
SQM Potasio S.A.	Chile	US dollar	99.9974	58,331	604,872	663,203	2	172,351
Serv. Integrales de Tránsito y Transf. S.A.	Chile	US dollar	100	149,255	60,290	209,545	182,671	4,437
Isapre Norte Grande Ltda.	Chile	Chilean peso	100	570	591	1,161	581	154
Ajay SQM Chile S.A.	Chile	US dollar	51	15,299	2,378	17,677	6,833	747
Almacenes y Depósitos Ltda.	Chile	Chilean peso	100	413	52	465	1	-
SQM Salar S.A.	Chile	US dollar	100	365,830	658,793	1,024,623	273,758	98,885
Comercial Hydro S.A.	Chile	Chilean peso	60.6382	6,890	329	7,219	40	73
SQM Industrial S.A.	Chile	US dollar	100	1,063,080	596,723	1,659,803	854,130	51,512
Minera Nueva Victoria S.A.	Chile	US dollar	100	73,217	53,754	126,971	445	2,495
Exploraciones Mineras S.A.	Chile	US dollar	100	438	31,380	31,818	3,814	-
Sociedad Prestadora de Servicios de Salud Cruz del Norte S.A.	Chile	Chilean peso	100	645	93	738	224	367
Soquimich Comercial S.A.	Chile	US dollar	60.6383	140,678	15,875	156,553	48,195	1,181
Agrorama Callegari Ltda.	Chile	Chilean peso	42.4468	5,024	1,492	6,516	4,998	117
SQM North América Corp.	United States	US dollar	100	109,944	15,448	125,392	90,533	2,644
RS Agro Chemical.Trading A.V.V.	Aruba	US dollar	100	5,227	-	5,227	-	-
Nitratos Naturais do Chile Ltda.	Brazil	US dollar	100	5	290	295	5,022	-

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries (continued)

10.1 Disclosures on investments in subsidiaries (continued)

Subsidiaries	Country	Functional currency	Interest %	Current ThUS\$	12.31.2010		Liabilities			Revenue ThUS\$
					Assets Non- current ThUS\$	Total ThUS\$	Current ThUS\$	Non- current ThUS\$	Total ThUS\$	
Nitrate Corporation of Chile Ltd.	England	US dollar								
			100	5,076	-	5,076	-	-	-	-
SQM Corporation N.V.	Dutch Antilles	US dollar	100	669	52,607	53,276	3,712	-	3,712	-
SQM Perú S.A.	Peru	US dollar	100	15,159	483	15,642	15,027	-	15,027	24,536
SQM Ecuador S.A.	Ecuador	US dollar	100	8,716	71	8,787	8,149	-	8,149	16,808
SQM Brasil Ltda.	Brazil	US dollar	100	295	75	370	1,180	-	1,180	771
SQI Corporation NV.	Dutch Antilles	US dollar	100	-	10	10	33	-	33	-
SQMC Holding Corporation L.L.P.	United States	US dollar								
			100	1,501	8,498	9,999	619	-	619	-
SQM Japan Co. Ltd.	Japan	US dollar	100	1,440	633	2,073	263	436	699	1,855
SQM Europe N.V.	Belgium	US dollar	100	358,214	454	358,668	341,425	-	341,425	861,596
SQM Italia SRL	Italy	US dollar	100	1,377	-	1,377	17	-	17	-
SQM Indonesia S.A.	Indonesia	US dollar	80	5	-	5	1	-	1	-
North American Trading Company	United States	US dollar								
			100	161	145	306	39	-	39	-
SQM Virginia LLC	United States	US dollar	100	14,834	14,379	29,213	14,834	-	14,834	-
SQM Comercial de México S.A. de C.V.	Mexico	US dollar								
			100	58,332	1,410	59,742	60,646	-	60,646	130,861

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries (continued)

10.1 Disclosures on investments in subsidiaries (continued)

Subsidiaries	Country	Functional currency	% Interest	Current ThUS\$	12.31.2010 Assets			Liabilities		
					Non- current ThUS\$	Total ThUS\$	Current ThUS\$	Non- current ThUS\$	Total ThUS\$	
SQM Investment Corporation N.V.	Dutch Antilles	US dollar	100	71,100	551	71,651	49,515	742	50,257	
Royal Seed Trading Corporation A.V.V.	Aruba	US dollar	100	88,567	-	88,567	96,627	-	96,627	
SQM Lithium Specialties LLP	United States	US dollar	100	15,786	3	15,789	1,264	-	1,264	
Soquimich SRL Argentina Comercial Caimán	Argentina	US dollar	100	472	-	472	109	-	109	
Internacional S.A.	Panama	US dollar	100	339	-	339	1,080	-	1,080	
SQM France S.A. Administración y Servicios Santiago S.A. de C.V.	France	US dollar	100	345	6	351	114	-	114	
SQM Nitratos México S.A. de C.V.	Mexico	US dollar	100	47	-	47	854	195	1,049	
Soquimich European Holding B.V.	Mexico	US dollar	51	27	1	28	17	-	17	
Fertilizantes Naturales S.A.	Netherlands	US dollar	100	68,722	71,384	140,106	94,565	-	94,565	
Iodine Minera B.V.	Spain	US dollar	66.67	16,515	(10)	16,505	15,175	-	15,175	
SQM Africa Pty Ltd.	Netherlands	US dollar	100	10,122	-	10,122	1	-	1	
SQM Venezuela S.A.	South Africa	US dollar	100	38,463	147	38,610	36,736	-	36,736	
SQM Oceanía Pty Ltd.	Venezuela	US dollar	100	80	-	80	402	-	402	
SQM Agro India Pvt. Ltd.	Australia	US dollar	100	1,466	-	1,466	533	-	533	
	India	US dollar	100	231	4	235	149	-	149	

Explanation of Responses:

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SQM Beijin Commercial Co. Ltd.	China	US dollar							
			100	131	42	173	77	-	77
Total				3,426,343	2,254,796	5,681,139	2,824,693	347,935	3,172,628

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries (continued)

10.1 Disclosures on investments in subsidiaries (continued)

Financial information as of December 31, 2009 of the companies included in the consolidation process is detailed as follows:

Subsidiaries	Country	Functional currency	Interest %	12.31.2009			Liabilities	
				Current ThUS\$	Assets Non- current ThUS\$	Total ThUS\$	Current ThUS\$	Non- current ThUS\$
SQM Nitratos S.A.	Chile	US dollar	100.00	455,452	66,564	522,016	447,246	11,956
Proinsa Ltda.	Chile	Chilean peso	60.58	209	1	210	-	-
SQMC Internacional Ltda.	Chile	Chilean peso	60.6382	281	-	281	-	-
SQM Potasio S.A.	Chile	US dollar	99.9974	100,257	498,631	598,888	1	198,902
Serv. Integrales de Tránsito y Transf. S.A.	Chile	US dollar	100.00	93,505	56,361	149,866	135,104	2,439
Isapre Norte Grande Ltda.	Chile	Peso Chileno	100.00	439	521	960	466	119
Ajay SQM Chile S.A.	Chile	US dollar	51.00	12,816	3,829	16,645	6,221	1,662
Almacenes y Depósitos Ltda.	Chile	Chilean peso	100.00	383	46	429	1	-
SQM Salar S.A.	Chile	US dollar	100.00	388,082	526,431	914,513	301,143	86,784
Comercial Hydro S.A.	Chile	Chilean peso	60.6382	6,105	365	6,470	44	66
SQM Industrial S.A.	Chile	US dollar	100.00	844,030	537,981	1,382,011	728,276	30,582
Minera Nueva Victoria S.A.	Chile	US dollar	100.00	68,861	55,213	124,074	1,928	2,484
Exploraciones Mineras S.A.	Chile	US dollar	100.00	403	31,344	31,747	3,565	-
Sociedad Prestadora de Servicios de Salud Cruz del Norte S.A.	Chile	Chilean peso	100.00	549	110	659	216	305
Soquimich Comercial S.A.	Chile	US dollar	60.6383	144,525	15,133	159,658	54,876	1,145
Agrorama Callegari Ltda.	Chile	Chilean peso	42.4468	2,130	173	2,303	740	-
SQM North América Corp.	United States	US dollar	100.00	137,329	15,540	152,869	126,097	3,644
RS Agro Chemical.Trading A.V.V.	Aruba	US dollar	100.00	5,232	-	5,232	-	-
Nitratos Naturais do Chile Ltda.	Brazil	US dollar	100.00	6	287	293	4,896	-

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries (continued)

10.1 Disclosures on investments in subsidiaries (continued)

Subsidiaries	Country	Functional currency	Interest %	12.31.2009			Liabilities		
				Current ThUS\$	Assets Non- current ThUS\$	Total ThUS\$	Current ThUS\$	Non- current ThUS\$	Total ThUS\$
Nitrate Corporation of Chile Ltd.	England	US dollar	100.00	5,076	-	5,076	-	-	-
SQM Corporation N.V.	Dutch Antilles	US dollar	100.00	669	39,365	40,034	3,688	-	3,688
SQM Perú S.A.	Peru	US dollar	100.00	29,200	144	29,344	29,965	-	29,965
SQM Ecuador S.A.	Ecuador	US dollar	100.00	6,218	81	6,299	5,992	-	5,992
SQM Brasil Ltda.	Brazil	US dollar	100.00	245	77	322	1,149	-	1,149
SQI Corporation NV.	Dutch Antilles	US dollar	100.00	-	7	7	31	-	31
SQM Japan Co. Ltd.	Japan	US dollar	100.00	1,075	509	1,584	103	326	429
SQMC Holding Corporation L.L.P.	United States	US dollar	100.00	1,443	7,678	9,121	358	-	358
SQM Europe N.V.	Belgium	US dollar	100.00	274,514	502	275,016	265,171	-	265,171
SQM Italia SRL	Italy	US dollar	100.00	1,485	-	1,485	19	-	19
SQM Indonesia S.A.	Indonesia	US dollar	80.00	5	-	5	1	-	1
North American Trading Company	United States	US dollar	100.00	162	145	307	39	-	39
SQM Virginia LLC	United States	US dollar	100.00	14,834	14,380	29,214	14,834	-	14,834
SQM Comercial de México S.A. de C.V.	Mexico	US dollar	100.00	60,370	2,128	62,498	61,880	-	61,880

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 10 - Investments and disclosures on Investments in subsidiaries (continued)

10.1 Disclosures on investments in subsidiaries (continued)

Subsidiaries	Country	Functional currency	Interest %	12.31.2009		Total ThUS\$	Current ThUS\$	
				Current ThUS\$	Assets Non- current ThUS\$			
SQM investment Corporation N.V.	Dutch Antilles	US dollar	100.00	136,349	847	137,196	115,793	5
Royal Seed Trading Corporation A.V.V.	Aruba	US dollar	100.00	255,328	793	256,121	100,123	1
SQM Lithium Specialties LLP	United States	US dollar	100.00	15,787	3	15,790	1,264	-
Soquimich SRL Argentina	Argentina	US dollar	100.00	564	-	564	118	-
Comercial Caimán Internacional S.A.	Panama	US dollar	100.00	1,345	-	1,345	1,912	-
SQM France S.A.	France	US dollar	100.00	345	6	351	114	-
Administración y Servicios Santiago S.A. de C.V.	Mexico	US dollar	100.00	20	-	20	664	1
SQM Nitratos México S.A. de C.V.	Mexico	US dollar	51.00	19	1	20	13	-
Soquimich European Holding B.V.	Dutch Antilles	US dollar	100.00	97,854	60,645	158,499	125,168	3
Fertilizantes Naturales S.A.	Spain	US dollar	66.67	16,872	3	16,875	16,293	-
Iodine Minera B.V.	Dutch Antilles	US dollar	100.00	8,959	-	8,959	14	-
SQM Africa Pty Ltd.	South Africa	US dollar	100.00	61,289	153	61,442	59,834	-
SQM Venezuela S.A.	Venezuela	US dollar	100.00	91	-	91	399	-
SQM Oceanía Pty Ltd.	Australia	US dollar	100.00	2,509	-	2,509	1,934	-
SQM Agro India Pvt. Ltd.	India	US dollar	100.00	242	3	245	284	-
SQM Dubai Fzco.	UAE	US dollar	-	-	-	-	-	-
Total				3,253,463	1,936,000	5,189,463	2,617,977	4

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Notes to the consolidated Financial Statements as of December 31, 2010
 (Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 11 - Investments in associates accounted for using the Equity method

11.1 Investments in associates accounted for using the equity method

As of December 31, 2010, December 31, 2009 and as of January 1, 2009, in accordance with criteria established in Note 2.4 and Note 2.12, investments in associates accounted for using the equity method and investments in joint ventures are detailed as follows:

	Note Nº	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Investments in associates	11.1 to 11.3	38,262	35,163	36,934
Joint ventures	12.0 to 12.4	24,009	20,022	-
Total		62,271	55,185	36,934

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 11 - Investments in associates accounted for using the Equity method (continued)

11.2 Assets, liabilities, revenues and expenses of associates

Tax ID	Associate	Country of incorporation	Functional currency	12.31.2010		Total ThUS\$	Liabilities			Revenue ThUS\$
				Current ThUS\$	Asstes Non- current ThUS\$		Current ThUS\$	Non- current ThUS\$	Total ThUS\$	
77.557.430-5	Sales de Magnesio Ltda.	Chile	Chilean peso	3,844	3	3,847	1,143	-	1,143	6,494
Foreign	Abu Dhabi Fertilizer Industries WWL	Arabia	Dirham of the United Arab Emirates	19,909	2,092	22,001	7,869	-	7,869	35,506
Foreign	Doktor Tarsa Tarim Sanayi AS	Turkey	Turkish Lira	49,013	7,840	56,853	33,229	27	33,256	64,540
Foreign	Nutrisi Holding N.V.	Belgium	Euro	449	10,768	11,217	3,228	-	3,228	-
Foreign	Ajay North America	United States	US dollar	15,585	6,926	22,511	5,168	-	5,168	52,237
Foreign	Nutrichem Benelux	Belgium	Euro	-	-	-	-	-	-	-
Foreign	Ajay Europe SARL	France	Euro	15,428	2,223	17,651	6,519	-	6,519	41,992
Foreign	Generale De Nutrition	Belgium	Euro	-	-	-	-	-	-	-
Foreign	Mirs Specialty Fertilizers	Egypt	Egyptian pound	3,013	3,214	6,227	2,980	226	3,206	4,231
Foreign	SQM Eastmed Turkey	Turkey	Euro	34	592	626	247	-	247	646
Foreign	SQM Thailand Co. Ltd.	Thailand	Thai Bath	5,307	587	5,894	2,035	-	2,035	11,149
	Total			112,582	34,245	146,827	62,418	253	62,671	216,795

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Tax ID	Associate	Country of incorporation	Functional currency	12.31.2009			Liabilities			Revenue
				Current ThUS\$	Assets Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	
77.557.430-5	Sales de Magnesio Ltda.	Chile	Chilean peso	1,850	2	1,852	1,195	-	1,195	2,362
Foreign	Abu Dhabi Fertilizer Industries WWL	Arabia	Dirham of the United Arab Emirates	14,559	2,746	17,305	5,163	-	5,163	26,173
Foreign	Doktor Tarsa Tarim Sanayi AS	Turkey	Turkish Lira	36,022	6,032	42,054	22,545	2,525	25,070	58,850
Foreign	Nutrisi Holding N.V.	Belgium	Euro	(552)	14,913	14,361	1,494	-	1,494	-
Foreign	Ajay North America	United States	US dollar	12,471	7,046	19,517	3,848	-	3,848	28,594
Foreign	Nutrichem Benelux	Belgium	Euro	-	-	-	-	-	-	-
Foreign	Ajay Europe SARL	France	Euro	12,830	2,325	15,155	4,181	-	4,181	20,788
Foreign	Generale De Nutrition	Belgium	Euro	-	-	-	-	-	-	-
Foreign	Mirs Specialty Fertilizers	Egypt	Egyptian pound	2,708	3,858	6,566	2,542	275	2,817	5,400
Foreign	SQM Eastmed Turkey	Turkey	Euro	764	636	1,400	998	-	998	793
Foreign	SQM Thailand Co. Ltd.	Thailand	Thai Bath	6,119	574	6,693	2,999	-	2,999	9,691
	Total			86,771	38,132	124,903	44,965	2,800	47,765	152,631

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 11 - Investments in associates accounted for using the Equity method (continued)

11.3 Details of investments in associates

The interest of SQM S.A., in its associates is detailed as follows:

Associate Name	Main Activities of Associate	% Interest		Investment 12.31.2010 ThUS\$	Investment 12.31.2009 ThUS\$	Investment 01.01.2009 ThUS\$
Sales de Magnesio Ltda.	Magnesium salt trader.	50	%	1,352	328	473
Abu Dhabi Fertilizer Industries Co. W.W.L.	Distribution and trade of specialty vegetal nutrients in the Middle East.	50	%	7,066	6,072	5,278
Ajay North America L.L.C	Production and trade of iodine by-products.	49	%	7,251	6,653	4,892
Doktor Tarsa Tarim Sanayi AS	Distribution and trade of specialty vegetal nutrients in Turkey.	50	%	11,799	8,492	11,212
Nutrisi Holding N.V.	Holding	50	%	3,551	6,239	6,823
Ajay Europe SARL	Production and distribution of iodine and iodine products	50	%	4,076	3,920	4,282
Mirs Specialty Fertilizers S.A.E.	Production and trade of liquid fertilizers for Egypt	47.4857	%	1,435	1,780	2,247
SQM Agro India PVT Ltda.	Agent and distributor of specialty vegetal nutrients.	49	%	-	-	94
SQM Eastmed Turkey	Production and trade of specialty products	50	%	189	201	219
SQM Thailand Co. Ltd.	Distribution and trade of specialty vegetal nutrients.	40	%	1,543	1,478	1,414
Total				38,262	35,163	36,934

The Company does not have an interest in unrecognized losses in investments in associates.

The Company does not have any associates not accounted for using the equity method.

Note 12 - Joint Ventures

12.1 Policy for accounting for joint ventures in a Parent Company's separate financial statements

The method for the recognition of joint ventures in which equity interest is initially recorded at cost and subsequently adjusted considering changes after the acquisition in the portion of the entity's net assets which correspond to the

Explanation of Responses:

investor. Profit for the year of the investor will receive the portion which belongs to it in profit or loss of the entity under joint control.

12.2 Disclosures on interest in joint ventures

a) Operations acquired in 2010

On March 4, 2010, SQM Industrial entered an agreement with Qingdao Star Plant Protection Technology Co., Ltd., by means of which the companies formed a joint venture, SQM Qingdao-Star Co, Ltd. Each party made a capital contribution of ThUS\$2,000 for an interest of 50%.

On June 24, 2010, SQM Industrial S.A. made a contribution of ThUS\$2,500 in SQM Migao Sichuan.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 12 - Joint Venturesn (continued)

12.2 Disclosures on interest in joint ventures (continued)

b) Operations acquired in 2009

On October 9, 2009, the subsidiary Soquimich European Holdings formed a joint venture with Coromandel Fertilizers Limited, Coromandel SQM. Each party made capital contributions of ThUS\$2,200 for an interest of 50%.

On March 18, 2009, a shareholder agreement was entered to incorporate Sichuan SQM-Migao Chemical Fertilizer Co. Ltda. and the process for the registration and obtaining of licenses ended on September 1, 2009.

SQM Industrial S.A. made its first capital contribution of ThUS\$3,000 on November 6, 2009 from a total contribution of ThUS\$10,000 by each party. Contributions will be paid in 2010.

On December 29, 2009, a joint venture agreement was entered into with the Roullier Group for the SQM Dubai-FZCO, thereby decreasing the Company's interest from 100% to 50%. On the same date, the company changed its name to SQM Vitas.

This transaction resulted in an effect on profit of ThUS\$3,019, which is presented under other gains (losses).

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Nota 12 - Policy and disclosures on interest in Joint Ventures (continued)

12.3 Detail of assets, liabilities and results of investments in joint ventures by company as of 12.31.2010 and 12.31.2009, respectively:

				12.31.2010						
				Assets			Liabilities			
Tax ID	Associate	Country	Functional currency	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Revenue ThUS\$
Foreign	Sichuan SQM Migao Chemical Fertilizers Co Ltda.	China	US dollar	2,987	11,677	14,664	3,744	-	3,744	-
Foreign	Coromandel SQM	India	Indian Rupee	10	862	872	7	-	7	3
Foreign	SQM Vitas	United Arab Emirates	Dirham of the United Arab Emirates	27,534	9,499	37,033	2,828	-	2,828	19,954
Foreign	SQM Qindao-Star Co. Ltda.	China	US dollar	2,448	387	2,835	808	-	808	2,900
	Total			32,979	22,425	55,404	7,387	-	7,387	22,857
				12.31.2009						
				Assets			Liabilities			
Tax ID	Associate	Country	Functional Currency	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Revenue ThUS\$
Foreign	Sichuan SQM Migao Chemical Fertilizers Co Ltda.	China	US dollar	6,414	2,146	8,560	92	-	92	-
Foreign	Coromandel SQM	India	Indian Rupee	-	1,060	1,060	-	-	-	-
Foreign	SQM Vitas	United Arab Emirates	Dirham of the United Arab Emirates	25,913	5,543	31,456	(1,551)	-	(1,551)	1,899
	Total			32,327	8,749	41,076	(1,459)	-	(1,459)	1,899

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Nota 12 - Policy and disclosures on interest in Joint Ventures (continued)

12.4 Amount of net gain (loss) on investments in joint ventures by company is detailed as follows:

Associate Name	Main Activities of Associate	% Interest	Investment 12.31.2010 ThUS\$	Investment 12.31.2009 ThUS\$	Investment 01.01.2009 ThUS\$
Coromandel SQM	Production and distribution of potassium nitrate	50	% 432	530	-
Sichuan SQM Migao Chemical Fertilizer Co. Ltda.	Production and distribution of soluble fertilizers.	50	% 5,461	2,988	-
SQM Vitas	Production and trade of vegetal and animal specialty and industrial hygiene nutrition goods	50	% 17,102	16,504	-
SQM Quindao-Star Co. Ltda.	Production and distribution of Vegetal Nutrition Solutions NPK solubles	50	% 1,014	-	-
Total			24,009	20,022	-

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 13 - Intangible assets and goodwill

13.1 Balances

Balances	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Intangible assets other than goodwill	3,270	2,836	3,525
Goodwill	38,388	38,388	38,388
Total	41,658	41,224	41,913

13.2 Disclosures on intangible assets and goodwill

Intangible assets relating to goodwill, water rights, trademarks, industrial patents, rights of way and IT programs.

Balances and movements in the main types of intangible assets as of December 31, 2010, December 31, 2009 and January 1, 2009 are detailed as follows:

Description of types of intangible assets	Useful life	12.31.2010 ThUS\$
Goodwill	Indefinite	38,388
Water rights	Indefinite	1,547
Rights of way, net	Finite	395
Industrial patents, net	Finite	501
Trademarks, net	Finite	4
IT programs, net	Finite	823
Total		41,658

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 13 - Intangible assets and goodwill (continued)

13.2 Disclosures on intangible assets and goodwill (continued)

Description of types of intangible assets	Useful life	12.31.2009 ThUS\$
Goodwill	Indefinite	38,388
Water rights	Indefinite	1,549
Rights of way, net	Finite	395
Industrial patents, net	Finite	570
Trademarks, net	Finite	-
IT programs, net	Finite	322
Total		41,224

Description of types of intangible assets	Useful life	01.01.2009 ThUS\$
Goodwill	Indefinite	38,388
Water rights	Indefinite	1,897
Rights of way, net	Finite	409
Industrial patents, net	Finite	650
Trademarks, net	Finite	159
IT programs, net	Finite	410
Total		41,913

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Notes to the consolidated Financial Statements as of December 31, 2010
 (Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 13 - Intangible assets and Goodwill (continued)

13.2 Disclosures on intangible assets and goodwill (continued)

a) Estimated useful lives or amortization rates used for finite identifiable intangible assets

Finite useful life measures the lifetime or the number of productive units or other similar factor that constitute its useful life.

The estimated useful life for software is three years. For other finite useful life assets, the period in which they are amortized relates to periods defined by contracts or the rights that generate them.

Indefinite useful life intangible assets mainly relate to water rights and rights of way, which were obtained as indefinite.

b) Method used to express the amortization of identifiable intangible assets (life or rate)

The method used to express amortization is useful life.

c) Minimum and maximum amortization lives or rates of intangible assets:

Estimated useful lives or amortization rate	Minimum life or rate	Maximum life or rate
Water rights	Indefinite	Indefinite
Rights of way	1 year	20 years
Industrial patents	1 year	16 years
Trademarks	1 year	5 years
IT programs	2 years	3 years

d) Disclosure on internally-generated assets

The Company has no internally-generated intangible assets.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 13 - Intangible assets and Goodwill (continued)

13.2 Disclosures on intangible assets and goodwill (continued)

e) Movements in identifiable intangible assets as of December 31, 2010

Movements in identifiable intangible assets	Net goodwill ThUS\$	Water rights, net ThUS\$	Rights of way, net ThUS\$	Industrial patents, net ThUS\$	Trademarks, net ThUS\$	Computer software, net ThUS\$	Identifiable intangible assets, net ThUS\$
Opening balance	38,388	1,549	395	570	-	322	41,224
Additions	-	92	-	-	-	839	931
Amortization	-	-	-	(69)	(368)	(338)	(755)
Other increases (decreases)	-	(94)	-	-	372	-	278
Ending balance	38,388	1,547	395	501	4	823	41,658

Movements in identifiable intangible assets as of December 31, 2009

Movements in identifiable intangible assets	Net goodwill ThUS\$	Water rights, net ThUS\$	Rights of way, net ThUS\$	Industrial patents, net ThUS\$	Trademarks, net ThUS\$	Computer software, net ThUS\$	Identifiable intangible assets, net ThUS\$
Opening balance	38,388	1,897	409	650	159	410	41,913
Additions	-	51	-	-	-	124	175
Amortization	-	-	(14)	(80)	(159)	(212)	(465)
Other increases (decreases)	-	(399)	-	-	-	-	(399)
Ending balance	38,388	1,549	395	570	-	322	41,224

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 14 - Property, plant and equipment

As of December 31, 2010, December 31, 2009 and January 1, 2009, property, plant and equipment are detailed as follows:

14.1	Types of property, plant and equipment	12.31.2010	12.31.2009	01.01.2009
Description of types of property, plant and equipment		ThUS\$	ThUS\$	ThUS\$
Property, plant and equipment, net				
Construction-in-progress		356,551	379,416	234,757
Land		107,869	108,356	106,800
Buildings		88,320	86,252	66,813
Plant and equipment		492,525	453,859	461,277
IT equipment		3,897	3,853	3,526
Fixed installations and accessories		327,511	193,893	152,176
Motor vehicles		48,936	55,341	41,309
Other property, plant and equipment		28,364	19,576	9,873
Total		1,453,973	1,300,546	1,076,531
Property, plant and equipment, gross				
Construction-in-progress		356,551	379,416	234,757
Land		107,869	108,356	106,800
Buildings		221,715	212,751	184,061
Plant and equipment		1,184,270	1,090,769	1,012,711
IT equipment		22,759	21,573	19,540
Fixed installations and accessories		531,423	368,419	304,360
Motor vehicles		151,544	154,887	130,154
Other property, plant and equipment		47,910	37,962	32,410
Total		2,624,041	2,374,133	2,024,793
Accumulated depreciation and value impairment of property, plant and equipment				
Accumulated depreciation of buildings		133,395	126,499	117,248
Accumulated depreciation plant and equipment		691,745	636,910	551,434
Accumulated depreciation of IT equipment		18,862	17,720	16,014
Accumulated depreciation of fixed installations and accessories		203,912	174,526	152,184
Accumulated depreciation of motor vehicles		102,608	99,546	88,845
Accumulated depreciation of other PP&E		19,546	18,386	22,537
Total		1,170,068	1,073,587	948,262

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 14 - Property, plant and equipment (continued)

14.2 Reconciliation of changes in property, plant and equipment by type as of December 31, 2010 and December 31, 2009:

Reconciliation entries of changes in property, plant and equipment by class as of December 31, 2010	Construction in- progress ThUS\$	Land ThUS\$	Buildings, equipment net ThUS\$	Plant and equipment net ThUS\$	IT equipment net ThUS\$	Fixed installations and accessories, net ThUS\$	Motor vehicles, equipment net ThUS\$	Improvement of leased property, net ThUS\$	Other property, plant and equipment, net ThUS\$	Property, plant and equipment, net ThUS\$
Opening balance	379,416	108,356	86,252	453,859	3,853	193,893	55,341	-	19,576	1,300,546
Changes										
Additions	295,357	386	1,021	512	123	41	450	-	126	298,016
Divestitures	-	(26)	(114)	(3,391)	(26)	-	-	-	(116)	(3,673)
Depreciation expense	-	-	(9,226)	(88,640)	(1,537)	(29,342)	(11,837)	-	(3,326)	(143,908)
Increase(decrease) in foreign currency exchange	-	-	2	55	-	14	13	-	2	86
Reclassifications	(315,722)	-	10,385	130,130	1,484	162,905	4,969	-	5,849	-
Others Increases / Decreases	(2,500)	(847)	-	-	-	-	-	-	6,253	2,906
Total changes	(22,865)	(487)	2,068	38,666	44	133,618	(6,405)	-	8,788	153,427
Ending balance	356,551	107,869	88,320	492,525	3,897	327,511	48,936	-	28,364	1,453,973

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 14 - Property, plant and equipment (continued)

14.2 Reconciliation of changes in property, plant and equipment by class as of December 31, 2010 and December 31, 2009, continued:

Reconciliation entries of changes in property, plant and equipment by class as of December 31, 2009	Construction in-progress ThUS\$	Land ThUS\$	Buildings, equipment net ThUS\$	Plant and equipment net ThUS\$	IT equipment net ThUS\$	Fixed installations and accessories, net ThUS\$	Motor vehicles, equipment and other property, plant and equipment, net ThUS\$	Improvement of leased property, net ThUS\$	Property, plant and equipment, net ThUS\$
Opening balance	234,757	106,800	66,813	461,277	3,526	152,176	41,309	- 9,873	1,076,531
Changes									
Additions	373,686	1,560	-	306	148	9	233	- 128	376,070
Divestitures	(4,405)	-	(324)	(1,172)	(9)	(108)	(6)	- (134)	(6,158)
Depreciation expense	-	-	(8,459)	(90,446)	(1,585)	(22,426)	(10,480)	- (3,014)	(136,410)
Increase(decrease) in foreign currency exchange	-	-	3	54	-	-	1	- 3	61
Reclassifications	(221,569)	-	28,055	94,914	1,737	64,249	24,284	8,330	-
Capitalization of soil	(5,446)	-	-	-	-	-	-	- -	(5,446)
Disposal of Assets	-	(4)	-	(5,038)	-	(7)	-	- -	(5,049)
Others Increases / Decreases	2,393	-	164	(6,000)	-	-	-	- 4,390	947
Total changes	144,659	1,556	19,439	(7,382)	291	41,717	14,032	- 9,703	224,015
Ending balance	379,416	108,356	86,252	453,895	3,817	193,893	55,341	- 19,576	1,300,546

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 14 - Property, plant and equipment (continued)

14.3 Detail of property, plant and equipment pledged as guarantee

There are no restrictions on titles or guarantees for the compliance with obligations which affect property, plant and equipment.

14.4 Additional Information

1) Assets recognized at fair value

As part of the process for the first-time adoption of IFRS, the Company opted to measure certain assets at fair value as deemed cost at the transition date of January 1, 2009. These amounts were determined by an external specialist. The revaluation of assets resulted in an adjustment against retained earnings as of January 1, 2009 of ThUS\$54,366. The adjusted balance of property, plant and equipment assets which were previously restated to fair value as of January 1, 2009 is as follows:

	12.31.2010	12.31.2009	01.01.2009
	ThUS\$	ThUS\$	ThUS\$
Land	1,332	1,332	1,332
Buildings, net	2,210	2,241	2,426
Plant and equipment, net	33,069	42,335	53,576
IT equipment, net	1	1	1
Fixed installations and accessories, net	1,799	1,840	2,031
Other property, plant and equipment, gross	882	918	1,091
Total	39,293	48,667	60,457

2) Leased property, plant and equipment

Investment properties include leased assets, detailed as follows:

	12.31.2010	12.31.2009	01.01.2009
Description of assets	ThUS\$	ThUS\$	ThUS\$
2 floors of the Las Americas Building, net	1,373	1,405	1,436
Total (net)	1,373	1,405	1,436

3) Interest capitalized in construction-in-progress

Capitalized interest amounted to ThUS\$ 25,947 as of December 31, 2010 and ThUS\$ 19,231 as of December 31, 2009.

Financing costs are not capitalized for periods that exceed the normal term of acquisition, construction or installation of the asset, such as in the case of delays, interruptions or temporary suspension of the project due to technical, financial or other issues that inhibit the asset's maintenance in good conditions for its use.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 15 - Leases

15.1 Disclosures on finance leases, lessee

The asset acquired under a finance lease relates to a contract that the Company has with Inversiones La Esperanza S.A., which began in June 1992 and ends on June 31, 2011. The agreement entered into indicates 230 installments of UF 663.75 each, with an annual interest rate of 8.5%.

The Company maintains finance lease arrangements as lessee for which there are no contingent installments or restrictions to report.

The net carrying amount as of December 31, 2010 amounted to ThUS\$1,373 and as of December 31, 2009 and January 1, 2009 amounted to ThUS\$ 1,405 and ThUS\$ 1,436, respectively.

15.2 Reconciliation of minimum finance lease payments, lessee

The reconciliation between the total gross investment and the present value is detailed as follows:

Minimum payments to be made	12.31.2010 ThUS\$			12.31.2009 ThUS\$			01.01.2009 ThUS\$		
	Gross investment	Deferred interest	Present value	Gross investment	Deferred interest	Present value	Gross investment	Deferred interest	Present value
Not exceeding oneene year	213	(6)	207	329	(29)	300	268	(43)	225
Between 1 and 5 years	-	-	-	192	(5)	187	425	(28)	397
Total	213	(6)	207	521	(34)	487	693	(71)	622

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 16 - Employee benefits

16.1	Accruals for employee benefits	12.31.2010	12.31.2009	01.01.2009
		ThUS\$	ThUS\$	ThUS\$
Types of benefits and expenses by employee				
Current				
	Profit sharing and bonuses	44,011	16,375	22,112
	Total	44,011	16,375	22,112
Non- current				
	Profit sharing and bonuses	800	20,082	12,000
	Severance indemnities	27,208	28,682	20,186
	Pension Plan	702	1,709	2,873
	Total	28,710	50,473	35,059

16.2 Policies on defined benefit plan

This policy is applied to all benefits received for services provided by the Company's employees.

Short-term benefits for active employees are represented by salaries, social welfare benefits, paid time off, sick leaves and other leaves, profit sharing and incentives and non-monetary benefits; e.g., healthcare services, housing, subsidized or free goods or services. These benefits will be paid over a term not exceeding twelve months.

The Company only has employee benefits for active employees, with the exception of SQM North America, as explained in 16.4 below.

For each incentive bonus delivered to the Company's employees, there will be a disbursement in the first quarter of the following year calculated based on the net income for the period, applying a factor obtained subsequent to the employee evaluation process.

Employee benefits include bonuses for officers of the Company according to the price per share of the Company and are paid in cash. The short-term portion is presented as the current employee benefits accrual while the long-term portion is presented as non-current.

The bonus provided to the Company's directors is calculated based on net income for the year at each year-end and will consider the application of a percentage factor.

The benefit relates to vacations (short-term benefits to employees) as provided in the Chilean Labor Code, which indicates that employees with more than a year of service will be entitled to annual holidays for a period of not less than fifteen paid business days. The Company provides the benefit of two additional vacation days.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 16 - Employee benefits (continued)

16.2 Policies on defined benefit plan (continued)

Employee termination benefits are agreed upon and payable based on the last salary for each year of service to the Company or with certain maximum limits in respect to the number of years to be considered or with respect to monetary terms. In general, this benefit is payable when the employee or worker ceases to provide his/her services to the Company, and the right to collect can be obtained for different causes, as indicated in the respective agreements; e.g., retirement, dismissal, voluntary retirement, incapacity or disability, death, etc.

Law No. 19,728 published on May 14, 2001 and effective since October 14, 2002 required “Compulsory Unemployment Insurance” in favor of all dependent employees regulated by the Chilean Labor Code. Article 5 of this law provided the financing of this insurance through monthly contribution payments by both the employee and the employer.

16.3 Other long-term benefits

Other long-term benefits relate to employee termination benefits and are recorded at their actuarial value.

	12.31.2010	12.31.2009	01.01.2009
Employee termination benefits at actuarial value	ThUS\$	ThUS\$	ThUS\$
Employee termination benefits, Chile	26,577	28,170	19,478
Other obligations in foreign companies	631	512	708
Total other non-current liabilities	27,208	28,682	20,186
SQM North America's pension plan	702	1,709	2,873
Total post-employment obligations	702	1,709	2,873

Employee termination benefits have been calculated using the actuarial assessment method of the Company's obligations with respect to employee termination benefits, which relate to defined benefit plans consisting of days of remuneration per year served at the time of retirement, under conditions agreed upon in the respective agreements established between the Company and its employees.

Under the indemnity fund benefit plan, the Company retains the obligation for the payment of employee termination benefits related to retirements without establishing a separate fund with specific assets, which is referred to as not funded. The discount interest rate of flows expected to be used was 6%.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 16 - Employee benefits (continued)

16.3 Other long-term benefits (continued)

Benefit payment conditions

The employee termination benefit relates to remuneration days per year worked for the Company with no limit on salary or years of service to the Company, when employees cease to work for the Company due to turnover or death. In this case, the maximum age for men is 65 years and 60 years old for women, which are the usual ages for retirement due to achieving the senior citizen age according to the Chilean pension system provided in Decree Law 3,500 of 1980.

Methodology

The determination of the obligation for benefits under IAS 19, Projected Benefit Obligation (PBO) is described as follows:

To determine the Company's total liability, the Company used a mathematical simulation model that was programmed using a computer and processed the situation of each employee on an individual basis.

This model considered months as discrete time; i.e., the Company determined the age of each person and his/her salary on a monthly basis according to the growth rate. Thus, information on each person was simulated from the beginning of the life of his/her employment contract or when he/she started earning benefits up to the month in which the person reaches the normal retirement age, generating in each period the possible retirement according to the Company's turnover rate and the mortality rate according to the age reached. When he/she reaches retirement age, the employee finishes his/her service for the Company and receives indemnity related to retirement due to old age.

The methodology followed to determine the accrual for all employees covered by the agreements has considered turnover rates and the mortality rate RV-2009 established by the Chilean Superintendence of Securities and Insurance to calculate pension-related life insurance reserves in Chile according to the Accumulated Benefit Valuation or Accrued Cost of Benefit Method. This methodology is established in IAS 19 Retirement Benefit Costs.

16.4 Employee post-retirement obligations

The Company's subsidiary SQM North America has established with its employees certain pension plans for retired employees, which are calculated by measuring the expected future forecasted staff severance indemnity obligation using a net salary gradual rate of restatements for inflation, mortality and turnover assumptions discounting the resulting amounts at present value using an interest rate of 6.5% for 2010 and 2009. The net balance of this liability is presented under Non-current accruals for employee benefits.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 16 - Employee benefits (continued)

16.4 Employee post-retirement obligations (continued)

The table below establishes the status of the financing plan and the amounts recognized in the consolidated balance sheet:

	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Variation in projected benefit obligation (liability):		
Benefit liability at the beginning of year	6,792	6,631
Cost of service	1	1
Interest cost	427	423
Actuarial loss	(374)	33
Benefits paid	(297)	(297)
Benefit obligation (liability) at year-end	6,549	6,791
Change in the plan's assets:		
Fair value of the plan's assets at beginning of year	5,082	3,758
Contributions by the employer	192	448
Actual return (loss) on plan assets	869	1,173
Benefits paid	(296)	(297)
Fair value of the plan's assets at year-end	5,847	5,082
Accrued liability pension plan	(702)	(1,709)
Items not yet recognized as net regular pension-related cost elements:		
Net actuarial loss at the beginning of year	(3,056)	(4,186)
Amortization during the period	155	235
Net gain or loss during the period	865	895
Adjustment made to recognize the minimum pension-related liability	(2,036)	(3,056)

As of December 31, 2010 and December 31, 2009 the net regular pension-related expense was composed of the following elements:

	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Costs or benefits of services earned during the period	1	1
Cost of interest in benefit liability	427	423
Actual return in plan's assets	(869)	(1,173)
Amortization of loss from prior periods	154	198
Net gain for the period	492	889
Net regular pension-related expense	(205)	338

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 16 - Employee benefits (continued)

16.4 Employee post-retirement obligations (continued)

As of December 31, 2010 and December 31, 2009 distributions of the plan assets (SQM North America) by category are detailed as follows:

	12.31.2010		12.31.2009	
Growth securities (US instruments)	59	%	59	%
International securities (US instruments)	25	%	25	%
Taxable bonds (US instruments)	14	%	14	%
Money market funds (US instruments)	2	%	2	%
	100	%	100	%

16.5 Employee termination benefits

Severance pays calculated at actuarial value present the movements below:

	12.31.2010		12.31.2009	
	ThUS\$		ThUS\$	
Initial balance	(28,682)		(20,186)	
Cost of current service	(3,583)		(10,072)	
Interest cost	(1,889)		(1,440)	
Actuarial gains/ losses	88		242	
Benefits paid	6,858		2,774	
Balance as of December 31	(27,208)		(28,682)	

The severance pay liability is valued using the actuarial value method, for which purpose the company uses the following actuarial hypotheses:

	12.31.2010		12.31.2009		
	RV - 2009		RV - 2004		
Mortality table					
Real annual interest rate	6	%	6	%	
Voluntary resignation turnover rate:					
Men	0.9	%	0.93	%	annual
Women	1.53	%	1.47	%	annual
Salary increase	3.0	%	3.0	%	annual
Retirement age:					
Men	65		65		years
Women	60		60		years

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 17 - Executive compensation plan

The Company counts on a compensation plan for its executives, by means of the granting of payments based on the SQM share price change, paid in cash, and the executives may exercise their rights until the year 2016.

Characteristics of the plan

This compensation plan is related with the company performance through the price of the Series B SQM share (Santiago Stock Exchange).

Participants in this plan

This compensation plan includes 42 executives of the Company, who are entitled to this benefit, provided they stay with the Company during the dates these options are executed. The dates for exercising the options will be the first 7 calendar days of May corresponding to the fiscal year.

Compensation

The compensation for each executive is the differential between the average prices of the share during April of each year compared to the base price established by the Board of Directors of the Company. The base price is fixed by the Company, which for this compensation plan amounts to US\$ 50 per share, for those granted in the year 2010, and US\$ 9.30 for the shares granted since 2005.

Compensation plan appraisal method and patterns

The Company used the following variables with the purpose of determining the average fair value of these options.

Variables and receptiveness to change of the pattern	12.31.2010		12.31.2009		01.01.2009	
Expected volatility (%)						
SQM Annualized (*)	21.51	%	31.79	%	45.49	%
Ch. \$/USD Annualized (*)	10.00	%	11.20	%	10.95	%
Interest rate free of risk (%)	2.40	%	2.15	%	6.08	%
Expected life of the option (years)	3.3 years		2 years		2 years	
Average price of the share (US\$)	57		38		24	
Dividend yield	1.61	%	3.66	%	2.76	%
Period covered	60 months		24 months		36 months	
Pattern used	Binomial		Binomial		Binomial	

(*) calculated based on 252 trading days

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 17 - Executive compensation plan (continued)

The movement of the options in effect for the period, the average prices for the fiscal year of the options and the average contractual life of the options in effect as of December 31, 2010 are the following:

Movement for the period	12.31.2010	12.31.2009	01.01.2009
In effect as of January 1	1,210,000	1,455,000	1,455,000
Granted during the fiscal year	2,370,000	-	-
Exercised during the fiscal year	150,000	245,000	-
In circulation as of December 31	3,430,000	1,210,000	-
Average contractual life	60 months	24 months	36 months

The amounts accrued by the plan, as of December 31, 2010 and 2009, amount to:

	12.31.2010	12.31.2009
	ThUS\$	ThUS\$
Result effect		
Amount accrued	22,782	12,663
Total accrued compensation	22,782	12,663

Note 18 - Equity Disclosures

The detail and movements in the funds of equity accounts are shown in the consolidated statement of changes in equity.

18.1 Capital management

The main object of capital management relative to the administration of the Company's equity is to administer the capital of SQM group as follows:

- Ensure the regular conduct of operations and business continuity in the long term.
- Ensure financing of new investments in order to maintain steady growth.
- Have an adequate capital structure in accordance with the cycles of the economy that have an impact on the business and the nature of the industry.
- Maximize the value of SQM group in the mid and long term.

According to the foregoing, the capital requirements are included on the basis of the financing requirements of the group, with the constant intention of maintaining an adequate level of liquidity and in compliance with the financial safeguards established in the debt contracts in force. The Company manages its capital structure and makes adjustments on the basis of the predominant economic conditions so as to mitigate the risks associated with adverse market conditions and take advantage of the opportunities there may be to improve the liquidity position.

There have been no changes in the capital management objectives or policy within the years reported in this document.

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 18 - Equity Disclosures (continued)

18.2 Disclosures on preference share capital

Issued share capital is divided into 263,196,524 fully paid and subscribed shares with no par value composed of 142,819,552 Series "A" shares and 120,376,972 Series "B" shares, where both series are preferred shares.

The preferential voting rights for each series are detailed as follows:

Series "A":

If the election of the President of the Company results in a tie vote, the Company's directors may vote once again, without the vote of the director elected by the Series B shareholders.

Series "B":

- 1) A general or extraordinary shareholders' meeting may be called at the request of shareholders representing 5% of the Company's Series B shares.
- 2) An extraordinary meeting of the Board of Directors may be called with or without the agreement of the Company's President, at the request of the director elected by Series B shareholders.

As of December 31, 2010, December 31, 2009 and January 1, 2009, the Group does not maintain shares in the parent company either directly or through its companies in which it has investments.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 18 - Equity Disclosures (continued)

18.2 Disclosures on preference share capital (continued)

Detail of types of capital in preference shares:

Type of capital in preferred shares	12.31.2010		12.31.2009		01.01.2009	
Description of type of capital in preferred shares	Serie A	Serie B	Serie A	Serie B	Serie A	Serie B
Number of authorized shares	142,819,552	120,376,972	142,819,552	120,376,972	142,819,552	120,376,972
Par value of shares in ThUS\$	-	-	-	-	-	-
Capital amount in shares ThUS\$	134,750	342,636	134,750	342,636	134,750	342,636
Amount of premium issuance ThUS\$	-	-	-	-	-	-
Amount of reserves ThUS\$	-	-	-	-	-	-
Number of fully subscribed and paid shares	142,819,552	120,376,972	142,819,552	120,376,972	142,819,552	120,376,972
Number of subscribed, partially paid shares	-	-	-	-	-	-
Total number of subscribed shares	142,819,552	120,376,972	142,819,552	120,376,972	142,819,552	120,376,972

As of December 31, 2010, December 31, 2009 and January 1, 2009, the Company has not placed any new issuances of shares on the market.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 18 - Shareholders' Equity Disclosures (continued)

18.3 Dividend policy

As required by Article 79 of the Chilean Shareholders' Company Act, unless otherwise decided by unanimous vote of the holders of issued and subscribed shares, the Company must distribute a cash dividend in an amount equal to at least 30% of consolidated profit for the year ended December 31, 2009 unless and except to the extent that it has a deficit in retained earnings (losses not absorbed in prior years.)

The Company's dividend policy for 2010 was detailed as follows:

- Distribution and payment in favor of each shareholder of a final dividend that will be equivalent to 50% of profit for the year obtained in 2010.
- Distribution and payment during 2010, of an interim dividend which is recorded against the aforementioned final dividend. This interim dividend was paid (see below) during the last quarter of 2010, and its amount did not exceed 50% of the retained earnings for distribution obtained during 2010, which are reflected in the Company's financial statements as of September 30, 2010.
- The distribution and payment by the Company of the remaining balance of the final dividend related to profit for the year for the 2010 fiscal year in up to two installments, which must be effectively paid and distributed prior to June 30, 2011.
- An amount equivalent to the remaining 50% of the Company's profit for the year for 2010 will be retained and destined to the financing of operations of one or more of the Company's investment projects with no prejudice to the possible future capitalization of the entirety or a portion of this.
- The Board of Directors does not consider the payment of any additional or interim dividends.

18.4 Interim dividends

On November 23, 2010 the Board of the Company agreed to pay interim dividends amounting to ThUS\$ 110,000, payable from December 15, 2010.

At a Board of Directors meeting held on April 29, 2010, the Directors unanimously agreed to reduce its distribution of dividends. This means that a final dividend of US\$ 0.62131 per share will be paid in relation to net profit for the year. Notwithstanding the above, US\$ 0.37994 per share was already paid as an interim dividend, and this amount should be subtracted from the final dividend detailed above. In line with this, the balance, amounting to US\$ 0.24137 per share, will be paid and distributed among shareholders of the Company who are registered with their respective shareholders' registry as of the fifth business day prior to the day in which this dividend will be paid.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 18 - Shareholders' Equity Disclosures (continued)

18.4 Interim dividends (continued)

At a Board of Directors meeting held on November 17, 2009, the Directors agreed to pay and distribute an interim dividend of US\$0.37994 per share. This dividend totaled approximately ThUS\$100,000 and is equivalent to 40% of distributable 2009 profit for the year, accumulated as of December 31, 2009. This dividend is payable in relation to net income for the period for that commercial year to SQM shareholders registered in the respective shareholders' registry as of the fifth business day prior to December 16, 2009, in its equivalent in Chilean pesos, based on the observed dollar exchange rate as published in the Official Gazette prevailing on December 10, 2009.

As of December 31, 2010, a provision of ThUS\$4.637 was recognized due to minimum dividend. Due to what is expressed above, the dividends deducted from equity are as follows:

	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Final dividend	63,527	175,493
Interim dividend	110,000	100,000
Minimum dividend accrual	4,637	-
Total	178,164	275,493

Note 19 - Provisions and other non-financial liabilities

19.1 Types of provisions

Description of types of provisions	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Other current provisions			
Provision for legal complaints (*)	2,590	590	715
Other provisions – see below	12,424	15,852	8,836
Total	15,014	16,442	9,551
Other non-current provisions			
Other provisions	2,000	-	-
Mine closers	3,500	3,500	3,181
Other current provisions	5,500	3,500	3,181

(*) Provisions for legal complaints relate to legal expenses for lawsuits whose resolution is pending, and correspond to funds estimated necessary to make the disbursement of expenses incurred for this purpose.

This provision relates mainly to the litigation of its subsidiary located in Brazil (see note 20.1, number 2) and other minor litigations.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 19 - Provisions and other non-financial liabilities (continued)

19.2	Description of other provisions	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
	Description of other provisions			
	Current provisions, other provisions			
	Provision for tax loss in fiscal litigation	1,634	1,564	1,284
	Royalties, agreement with CORFO (the Chilean Economic Development Agency)	5,182	3,752	5,256
	Temporary closer of “El Toco operation”	3,264	6,500	-
	Retirement plan	880	2,500	-
	Miscellaneous provisions	1,464	1,536	2,296
	Total	12,424	15,852	8,836
	Other long-term provisions			
	Mine closure	3,500	3,500	3,181
	Total	3,500	3,500	3,181

19.3	Other non-financial liabilities, current	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
	Description of other liabilities			
	Tax withholdings	5,529	6,043	594
	VAT payable	12,416	4,733	5,322
	Guarantees received	1,028	1,016	2,511
	Accrual for minimum dividend	4,637	-	50,421
	Monthly tax provisional payments	8,171	5,071	10,345
	Deferred income	14,350	16,537	31,722
	Withholdings from employees and salaries payable	4,936	4,858	4,199
	Vacation accrual	14,854	13,897	10,518
	Other current liabilities	1,538	50	50
	Total	67,459	52,205	115,682

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 19 - Provisions and other non-financial liabilities (continued)

19.4 Movements in provisions as of December 31, 2010

Description of items that gave rise to variations	Legal complaints ThUS\$	Other provisions ThUS\$	Total ThUS\$
Total provisions, initial balance	590	19,352	19,942
Additional provisions	4,000	14,301	18,301
Provision used	-	(19,583)	(19,583)
Increase (decrease) in foreign currency translation	-	74	74
Total provisions, final balance	4,590	15,924	20,514

19.4 Movements in provisions as of December 31, 2009

Description of items that gave rise to variations	Legal complaints ThUS\$	Other provisions ThUS\$	Total ThUS\$
Total provisions, initial balance	715	12,017	12,732
Changes in provisions:			
Additional provisions	200	14,604	14,804
Provision used	(325)	(6,898)	(7,223)
Increase (decrease) in foreign currency translation	-	(371)	(371)
Total provisions, final balance	590	19,352	19,942

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 19 - Provisions and other non-financial liabilities (continued)

19.5 Detail of main types of provisions and other non-financial liabilities

Legal expenses: this provision depends on the pending resolution of a legal lawsuit. .

Tax accrual in tax litigation: this accrual relates to lawsuits pending resolution related to taxes in Brazil for two of our subsidiaries, SQM Brazil and NNC.

CORFO (Economic Development Agency) Royalties agreement: relates to the commercialization of mining properties that SQM Salar S.A. pays the Economic Development Agency for on a quarterly basis. The amount of the lease payable is calculated based on sales of products extracted from the Atacama Saltpeter deposit.

The settlement of the aforementioned amounts are performed on a quarterly basis.

Temporary closure of El Toco operation: The Company's Board of Directors unanimously agreed to approve the temporary closure of the Toco and Pampa Blanca mining sectors. The Company accrued a legal severance indemnity for the employees subject to this closure. Additional benefits that will be paid to employees will correspond to 2010 expenses.

Retirement plan: corresponds to a benefit agreed upon with employees to retire from the Company. Those employees who invoked the agreed-upon plan signed their consent as of December 31, 2009. The effective retirement date was during 2010, but part of this benefit is pending for 2011.

Note 20 - Contingencies and restrictions

According to note 19.1 the Company has only registered a provision for those lawsuits in which the probability to lose is "more likely than not". The Company is party to lawsuits and other relevant legal actions that are detailed as follows:

20.1 Lawsuits and other relevant events

- | | |
|---------------|---|
| 1. Plaintiff | : Compañía de Salitre y Yodo Soledad S.A. |
| Defendant | : Sociedad Química y Minera de Chile S.A. |
| Date | : December 1994 |
| Court | : Civil Court in Pozo Almonte |
| Reason | : Nullity of mining concession Cesard 1 to 29 |
| Status | : Evidence provided |
| Nominal value | : ThUS\$ 211 |

Notes to the consolidated Financial Statements as of December 31, 2010
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Note 20 - Contingencies and restrictions (continued)

20.1 Lawsuits and other relevant events (continued)

2. Plaintiffs : JB Comércio de Fertilizantes e Defensivos Agrícolas Ltda. (JB)
 Defendants : Nitratos Naturais do Chile Ltda. (NNC)
 Date : December 1995
 Court : MM 1ª. Vara Cível de Comarca de Barueri, Brasil.
 Reason : Compensation claim filed by JB against NNC for having appointed a distributor in a territory of Brazil for which JB had an exclusive contract.
 Status : First instance against NNC.
 Nominal value : ThUS\$1,800

3. Plaintiff : Compañía Productora de Yodo y Sales S.A.
 Defendant : Sociedad Química y Minera de Chile S.A.
 Date : November 1999
 Court : Civil Court in Pozo Almonte
 Reason : Nullity of mining concession Paz II 1 to 25
 Status : Evidence provided
 Nominal value : ThUS\$ 162

4. Plaintiff : Compañía Productora de Yodo y Sales S.A.
 Defendant : Sociedad Química y Minera de Chile S.A.
 Date : November 1999
 Court : Civil Court in Pozo Almonte
 Reason : Nullity of mining concession Paz III 1 to 25
 Status : Evidence provided
 Nominal value : ThUS\$ 204

5. Plaintiff : Nancy Erika Urrea Muñoz
 Defendants : Fresia Flores Zamorano, Duratec-Vinilit S.A. and SQM S.A. and their insurers
 Date : December 2008
 Court : 1st Civil Court of Santiago
 Reason : Labor Accident
 Status : At hearing stage
 Nominal value : ThUS\$ 550

6. Plaintiff : Agraria Santa Aldina Limitada.
 Defendants : SQM Perú S.A.
 Date : June 2009
 Court : Civil Court in Pisco - Peru

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Reason : Claim for damages for alleged breach of terms of product distribution contracts.
Status : Settlement, at present being implemented
Nominal : ThUS\$ 400
value

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 20 - Contingencies and restrictions (continued)

20.1 Lawsuits and other relevant events (continued)

7. Plaintiffs : Eduardo Fajardo Nuñez, Ana Maria Canales Poblete, Raquel Beltran Parra,
E Eduardo Fajardo Beltran and Martina Fajardo Beltran.
Defendants : SQM Salar S.A. and insured parties
Date : November 2009
Court : 20th Civil Court in Santiago
Reason : Labor accident
Status : Evidence
Nominal : ThUS\$ 1,880
value
8. Plaintiff : Poli Instalaciones Limitada
Defendant : SQM Industrial S.A.
Date : August 2010
Court : Arbitral Court
Reason : Claim for damages resulting from the exercise of a contractual clause under which the contract may be terminated in advance
Status : Discovery stage
Nominal : ThUS\$ 484
value
9. Plaintiff : Newland S.A.
Defendant : SQM Industrial S.A.
Date : August 2010
Court : Arbitral Court
Reason : Claim for damages due to alleged breach of obligations
Status : Discovery stage
Nominal : ThUS\$480
value
10. Plaintiffs : María Loreto Lorca Morales, Nathan Guerrero Lorca, Maryori Guerrero Lorca, Abraham Guerrero Lorca, Esteban Guerrero Lorca and María Sol Osorio Tapia et all
Defendants : Gonzalo Daved Valenzuela, Julio Zamorano Avendaño, Comercial Transportes y Servicios Generales Julio Zamorano Avendaño E.I.R.L., And in solidum SQM S.A. and insurers
Date : August 2010
Court : 2nd Civil Court of Iquique
Reason : Claim for damages resulting from the crash of two trucks in July 2008 near Pozo Almonte, causing the death of Mr. Alberto Galleguillos Monardes And Mr. Fernando Guerrero Tapia
Status : Hearing stage ended.
: ThUS\$3,500

Nominal
value

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 20 - Contingencies and restrictions (continued)

20.1 Lawsuits and other relevant events (continued)

11. Plaintiff : Sociedad Chilena del Litio Ltda.
 Defendant : SQM Salar S.A.
 Date : December 2010
 Court : Arbitral
 Reason : Payment of sales prices
 Status : At hearing stage
 Nominal : ThUS\$2,000
 value
12. Plaintiff : City of Pomona, California USA
 Defendant : SQM North America Corp (SQM NA) and the Company
 Date : December 2010
 Court : United States District Court for the Central District of California
 Reason : Claim for damages incurred by the city of Pomona, as a result of the alleged responsibility in the perchlorate contamination of municipal underground water wells that feed the freshwater system in the city
 Status : Discovery stage. The Company has been named but has not yet been served.
 Nominal : Unspecified
 value
13. Plaintiff : City of Lindsay, California USA
 Defendant : SQM North America Corp (SQM NA) and the Company
 Date : December 2010
 Court : United States District Court for the Eastern District of California
 Reason : Claim for damages incurred by the city of Lindsay, as a result of the alleged responsibility in perchlorate contamination of municipal underground water wells that feed the freshwater system in the city
 Status : Discovery stage. The Company has been named but has not yet been served.
 Nominal : Unspecified
 value

The Company has been involved and will probably continue being involved either as plaintiffs or defendants in certain judicial proceedings that have been and will be heard by the Arbitral or Ordinary Courts of Justice that will make the final decision. Those proceedings that are regulated by the appropriate legal regulations are intended to exercise or oppose certain actions or exceptions related to certain mining claims either granted or to be granted and that do not or will not affect in an essential manner the development of the Company.

Soquimich Comercial S.A. has been involved and will probably continue being involved either as plaintiff or defendant in certain judicial proceedings through which it intends to collect and receive the amounts owed, the total nominal value of which is approximately ThUS\$ 700.

The Company has made efforts and continues making efforts to obtain payment of certain amounts that are still owed it on occasion of their activities. Such amounts will continue to be required using judicial or non-judicial means by the plaintiffs, and the actions and exercise related to these are currently in full force and effect.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 20 - Contingencies and restrictions (continued)

20.1 Lawsuits and other relevant events (continued)

The Company has not received legal notice of any claims other than those mentioned in paragraph I above. The claims detailed above seek to annul certain mining claims that were purchased by SQM S.A. and Subsidiaries, the proportional purchase value of which, with respect to the portion affected by the superimposition, exceeds the nominal and approximate amount of ThUS\$ 150. The claims seek payment of certain amounts allegedly owed by the Company due to its own activities, which exceed the approximate nominal and individual amount of ThUS\$ 150.

20.2 Restrictions

Bank loans of the Company have similar restrictions to the loans of a similar nature that have been valid at the appropriate times and that amongst others relate to maximum indebtedness and minimum equity. Save for the foregoing, The Company. is not exposed to other restrictions or limits on financial indicators relating to contracts and agreements with creditors.

20.3 Commitment

The subsidiary SQM Salar S.A. has signed a rental contract with the Economic Development Agency (CORFO), which establishes that this subsidiary will pay rent to CORFO for the concept of commercialization of certain mining properties owned by CORFO and for the products resulting from this commercialization. The annual rent stated in the aforementioned contract is calculated on the basis of sales of each type of product. The contract is in force until 2030, and rent began being paid in 1996 reflecting an expense amount of ThUS\$ 18,177 as of December 31, 2010 (ThUS\$ 17,747 as of December 31, 2009).

20.4 Restricted or pledged cash

The subsidiary Isapre Norte Grande S.A. in compliance with that established by the Chilean Superintendence of Healthcare, which regulates the running of pension-related health institutions, maintains a guarantee in financial instruments, delivered in deposits, custody and administration to Banco de Chile.

This guarantee, according to the regulations issued by the Chilean Superintendence of Healthcare is equivalent to the total sum owed to its members and medical providers. Banco de Chile reports the present value of the guarantee to the Chilean Superintendence of Healthcare and Isapre Norte Grande Ltda.on a daily basis. As of December 31, 2010, the guarantee amounts to ThUS\$ 514.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 20 - Contingencies and restrictions (continued)

20.5 Collateral received from third parties

The main collateral received from third parties (distributors) to guarantee Soquimich Comercial S.A.'s compliance with obligations in contracts of commercial mandates for the distribution and sale of fertilizers amounted to ThUS\$6,389 as of December 31, 2010; as of December 31, 2009 these amounted to ThUS\$6,523 and as of January 1, 2009 amounted to ThUS\$5,302 which are detailed as follows:

Entity name	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Llanos y Wammes Soc. Com. Ltda	2,037	2,037	1,727
Fertglobal Chile Ltda.	3,352	3,352	2,671
Tattersall Agroinsumos S.A.	1,000	1,134	904

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 20 - Contingencies and restrictions (continued)

20.6 Indirect guarantees

Guarantees in which there is no pending balance indirectly reflect that the respective guarantees are in force and approved by the Company's Board of Directors and have not been used by the respective subsidiary.

Creditor of the guarantee	Debtor Name	Relationship	Type of guarantee	Pending balances as of the closing date of the financial statements		
				12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Australian and New Zealand Bank	S Q M N o r t h America Corp	Subsidiary	Bond	-	-	-
Australian and New Zealand Bank	SQM Europe N.V.	Subsidiary	Bond	-	-	-
Generale Bank	S Q M N o r t h America Corp	Subsidiary	Bond	-	-	-
Generale Bank	SQM Europe N.V.	Subsidiary	Bond	-	-	-
Kredietbank	S Q M N o r t h America Corp	Subsidiary	Bond	-	-	-
Kredietbank	SQM Europe N.V.	Subsidiary	Bond	-	-	-
Banks and financial institutions	SQM Investment Corp. N.V.	Subsidiary	Bond	-	-	-
Banks and financial institutions	SQM Europe N.V.	Subsidiary	Bond	-	-	-
Banks and financial institutions	S Q M N o r t h America Corp	Subsidiary	Bond	-	-	-
Banks and financial institutions	Nitratos Naturais do Chile Ltda.	Subsidiary	Bond	-	-	-
Banks and financial institutions	SQM México S.A. de C.V.	Subsidiary	Bond	-	-	-
Banks and financial institutions	SQM Brasil Ltda.	Subsidiary	Bond	-	-	-
Banque Nationale de Paris	SQM Investment Corp. N.V.	Subsidiary	Bond	-	-	-
San Francisco Branch	SQM Investment Corp. N.V.	Subsidiary	Bond	-	-	-
Sociedad Nacional de Minería A.G.	SQM Potasio S.A.	Subsidiary	Bond	-	-	-
Royal Bank of Canada	SQM Investment Corp. N.V.	Subsidiary	Bond	-	-	-
Citibank N.Y	SQM Investment Corp. N.V.	Subsidiary	Bond	-	-	-
BBVA Banco Bilbao Vizcaya Argentaria	R o y a l S e e d Trading A..V.V.	Subsidiary	Bond	-	100,053	100,204
ING Capital LLC		Subsidiary	Bond	80,055	80,055	80,215

Explanation of Responses:

	Royal Seed Trading A..V.V.					
JP Morgan Chase Bank	SQM Industrial S.A.	Subsidiary	Bond	-	-	-
Export Development Canada	SQM Investment Corp. N.V.	Subsidiary	Bond	-	50,019	50,032
BBVA Bancomer S.A.	Royal Seed Trading	Subsidiary	Bond	-	75,000	-

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 21 - Revenue

As of December 31, 2010 and 2009, revenue is detailed as follows:

	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Sales of goods	1,823,843	1,431,221
Provision of services	6,570	7,438
Total	1,830,413	1,438,659

Note 22 - Earnings per Share

Basic earnings per share are calculated by dividing net income attributable to the Company's shareholders by the weighted average of the number of shares in circulation during that period.

As expressed, earnings per share are detailed as follows:

Earnings per share	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Earnings attributable to owners of the parent	382,122	338,297
	12.31.2010 Units	12.31.2009 Units
Number of common shares in circulation	263,196,524	263,196,524
	12.31.2010	12.31.2009
Basic and diluted earnings per share	1.4519	1.2853

The Company has not made any operation with a potential dilutive effect that assumes a diluted earnings per share different from the basic earnings per share.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 23 - Loan costs

The cost of interest is recognized as expenses in the year in which it is incurred, except for interest that is directly related to the acquisition and construction of tangible property, plant and equipment assets and that complies with the requirements of IAS 23. As of December 31, 2010, total interest expenses incurred amount to ThUS\$35,042 (ThUS\$30,979 as of December 31, 2009.)

The Company capitalizes all interest costs directly related to the construction or to the acquisition of property, plant and equipment, which require a substantial time to be suitable for use.

Costs of capitalized interest, property, plant and equipment

The cost of capitalized interest is determined by applying the average or weighted average of all financing costs incurred by the Company to the monthly end balances of works-in-progress meeting the requirements of IAS 23.

The rates and costs for capitalized interest of property, plant and equipment are detailed as follows:

	12.31.2010		12.31.2009	
Capitalization rate of costs for capitalized interest, property, plant and equipment	7	%	7	%
Amount of costs for interest capitalized in ThUS\$	25,947		19,231	

Note 24 - Effect of variations in the foreign currency exchange rates

a) Foreign currency exchange differences recognized in profit or loss except for financial instruments measured at fair value through profit or loss

	12.31.2010		12.31.2009	
	ThUS\$		ThUS\$	
Conversion foreign exchange gains (losses) recognized in the result of the year.	(5,807)	(7,577)
Conversion foreign exchange reserves attributable to the owners of the controlling entity.	296		1,234	
Conversion foreign exchange reserves attributable to the non-controlling entity.	367		501	

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 24 - Effect of variations in the foreign currency exchange rates (continued)

b) Reserves for foreign currency exchange differences

As of December 31, 2010 and 2009, foreign currency exchange differences are detailed as follows:

Detail	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Changes in equity generated through the equity method		
Comercial Hydro S.A.	937	946
SQMC Internacional Ltda.	41	43
Proinsa Ltda.	31	32
Agrorama Callegari Ltda.	161	66
Isapre Cruz del Norte Ltda.	99	37
Almacenes y Depósitos Ltda.	90	42
Sales de Magnesio Ltda.	132	53
Sociedad de Servicios de Salud S.A.	39	15
Total	1,530	1,234

c) Functional and presentation currency

The functional currency of the aforementioned entities is the Chilean peso and the presentation currency is the United States dollar.

d) Reasons to use one presentation currency and a different functional currency

- The total revenues of these subsidiaries are associated with the Chilean peso.
- The commercialization cost structure of these companies is affected by the local currency.
- The equities of these companies are expressed in local currency (Chilean peso).

Note 25 - The environment

25.1 Disclosures of disbursements related to the environment

The Company is continuously concerned with protecting the environment both in its production processes and with respect to products manufactured. This commitment is supported by the principles indicated in the Company's Sustainable Development Policy. The Company is currently operating under an Environmental Management System (EMS) that has allowed it to strengthen its environmental performance through the effective application of the Company's Sustainable Development Policy

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Explanation of Responses:

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.1 Disclosures of disbursements related to the environment (continued)

Operations that use caliche as a raw material are carried out in desert areas with climatic conditions that are favorable for drying solids and evaporating liquids using solar energy. Operations involving the open-pit extraction of minerals, due to their low waste-to-mineral ratio, generate remaining deposits that slightly alter the environment. A portion of the ore extracted is crushed, a process in which particle emissions occur. Currently this operation is conducted only at the Pedro de Valdivia worksite. In the María Elena location, crushing units used to operate that affected the air quality. The Company has implemented a range of mitigating actions that have led to a notable improvement in air quality at Maria Elena, and beginning in March 2010, no ore crushing process is conducted in the Maria Elena sector.

Many of the Company's products are shipped in bulk at the Port of Tocopilla. In 2007 the city of Tocopilla was declared a zone Saturated with MP 10 Particles mainly due to the emissions from the electric power plants that operate in that city. In October 2010 the Decontamination Plan for Tocopilla was put in place. Accordingly, the Company has committed to taking several measures to mitigate the effects derived from bulk product movements in the port. These measures have been successfully implemented since 2007.

The Company carries out environmental follow-up and monitoring plans based on specialized scientific studies, and it also provides an annual training program in environmental matters to both its direct employees and its contractors' employees. Within this context, the Company entered into a contract with the National Forestry Corporation (CONAF) aimed at researching the activities of flamingo groups that live in the Salar de Atacama (Atacama Saltpeter Deposit) lagoons. Such research includes a population count of the birds, as well as breeding research. Environmental monitoring activities carried out by the Company at the Salar de Atacama and other systems in which it operates are supported by a number of studies that have integrated diverse scientific efforts from prestigious research centers, including Dictuc from the Pontificia Universidad Católica in Santiago and the School of Agricultural Science of the Universidad de Chile.

Furthermore, within the framework of the environmental studies which the Company is conducting, the Company performs significant activities in relation to the recording of Pre-Columbian and historical cultural heritage, as well as the protection of heritage sites, in accordance with current Chilean laws. These activities have been especially performed in the areas surrounding Maria Elena and the Nueva Victoria plants. This effort is being accompanied by cultural initiatives within the community and the organization of exhibits in local and regional museums.

As emphasized in its Sustainable Development Policy, the Company strives to maintain positive relationships with the communities surrounding the locations in which it carries out its operations, as well as to participate in communities' development by supporting joint projects and activities which help to improve the quality of life for residents. For this purpose, the Company has focused its efforts on activities involving the rescue of historical heritage, education and culture, as well as development, and in order to do so, it acts both individually and in conjunction with private and public entities.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment

The accumulated disbursements in which the Company incurred as of December 31, 2010 for the concept of investments in production processes, verification and control of compliance with ordinances and laws relative to industrial processes and facilities, including prior year disbursements related to these projects amounted to ThUS\$ 11,335 and are detailed as follows:

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 25 - The environment (continued)

25.3 Detail of information on disbursements related to the environment

Accumulated expenses as of December 31, 2010

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense	Description of the asset or expense Item
SQM Industrial S.A	Environment Management (2010 Expense)	Not classified	Expense	Not classified
SQM Industrial S.A	MCLX - Cleaning of the saving yards	Cost reduction	Expense	Development
SQM Industrial S.A	ANMI - Infrastructure consulting for the storage of dangerous chemical substances	Support: Risk prevention and the environment	Asset	Development
SQM Industrial S.A	MNH8 - Lightning upgrades	Support	Expense	Development
SQM Industrial S.A	SCCY - Disposal of dangerous residue	Support	Asset - Expense	Development
SQM Industrial S.A	JNTU - San Isidro wáter evaluation	Support: Risk prevention and the environment	Asset	Not classified
SQM Industrial S.A	JNNX - Nitrate environment various	Support: Risk prevention and the environment	Asset	Not classified
SQM Industrial S.A	MNTE - Industrial hygiene equipmentl	Support: Risk prevention and the environment	Asset	Development
SQM Industrial S.A	INST - Adquisition of used lubricant rapid disposal bank.	Support: Risk prevention and the environment	Expense	Development

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	NV-ME-PB			
SQM Industrial S.A	MP17 - Normalization of consumable water ME/CS/PV	Support	Asset	Not classified
SQM Industrial S.A	MP5W - Normalization TK's fuel	Support	Asset	Not classified
SQM Industrial S.A	FNWR DIA Discard field Pampa Blanca	Support: Risk prevention and the environment	Expense	Development
SQM Industrial S.A	MNYS Actions for the dissemination of cultural heritage, technology change Maria Elena	Support: Risk prevention and the environment	Asset	Not classified
SQM Industrial S.A	FP55-FPXA	Support	Asset	Development
SQM Industrial S.A	MP8Z Automation of water volume inlet pipe ME, CS and Vergara	Support	Asset	Development
SQM Industrial S.A	MPL5 Repair of sanitary and electric facilities	Support	Asset	Development
SQM Industrial S.A	MPIS - Stabilization of streets and suppression of dust at sidewalks	Support	Asset	Development
SQM Industrial S.A	PPNK Handling of PV ammonia in Detention of plant	Support: Risk prevention and the environment	Asset	Not classified
SQM Industrial S.A	MPGF Improvement of sealing and pressurization room 031	Support	Asset - Expense	Not classified
SQM Industrial S.A	TPO4 Indigenous camp	Support	Asset	Not classified
SQM Industrial S.A	MPLS Automated alarms and information of monitoring	Not classified	Asset	Not classified

	station Hospital			
Minera Nueva Victoria S.A.	IPNW Extension in sanitary capacity for Iris	Support	Asset	Not classified
Minera Nueva Victoria S.A.	IPMN Extension in sanitary capacity for Iris	Capacity upgrade	Asset	Development
SQM Nitratos S.A	PNH2 Maintenance of Environmental projects ME-PV-NV-PB	Support: Risk prevention and the environment	Asset - Expense	Development

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Accumulated expenses as of December 31, 2010 (continued)

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Nitratos S.A	PP0V - Maintenance of environmental projects ME-PV-NV-PB	Support: Risk prevention and the environment	Asset - Expense
SQM Nitratos S.A	IP6W Tratment plants of "riles"	Support: Risk prevention and the environment	Asset
SQM Nitratos S.A	PPAT - Risk prevention projects Sem II 2008	Support: Risk prevention and the environment	Expense
SQM Salar S.A	LP5K Enviromental evaluation (mop)	Support: Risk prevention and the environment	Asset
SQM Salar S.A	LP5J - Water study Water Recharge Atacama Saltpeter deposit	Support: Risk prevention and the environment	Expense
SQM Salar S.A	LNNT Enviromental proyects Salar Chaxa	Support: Risk prevention and the environment	Expense
SQM Salar S.A	LPIL Upgrade SOP plant	Capacity uograde	Asset
SQM Salar S.A	LPIK Potasium Plant	Capacity uograde	Asset
SQM Salar S.A	LP82 - Proyecto de Fomento a la Actividad Agricola en Localidades del Salar	Support	Expense
SQM Salar S.A	LPGA Improvement in facilitiesToconao	Capacity uograde	Asset
SQM Salar S.A	LPK2 Cash exchange house	Not classified	Asset
SQM Salar S.A	LPN3 New plant MOP	Support	Asset
SQM Salar S.A	CPTP - Installation of drinking water emergency showers	Support	Asset
SQM Salar S.A	LPTF Environment projects	Support	Expense
SQM Salar S.A	LPTJ Sanitary uogrades	Support	Asset
SQM Salar S.A	LPPJ - DIA SOP upgrade	Capacity uograde	Asset
SIT S.A.	TNLA - Road paving	Support: Risk prevention and the environment	Asset
SIT S.A.	PNOT - Lightning uograde (train area)	Support	Asset -Expense
SIT S.A.	TPR8 - Elimination of waste water generation through vacuum	Support: Risk prevention and the environment	Asset - Expense
SIT S.A.	TPLR - Waste dispossal system	Support: Risk prevention and the environment	Asset
SIT S.A.	TPM7 - Environment projects	Not classified	Asset - Expense
SQM	SCI6 - Environment studies	Not classified	Expense

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Notes to the consolidated Financial Statements as of December 31, 2010
 (Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Accumulated expenses as of December 31, 2010 (continued)

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM S.A.	AQ0A Llamara & Tamarugal Meadows	Support Natural resources	Asset
SQM S.A.	IPFT - I Region of Chile Cultural heritage	Support: Risk prevention and the environment	Expense
SQM S.A.	IPXE- Environmental follow-up plan at Tamarugal Meadows	Support: Risk prevention and the environment	Expense

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Future expenses

Identification of the Parent Company or subsidiary	Name of the project to which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Industrial S.A	Environment management (Ppto 2011)	Not classified	Expense
SQM Industrial S.A	ACI9 - DIA Coya Sur prilling upgrade	Support: Investigation and Development	Expense
SQM Industrial S.A	ANMI Consulting for infrastructure for the storage of hazardous chemicals	Support: Risk prevention and the environment	Asset
SQM Industrial S.A	MNH8 Improvement in lighting	Support	Expense
SQM Industrial S.A	MP5W Normalization of TK fuels	Support	Asset
SQM Industrial S.A	MNYS Actions for the dissemination of cultural heritage, technology change Maria Elena	Support: Risk prevention and the environment	Asset
SQM Industrial S.A	FP55-FPXA Pampa Blanca sea water (DIA Mine Zone PB and DIA extension PB)	Support	Asset
SQM Industrial S.A	MP8Z Automation of water volume inlet pipe ME, CS and Vergara	Support	Asset
SQM Industrial S.A	PPC1 Replacement of starters and transformers with PCB	Support: equipment renewal	Asset - Expense
SQM Industrial S.A	MPIS - Stabilization of streets and suppression of dust at sidewalks	Support	Asset
SQM Industrial S.A	PPNK Handling of PV ammonia in Detention of plant	Support: Risk prevention and the environment	Asset
SQM Industrial S.A	PPZU - Normalize and certificate fuel tanks	Support: Risk prevention and the environment	Asset - Expense
SQM Industrial S.A	IQ5B - transfer pumps upgrade	Housing upgrade	Asset -Expense
SQM Industrial S.A	MQ51 environmental maintenance projects	Support	Expense
SQM Industrial S.A	FQ39 - Closing of Pampa Blanca	Support: Risk prevention and the environment	Asset

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Minera Nueva Victoria S.A.	IQ4C - Camp development	Support	Asset - Expense
SQM Nitratos S.A	PP0V environmental maintenance projects	Support: Risk prevention and the environment	Asset - Expense
SQM Nitratos S.A	PPAT Risk prevention projects Sem II 2008	Support: Risk prevention and the environment	Expense

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Future expenses (continued)

Identification of the Parent Company or subsidiary	Name of the project to which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Salar S.A	LP5J - Salar de Atacama recharge project	Support: Risk prevention and the environment	-
SQM Salar S.A	LQ38 - Drying yard	Support: Risk prevention and the environment	Asset - Expense
SQM Salar S.A	LP82 Project to foster agricultural activity in saltpeter locations	Support	Expense
SQM Salar S.A	LPK2 - Money exchange	Not classified	Asset
SQM Salar S.A	CPTP - Instalation of emergency showers	Support	Asset
SQM Salar S.A	LPTF - Environment study	Support	Expense
SQM Salar S.A	LPTJ - Sanitary improvements	Support	Asset
SQM Salar S.A	LQ33 - Salar regularization	Not classified	Asset - Expense
SIT S.A.	PNOT - Lightning improvement (train area)	Support	Asset -Expense
SIT S.A.	TPR8 - Elimination of waste water generation through vacuum	Support: Risk prevention and the environment	Asset - Expense
SIT S.A.	TPLR Implementation of a system to pump sewage to dump	Support: Risk prevention and the environment	Asset
SIT S.A.	TPM7 Environment project	Not classified	Asset - Expense
SQM S.A.	SCI6 Environment studies, 1 region	Not classified	Expense
SQM S.A.	AQ0A - Drilling 4 wells	Support: Natural Resources	Asset
SQM S.A.	IPFT - Cultural heritage, 1 region	Support: Risk prevention and the environment	Expense
SQM S.A.	IQ0C - Nueva Victoria Mining zone	Support: Risk prevention and the environment	Expense
SQM S.A.	IPXF- Environmental follow-up plan at Llamara Salar	Support: Risk prevention and the environment	Expense
SQM S.A.	IPXF- Environmental follow-up plan at Tamarugal Meadows	Support: Risk prevention and the environment	Expense
SQM S.A.	IQ08 - PSA Llamara & Pampa del Tamarugal	Support: Natural Resources	Expense
SQM S.A.		Not classified	Asset

IQ1M - PSA Water re usal in
Puquíos Llamara

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Future expenses (continued)

Identification of the Parent Company or subsidiary	Name of the project to which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM S.A.	IQ1K - Constructoin of 3 observation wells	Support: Natural Resources	Asset
SQM S.A.	IQ3S - Handling of dangerous materials	Support: Risk prevention and the environment	Asset
SQM S.A.	IQ52 - Environment office	Support: Risk prevention and the environment	Asset
SQM S.A.	IQ54 - Pampa Hermosa cultural heritage	Support: Risk prevention and the environment	Asset
SQM S.A.	IQ53 - Pampa Hermosa cultural heritage	Support: Risk prevention and the environment	Asset

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Accumulated expenses, as of December 31, 2009

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Industrial S.A.	Yard cleaning	Cost reduction	Expense
SQM Industrial S.A.	Construction of sewer water plant	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Environment studies	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	ANMI - Consulting infrastructure to the storage of Hazardous chemicals products	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Lightning improvements	Support	Asset
SQM Industrial S.A.	Sanitary instalation in Prilling plant	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Dangerous waste dispossal	Support	Asset
SQM Industrial S.A.	San Isidro wáter evaluation	Support: Risk prevention and the environment	Asset-Expense
SQM Industrial S.A.	Improvement in NH3 level measurement	Support	Expense
SQM Industrial S.A.	Sanitary instalation regulation	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Industrial Hygiene equipment	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Replacement of starters and transformers with PCB	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Acquisition for quick evacuation for used lubricants. NV-ME-PB	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Handling of waste at Antofagasta	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Normalization drinking water chloride ME/CS/PV	Support	Expense
SQM Industrial S.A.	Normalization of TK fuels	Support	Asset
SQM Industrial S.A.	DIA Discard field Pampa Blanca	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Actions for the dissemination of cultural heritage, technology change Maria Elena	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Chamber to detect gas leaking	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Automation of water volume inlet pipe ME, CS and Vergara	Support	Asset
SQM Industrial S.A.	Repair of sanitary and electric facilities	Support	Asset-Expense

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Accumulated expenses, as of December 31, 2009 (continued)

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Industrial S.A.	MPIS - Stabilization of streets and suppression of dust at sidewalks	Support	Asset
SQM Industrial S.A.	Improvement of sealing and pressurization room 031	Support	Asset
SQM Industrial S.A.	Nitrate miscellaneous project	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Automated alarms and information of monitoring station Hospital	Not classified	Asset
SQM Industrial S.A.	Handling of PV ammonia in Detention of plant	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Indigenous camp	Support	Asset-Expense
SQM Industrial S.A.	Pampa Blanca sea water (DIA Mine Zone PB and DIA extension PB)	Support	Asset
SQM Industrial S.A.	Environmental Management	Operations	Expense
Minera Nueva Victoria	Extension in sanitary capacity for Iris	Capacity extension	Asset
SQM Nitratos S.A.	Waste water treatment plant washing surfaces PV-NV-PB	Support: Risk prevention and the environment	Asset-Expense
SQM Nitratos S.A.	Maintenance of Environmental projects ME-PV-NV-PB	Support: Risk prevention and the environment	Asset-Expense
SQM Nitratos S.A.	Waste water treatment plant	Support: Risk prevention and the environment	Asset-Expense
SQM Nitratos S.A.	Risk prevention projects Sem II 2008	Support: Risk prevention and the environment	Asset

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Accumulated expenses, as of December 31, 2009

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Salar S.A.	Environmental evaluation extension of production capacity MOP	Support: Risk prevention and the environment	Asset-Expense
SQM Salar S.A.	Detailed engineering and implementation of a dust collector	Support	Expense
SQM Salar S.A.	Renewal of meteorological station Chaxa saltpeter deposit	Support: Risk prevention and the environment	Asset
SQM Salar S.A.	Study for water recharge at Atacama saltpeter	Support: Risk prevention and the environment	Expense
SQM Salar S.A.	Construction of pit for used water infiltration, Toconao camp	Capacity extension	Asset
SQM Salar S.A.	Project to foster agricultural activity in saltpeter locations	Support	Asset-Expense
SQM Salar S.A.	Implementation of currency Exchange facility	Not classified	Asset
SQM Salar S.A.	Dual MOP-SOP (DIA Plant Modification SOP)	Capacity extension	Asset
SQM Salar S.A.	Dryer MOP (DIA Potassium chloride dryer plant)	Capacity extension	Asset
SIT S.A.	Pavement of Work location- port road	Support: Risk prevention and the environment	Asset
SIT S.A.	Risk prevention plan Port	Support: Risk prevention and the environment	Asset-Expense
SIT S.A.	Lighting improvement, railroad area	Support	Asset
SIT S.A.	Implementation of a system to pump sewage to dump	Support: Risk prevention and the environment	Asset-Expense
SIT S.A.	Environmental meshes for fields 3 and 4	Not classified	Asset
SQM S.A.	Environmental study - Region I project	Not classified	Asset-Expense
SQM S.A.	Environmental commitments Nueva Victoria mine Zone	Support: Risk prevention and the environment	Expense
SQM S.A.	Cultural heritage Region I	Support: Risk prevention and the environment	Asset-Expense

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Future expenses, as of December 31, 2009

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense
SQM Industrial S.A.	Consulting in infrastructure to store hazardous chemicals	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Improvement in lighting	Support	Asset
SQM Industrial S.A.	San Isidro water assessment	Support: Risk prevention and the environment	Asset/Expense
SQM Industrial S.A.	Normalization of drinking water chlorination, ME/CS/PV	Support	Expense
SQM Industrial S.A.	Normalization of TK´s fuel	Support	Asset
SQM Industrial S.A.	Cultural heritage dissemination actions, Technological change at Maria Elena	Support: Risk prevention and the environment	Expense
SQM Industrial S.A.	Elimination of OCB switches at 3 and 1/12 Pedro de Valdivia sub stations	Support: Replacement of equipment	Asset
SQM Industrial S.A.	Improvement of sealing and pressurization of 031 room	Support	Asset
SQM Industrial S.A.	Improvement of NV supervisors' hall	Support	Asset/Expense
SQM Industrial S.A.	Automation of alarms and information on Hospital Monitoring station	Not classified	Asset
SQM Industrial S.A.	Handling of PV ammonia at plant stoppage	Support: Risk prevention and the environment	Asset
SQM Industrial S.A.	Pampa Blanca sea water (DIA PB mine zone and DIA PB extension)	Support	Asset
SQM Industrial S.A.	Environmental management	Support	Expense
Minera Nueva Victoria	Improvements in Iris C/D/B halls	Support	Asset
SQM Nitratos S.A.	ME-PV-NV-PB environmental maintenance projects	Support: Risk prevention and the environment	Asset-Expense
SQM Nitratos S.A.	Risk prevention projects Sem II 2008	Support: Risk prevention and the environment	Asset
SQM Nitratos S.A.	Construction of sewage system at Lagarto.	Capacity extension	Asset-Expense
SQM Salar S.A.	Renewal of Chaxa saltpeter deposit meteorological station	Support: Risk prevention and the environment	Asset
SQM Salar S.A.	Water recharge study, Atacama saltpeter deposit	Support: Risk prevention and the environment	Expense

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SQM Salar S.A	Project to foster agricultural activity in saltpeter deposit locations	Support	Asset-Expense
SQM Salar S.A	Fuel facility improvement study	Support	Asset-Expense
SIT S.A.	Improvement in lighting in the railroad area	Support	Asset
SIT S.A.	Environmental meshes for fields 3 and 4	Not classified	Asset

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.2 Detail of information on disbursements related to the environment (continued)

Future expenses, as of December 31, 2009

Identification of the Parent Company or subsidiary	Name of the project with which the disbursement is associated	Concept for which the disbursement was made or will be made	Asset / Expense	Des th exp Not
SIT S.A.	Elimination of waste water generation through vacuum	Support: Risk prevention and the environment	Expense	Not
SQM S.A.	Environmental studies - Region I project	Not classified	Asset-Expense	Not
SQM S.A.	Cultural Heritage Region I	Support: Risk prevention and the environment	Asset-Expense	Not

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.3 Description of each project, indicating whether they are being implemented or completed

SQM Industrial S.A.

MCLX: Cleaning of rescue yards in every SQM Plant (25 yards). The project consists of cleaning the rescue yards, selecting and selling all tradable waste situated in the yards. To identify and destine domestic waste to authorized dumps. The project is close to completion.

ANMI: Compliance with technical and legal aspects and with specific regulations applicable to warehouses, signals, safety and main factors associated with materials, products and supplies at the mine site. In addition, the infrastructure of warehouses for storage of hazardous chemicals will be improved. The project is being implemented.

MNH8: Improvement of lighting in Maria Elena, as some areas lack any lighting, cables are not channeled, and some have deteriorated. The project is being implemented.

SCCY: Conceptual Engineering and Environmental Study for the construction of warehousing facilities for hazardous waste resulting from several processes. The project is close to completion.

JNTU: To make an environmental evaluation of San Isidro waters. The project is being implemented.

JNNX: Inclusion of UV sensor at Coya Sur Meteorological Station, closing of Nueva Victoria Meteorological Station and Georeference new emission sources in Toco and Coya Sur. The project is close to completion.

MNTE: Acquisition of equipment for quantitative measure of harmful agents in SQM facilities. The project is being implemented.

INST: Implement evacuation circuit to transfuse oils directly from the equipment moving dirt to ALU storage tanks. The project is close to completion.

MP17: A study of the current water chlorination system in María Elena, Coya Sur and Pedro de Valdivia will be made to then implement and start the water chlorination system in accordance with the regulations in force. The project is being implemented.

MP5W: Standardization of fuel storage and distribution at the facilities of SQM. The project is being implemented.

FNWR: Preparation of DIA for elimination field project Pampa Blanca. The project is close to completion.

MNYS: Preparation and implementation of geoglyph conservation project. Editing and publication of book and implementation of information center. Construction of storage for collections. All compensation measures María Elena Technological Change Project. The project is being implemented.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.3 Description of each project, indicating whether they are being implemented or completed (continued)

FP55 - FPXA: These two projects have a common final object, that is, the installation of an 87 kilometer sea water adductor system from Mejillones to the facilities of SQM in Pampa Blanca. The expenses relate to EIA Zona Mina PB and EIA Ampliación PB only. The projects are being implemented.

MP8Z: Implement a control system at the water intake of rivers ME; CS and Vergara that allows for river control automation. In addition, complement the extraction satellite system recently implemented at water intakes to ensure due compliance with the concessions authorized by DGA and therefore ensure the normal water supply needed by SQM. The project is close to completion.

MPL5: Partial improvement of the water and sewage systems in María Elena. The project is being implemented.

MPIS: Improve the urban situation of María Elena, paving roads with dust treatment on sidewalks. The project is being implemented.

PPNK: Project to ensure control of ammonia gas in crystal plant. The project is being implemented.

MPGF: Eliminate pollution in sub station 031, resulting from an inefficient sealing system. The project is being implemented.

TPO4: Project to change fresh water and sewage systems in camp Indígena and improve the rooms. The project is close to completion.

MPLS: Implement alarms via e-mail for Particle concentration peaks and change the text file information log to a database to implement reports. The project is being implemented.

Minera Nueva Victoria S.A.

IPNW: Replacement of deteriorated bathroom fixtures in order to improve hygiene conditions. The project is being implemented.

IPMN: Improve sanitary capacity in camp IRIS by building 3 ditches. The project is being implemented.

SQM Nitratos S.A.

PNH2: Design and build settling ditches for mud, water, oil and a tank with a pump to reuse settled water, metal tanks to withdraw mud. The project is close to completion.

PP0V: Installation of a container for hazardous waste in maintenance shops and elimination of liquid and solid industrial waste hydraulic filter at maintenance shops situated at the María Elena, Pedro de Valdivia, Nueva Victoria and Pampa Blanca mines. The project is being implemented.

Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.3 Description of each project, indicating whether they are being implemented or completed (continued)

IP6W: Design and build settling ditches for mud, water, oil and a tank with a pump to reuse settled water, metal tanks to withdraw mud. The project is close to completion.

PPAT: The Company intends to comply with the sanitary regulations in force with respect to the water treatment systems and infiltration of effluents in some sectors of Pedro de Valdivia and María Elena. The project is being implemented.

SQM Salar S.A.

LP5K: Environmental evaluation via DIA of Project to enhance the MOP production capacity. The project is close to completion.

LNNT: This Project intends to have reliable measurements of the climatologic seasonal condition of the salt flat, timely measurements to prepare reports and timetables and provide real information to the environmental authority. The project is close to completion.

LP5J: Perform the analyses conducive to refining the hydrological units of the basin, quantifying the recharge to the water-bearing place using environmental isotopic techniques. The project is being implemented.

LPIL: Modify the current SOP plant so that it is possible to work on the MOP or SOP production, at Salar de Atacama, as deemed convenient. Expenses only relate to the DIA for the SOP Plant Modification. The project is being implemented.

LPIK: The final project considers the construction of a new MOP drier as the Compact Drying plant will be used for other purposes at Salar de Atacama. The expenses only relate to the DIA for the Potassium Chloride Drying Plant. The project is close to completion.

LP82: Support in the development of demonstration lots, technical assistance for the application of improvements in irrigation and agricultural practices. The project is being implemented.

LPGA: Improvement in the disposal of treated sewage. The project is being implemented.

LPK2: Improve sanitary fixtures at the current house located at MOP sector to comply with the requirements of the site users. The project is close to completion.

LPN3: Conceptual engineering and construction of a new granulate-compact plant located at Salar de Atacama. The expenses only relate to the DIA for the New Drying Compacting Plant. The project is being implemented.

CPTP: Change of the current industrial water system to fresh water in order to comply with the regulations in force contained in DS 72. The project is being implemented.

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Note 25 - The environment (continued)

25.3 Description of each project, indicating whether they are being implemented or completed (continued)

LPTF: Prepare biannual reports so as to present improvements of environmental checkpoints; knowledge of geological and hydro-geological variables at Salar de Atacama should be improved. The project is being implemented.

LPTJ: Acquisition of stand equipment to ensure the operational continuity of plants TAS and OR; change in current control system of level of accumulation in TK`s of fresh water, sewage, and sewage elevation tanks, amongst others. The project is being implemented.

LPPJ: The goal of this project is to enlarge the dual plant situated at Salar de Atacama so that it may produce MOP and SOP at the same time, increasing its capacity. The expenses only relate to the DIA for the SOP Enlargement. The project is being implemented.

SIT S.A.

TNLA: Pavement of roads in yard 2 and south access to Tocopilla port, as they have dust emissions and there are accident risks as machines are operating. The project is close to completion.

PNOT: Improve night lighting in high transit sectors, using more continuous sodium lights with a 45 degree angle. ThUS, the security and lighting pollution regulations will be complied with. The project is close to completion.

TPR8: The Company intends to reduce the generation of liquid and solid industrial waste using aspiration and not washing technologies by implementing an aspiration system that avoids using water and therefore the generation of liquid and solid industrial waste. The project is being implemented.

TPLR: The goal of this project is to spill sewage generated in Tocopilla port to the public sewage system. The project is being implemented.

TPM7: Nets will be purchased and installed in yards 3 and 4 in order to control dust emissions coming from screening operations and protect from emissions from the electric power plant. The project is being implemented.

SQM S.A.

SCI6: The goal of this project is to obtain the environmental permits for projects in the Development I Region, including all initial environmental requirement projects that allow Operations to implement the project construction and operation. The environmental evaluation will be made via EIA, including the preparation of the document as well as activities relating to specific environmental studies (Studies of “tamarugos” in Llamara and P. Tamarugal, archeological mitigation measures, environmental study of Loa river, hydro-geological studies). The project is being implemented.

Notes to the consolidated Financial Statements as of December 31, 2010
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Note 25 - The environment (continued)

25.3 Description of each project, indicating whether they are being implemented or completed (continued)

AQ0A: To be able to use water rights that have been granted in relation to several wells situated in the ecological reserve of Conaf called Pampa del Tamarugal and take them outside the “tamarugo” forest and the reserve, ThUS reducing the environmental impact caused by the exploitation thereof. The project is being implemented.

IPFT: Implementation of patrimonial measures in projects Zona de Mina Nueva Victoria, Operations Up-date Nueva Victoria, Evaporation Duct and Pools Iris. The project is being implemented.

IPXE: Implement the environmental follow-up plan of project Pampa Hermosa at Salar de Llamara. The project is being implemented.

Note 26 - Other current and non-current non-financial assets

As of December 31, 2010, December 31, 2009 and January 1, 2009, the composition of other current and non-current assets is detailed as follows:

Other non-financial assets, current	12.31.2010	12.31.2009	01.01.2009
	ThUS\$	ThUS\$	ThUS\$
Agreement termination bonus	2,108	2,191	990
Domestic Value Added Tax	30,795	23,246	24,650
Foreign Value Added Tax	4,167	3,080	10,666
Prepaid mining licenses	1,281	1,104	1,183
Prepaid insurance	4,575	4,062	4,085
Commercial and industrial patents	30	42	145
Prepaid leases	48	39	30
Marine concessions	86	27	46
Other prepaid expenses	1,352	584	176
Other assets	44,442	34,375	41,971
Other non-financial assets, non-current	12.31.2010	12.31.2009	01.01.2009
	ThUS\$	ThUS\$	ThUS\$
End of collective negotiation bonus	1,538	2,842	454
Stain development expenses and prospecting expenses (1)	21,350	26,832	24,892
Income taxes recoverable	651	567	454
Guarantee deposits	514	467	308
Other assets	104	172	336
Total	24,157	30,880	26,444

(1) Assets for the exploration or evaluation of mineral resources are amortized to the extent that the explored or evaluated area has been exploited. For this purpose, a variable rate is applied to extracted tons, which is determined based on the measured initial reserve and evaluation cost. The Company presents expenses associated with Exploration and Evaluation of Mineral Resources. Of these expenses, those that are under exploitation are included under Inventory and are amortized according to the estimated ore reserves contained, and expenses

associated with future reserves are presented under Other non-current assets. Those expenses incurred on properties with low ore grade that are not economically exploitable are directly charged to income. As of December 31, 2010 balances associated with the exploration and assessment of mineral resources are presented under Inventory for ThUS\$ 1,723 (ThUS\$ 2,285 as of December 31 2009, and ThUS\$ 1,421 as of January 01 2009).

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 26 - Other current and non-current non-financial assets (continued)

Reconciliation of changes in assets for exploration and mineral resource evaluation, by type

Movements in assets for the exploration and evaluation of mineral resources as of December 31, 2010 and December 31, 2009:

Reconciliation	2.31.2010 ThUS\$	2.31.2009 ThUS\$
Assets for the exploration and evaluation of mineral resources, net, beginning balance	26,832	24,892
Changes in assets for exploration and assessment of mineral resources:		
Additions	-	5,446
Depreciation and amortization	(2,044)	(2,641)
Decrease due to transfers and other charges	(3,438)	(865)
Assets for exploration and assessment of mineral resources, net, final balance	21,350	26,832

As of the presentation date, no reevaluations of assets for exploration and assessment of mineral resources have been conducted.

Note 27 - Operating segments

27.1 Operating segments

In accordance with IFRS 8 "Operating segments", the Company provides financial and descriptive information about the segments it has defined in consideration of available annual separate financial information, which is regularly evaluated by the maximum authority in making operating decisions with the purpose of deciding how to assign resources and assess performance.

Operating segments relate to the following groups of products that generate revenue and for which the Company incurs expenses and the result of which is regularly reviewed by the Company's maximum authority in the decision-making process:

1. Specialty plant nutrients
2. Iodine and its derivatives
3. Lithium and its derivatives
4. Industrial chemicals
5. Potassium
6. Other products and services

Information relative to assets, liabilities and profit and expenses that cannot be assigned to the segments indicated above, due to the nature of production processes, is included under the "Corporate Unit" category of disclosures.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.2 Statement of income classified by operating segments based on groups of products as of December 31, 2010:

Items in the statement of income	Specialty plant nutrients ThUS\$	Iodine and its derivatives ThUS\$	Lithium and its derivatives ThUS\$	Industrial chemicals ThUS\$	Potassium ThUS\$	Other products and services ThUS\$	Corporate unit ThUS\$	Total segments and Corporate unit ThUS\$
Sales	603,678	316,253	150,810	149,706	528,151	81,815	-	1,830,413
Cost of sales	(431,735)	(177,425)	(85,596)	(82,489)	(350,092)	(77,073)	-	(1,204,410)
Gross profit	171,943	138,828	65,214	67,217	178,059	4,742	-	626,003
Other income by function	-	-	-	-	-	-	6,545	6,545
Administrative expenses	-	-	-	-	-	-	(78,819)	(78,819)
Other expenses by function	-	-	-	-	-	-	(36,212)	(36,212)
Other gains	-	-	-	-	-	-	(6,979)	(6,979)
Interest income	-	-	-	-	-	-	12,930	12,930
Interest expenses	-	-	-	-	-	-	(35,042)	(35,042)
Interest in gains from associates and joint ventures accounted for using the equity method	-	-	-	-	-	-	10,681	10,681
Foreign currency transactions	-	-	-	-	-	-	(5,807)	(5,807)
Profit (loss) before taxes	171,943	138,828	65,214	67,217	178,059	4,742	(132,703)	493,300
Income tax expense	-	-	-	-	-	-	(106,029)	(106,029)
Net income (loss) from continuing operations	171,943	138,828	65,214	67,217	178,059	4,742	(238,732)	387,271
Net income (loss) from discontinued operations	-	-	-	-	-	-	-	-
Net income (loss)	171,943	138,828	65,214	67,217	178,059	4,742	(238,732)	387,271
Net income attributable to:								
Owners of the parent	-	-	-	-	-	-	-	382,122
Non-controlling interests	-	-	-	-	-	-	-	5,149
Net income for the year	-	-	-	-	-	-	-	387,271

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.2 Statement of Income classified by operating segments based on groups of products as of December 31, 2009:

Items in the statement of income	Specialty plant nutrients ThUS\$	Iodine and its derivatives ThUS\$	Lithium and its derivatives ThUS\$	Industrial chemicals ThUS\$	Potassium ThUS\$	Other products and services ThUS\$	Corporate unit ThUS\$	Total segments and Corporate unit ThUS\$
Sales	526,953	190,915	117,844	115,385	399,109	88,453	-	1,438,659
Cost of sales	(382,959)	(73,978)	(60,302)	(57,385)	(249,617)	(84,233)	-	(908,474)
Gross profit	143,994	116,937	57,542	58,000	149,492	4,220	-	530,185
Other income by function	-	-	-	-	-	-	17,009	17,009
Administrative expenses	-	-	-	-	-	-	(75,470)	(75,470)
Other expenses by function	-	-	-	-	-	-	(21,847)	(21,847)
Other gains (losses)	-	-	-	-	-	-	(13,705)	(13,705)
Interest income	-	-	-	-	-	-	13,525	13,525
Interest expenses	-	-	-	-	-	-	(30,979)	(30,979)
Interest in gains from associates and joint ventures accounted for using the equity method	-	-	-	-	-	-	4,462	4,462
Foreign currency transactions	-	-	-	-	-	-	(7,577)	(7,577)
Income (loss) before taxes	143,994	116,937	57,542	58,000	149,492	4,220	(114,582)	415,603
Income tax expense	-	-	-	-	-	-	(75,840)	(75,840)
Net income (loss) from continuing operations	143,994	116,937	57,542	58,000	149,492	4,220	(190,422)	339,763
Net income (loss) from discontinued operations	-	-	-	-	-	-	-	-
Net income (loss)	143,994	116,937	57,542	58,000	149,492	4,220	(190,422)	339,763
Net income attributable to:								
Owners of the parent	-	-	-	-	-	-	-	338,297
Non-controlling interests	-	-	-	-	-	-	-	1,466
Profit for the year	-	-	-	-	-	-	-	339,763

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.3 Disbursements of non-monetary assets of the segment as of December 31, 2010:

Identification of disbursements of non-monetary assets	Latin America and the Caribbean, Europe, North America and Asia and others					Balances according to the Statement of Financial Position ThUS\$
	Chile ThUS\$	Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	Asia and others ThUS\$	
Investments in joint ventures	-	-	-	-	3,500	3,500
SQM Quindao - Star	-	-	-	-	1,000	1,000
SQM Migao Sichuan	-	-	-	-	2,500	2,500
Amounts in addition of non-current assets	335,997	-	-	-	-	335,997
- Property, plant and equipment	335,632	-	-	-	-	335,632
- Intangible assets	365	-	-	-	-	365
Total segments	335,997	-	-	-	3,500	339,497

27.3 Disbursements of non-monetary assets of the segment as of December 31, 2009:

Identification of disbursements of non-monetary assets	Latin America and the Caribbean, Europe, North America and Asia and others					Balances according to the Statement of Financial Position ThUS\$
	Chile ThUS\$	Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	Asia and others ThUS\$	
Investments in joint ventures	-	-	-	-	3,530	3,530
SQM Migao Sichuan	-	-	-	-	3,000	3,000
Coromandel SQM India	-	-	-	-	530	530
Amounts in additions of non-current assets	376,515	-	-	-	-	376,515
- Property, plant and equipment	376,186	-	-	-	-	376,186
- Intangible assets	329	-	-	-	-	329
Total segments	376,515	-	-	-	3,530	380,045

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.4 Information on products and services of external customers

Revenues from operating activities with external customers by group of product and service as of December 31, 2010 are detailed as follows:

Items in the statement of income	Specialty plant	Iodine and	Lithium and	Industrial	Potassium	Other	Total
	nutrients	its	its	chemicals	and service	products	segments and
	ThUS\$	derivatives	derivatives	ThUS\$	ThUS\$	ThUS\$	Corporate Unit
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Revenue	603,678	316,253	150,810	149,706	528,151	81,815	1,830,413

Revenues from operating activities from external customers by group of product and service as of December 31, 2009 are detailed as follows:

Items in the statement of income	Specialty plant	Iodine and	Lithium and	Industrial	Potassium	Other	Total
	nutrients	its	its	chemicals	and service	products	segments and
	ThUS\$	derivatives	derivatives	ThUS\$	ThUS\$	ThUS\$	Corporate Unit
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Revenue	526,953	190,915	117,844	115,385	399,109	88,453	1,438,659

27.5 Information on geographical areas

As indicated in paragraph 33 of IFRS 8, the entity discloses geographical information on its revenue from operating activities with external customers and from non-current assets that are not financial instruments, deferred income tax assets, assets related to post-employment benefits or rights derived from insurance contracts.

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Notes to the consolidated Financial Statements as of December 31, 2010
 (Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.6 Revenues from operating activities from external customers classified by geographical areas as of December 31, 2010:

Identification of revenue from external customers	Latin America and the Caribbean and the Asia and others					Balances according to the Statement of income
	Chile ThUS\$	Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	others ThUS\$	ThUS\$
Revenue	216,028	162,967	799,457	363,676	288,285	1,830,413

27.6 Revenue from external customers, classified by geographical areas as of December 31, 2009:

Identification of revenue from external customers	Latin America and the Caribbean and the Asia and others					Balances according to the Statement of income
	Chile ThUS\$	Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	others ThUS\$	ThUS\$
Revenue	250,730	169,148	408,682	299,926	310,173	1,438,659

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.7 Non-current assets classified by geographical area as of December 31, 2010:

Non-current asset items	Chile ThUS\$	Latin America and the Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	Asia and others ThUS\$	Balances according to the Statement of financial position ThUS\$
Investments in associates accounted for using the equity method	1,352	-	19,615	7,251	34,053	62,271
Intangible assets other than goodwill	2,765	-	4	501	-	3,270
Goodwill	24,147	86	11,373	724	2,058	38,388
Property, plant and equipment, net	1,451,576	1,858	331	40	168	1,453,973
Investment property	1,373	-	-	-	-	1,373
Other non-current assets	112,820	227	-	3,293	373	116,713
Total assets	1,594,033	2,171	31,323	11,809	36,652	1,675,988

27.7 Non-current assets classified by geographical area as of December 31, 2009:

Non-current asset items	Chile ThUS\$	Latin America and the Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	Asia and others ThUS\$	Balances according to the Statement of Financial Position ThUS\$
Investments in associates accounted for using the equity method	328	-	18,853	6,653	29,351	55,185
Intangible assets other than goodwill	2,267	-	-	569	-	2,836
Goodwill	24,248	86	11,373	724	1,957	38,388
Property, plant and equipment, net	1,297,830	293	474	1,766	183	1,300,546
Investment property	1,405	-	-	-	-	1,405
Other non-current assets	78,252	1,017	-	1,037	297	80,603
Total assets	1,404,330	1,396	30,700	10,749	31,788	1,478,963

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 27 - Operating segments (continued)

27.8 Information on main customers

With respect to the degree of dependency of the Company on its customers, in accordance with, the Company has no external customers who individually represent 10% or more of its income from operating activities. Credit risk concentrations with respect to trade and other accounts receivable are limited due to the significant number of entities in the Company's portfolio and its worldwide distribution. The Company's policy is to require guarantees (such as letters of credit, guarantee clauses and others) and/or to maintain insurance policies for certain accounts as deemed necessary by the Company's Management.

27.9 Property, plant and equipment classified by geographical area as of December 31, 2010:

Property, plant and equipment	Chile 12.31.2010 ThUS\$	Latin America and the Caribbean ThUS\$	Europe ThUS\$	North America ThUS\$	Asia and others ThUS\$	Total ThUS\$
Production facilities:						
Coya Sur	256,570	-	-	-	-	256,570
María Elena	144,233	-	-	-	-	144,233
Nueva Victoria	202,134	-	-	-	-	202,134
Pampa Blanca	20,381	-	-	-	-	20,381
Pedro de Valdivia	84,992	-	-	-	-	84,992
Salar de Atacama	442,281	-	-	-	-	442,281
Salar del Carmen	213,488	-	-	-	-	213,488
Tocopilla (Instalaciones portuarias)	63,521	-	-	-	-	63,521
Subtotal production facilities	1,427,600	-	-	-	-	1,427,600
Corporate facilities:						
Santiago	14,506	-	-	-	-	14,506
Antofagasta	6,831	-	-	-	-	6,831
Subtotal corporate facilities	21,337	-	-	-	-	21,337
Subtotal business offices	2,639	1,858	331	40	168	5,036
Total segments	1,451,576	1,858	331	40	168	1,453,973

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 27 - Operating segments (continued)

27.9 Property, plant and equipment classified by geographical area as of December 31, 2009:

Property, plant and equipment	Chile	Latin America and the Caribbean	Europe	North America	Asia and others	Total
	12.31.2009 ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Production facilities:						
Coya Sur	252,138	-	-	-	-	252,138
María Elena	142,442	-	-	-	-	142,442
Nueva Victoria	202,037	-	-	-	-	202,037
Pampa Blanca	25,271	-	-	-	-	25,271
Pedro de Valdivia	73,203	-	-	-	-	73,203
Salar de Atacama	302,840	-	-	-	-	302,840
Salar del Carmen	222,093	-	-	-	-	222,093
Tocopilla (Instalaciones portuarias)	59,132	-	-	-	-	59,132
Subtotal production facilities	1,279,156	-	-	-	-	1,279,156
Corporate facilities:						
Santiago	12,233	-	-	-	-	12,233
Antofagasta	5,808	-	-	-	-	5,808
Subtotal corporate facilities	18,041	-	-	-	-	18,041
Subtotal business offices	633	293	474	1,766	183	3,349
Total segments	1,297,830	293	474	1,766	183	1,300,546

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 28 - Other income, other expenses by function and other gains or losses

Other income and expenses are detailed as follows:

	Other income by function	
	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Discounts obtained from suppliers	922	921
Indemnities received	272	60
Insurance recovery	201	285
Overestimate of accrual for obligation with third parties	424	670
Overestimate of doubtful accounts	83	41
Sale of mine concessions	872	2,170
Sale of materials, spare parts and supplies	668	400
Sale of property, plant and equipment	448	248
Other operating income	1,357	1,858
Miscellaneous services	534	-
Indemnities at Minera Esperanza	764	10,356
Total	6,545	17,009

	Other expenses by function	
	12.31.2010 ThUS\$	12.31.2009 ThUS\$
Doubtful accounts impairment	(1,246)	(3,293)
VAT and other non recoverable taxes	(543)	(612)
Fines paid	(374)	(262)
Investment plan expenses	(13,279)	(5,737)
Gifts not accepted as credit	(2,095)	(2,431)
Adjustment to the realizable value of property, plant and equipment items	(1,000)	(2,612)
Impairmen of property, plant and equipment	-	(1,001)
Losses from auction	(500)	(3,000)
Legal expenses	(2,087)	(451)
Depreciation of immobilized goods	(5,677)	-
Brazil Trial	(2,000)	-
Prospecting provision	(4,000)	-
Other operating expenses	(3,411)	(2,448)
Total	(36,212)	(21,847)

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 28 - Other income, other expenses by function and other gains or losses (continued)

c)	Other gains or losses	12.31.2010	12.31.2009
		ThUS\$	ThUS\$
	Retirement plan provision	(100)	(2,500)
	Temporary closing of El Toco operations provision	(6,900)	(6,500)
	PNW adjustment of previous year	23	-
	Layoff process costs	-	(1,696)
	El Toco closing provision	-	(6,028)
	Lack of capital contribution income	-	3,019
	Other	(2)	-
	Total	(6,979)	(13,705)

Note 29 - Income Taxes

As of December 31, 2010, December 31, 2009 and January 1, 2009, current income taxes recoverable are detailed as follows:

29.1	Current tax accounts receivable	2.31.2010	2.31.2009	1.01.2009
		ThUS\$	ThUS\$	ThUS\$
	Net monthly tax provisional payments, Chilean companies actual year	19,614	27,213	329
	Net monthly tax provisional payments, Chilean companies prior year	2,158	86	34
	Monthly tax provisional payments, foreign companies	562	1,638	610
	Corporate tax credits (1)	1,111	1,063	645
	Corporate tax absorbed by tax losses (2)	9,328	11,825	77
	Total	32,773	41,825	1,695

(1): These credits are available to companies and relate to the corporate tax payment in April of the following year. These credits include, amongst others, training expense credits (SENCE) and property, plant and equipment acquisition credits that are equivalent to 4% of the property, plant and equipment purchases made during the year. In addition, some credits relate to the donations the Group has made during 2010 and 2009.

(2): This concept corresponds to the absorption of non-operating losses (NOL's) determined by the company at year end, which must be imputed or recorded in the Retained Taxable Profits Registry (FUT).

In accordance with the laws in force and as provided by article 31, No. 3 of the Income Tax Law, when profits recorded in the FUT that have not been withdrawn or distributed are totally or partially absorbed by NOL's, the corporate tax paid on such profits (17%, 16.5%, 16%, 15%, 10% depending on the year in which profits were generated) will be considered to be a provisional payment with respect to the portion representing the absorbed accumulated tax profits.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 29 - Income and deferred taxes (continued)

29.1 Current tax accounts receivable (continued)

Taxpayers are entitled to apply for a refund of this provisional tax payment on the absorbed profits recorded in the FUT registry via their tax returns (Form 22).

Therefore, the provisional payment for absorbed profits (PPAP) recorded in the FUT is in effect a recoverable tax, and as such the Company records it as an asset.

29.2 Current tax accounts payable

Taxes payable	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Corporate tax and royalty (1)	5,915	323	88,328
Foreign company income tax	1,174	592	762
Article 21 unique tax	24	383	52
Total	7,113	1,298	89,142

(1): This concept relates to the tax accrual that is determined by the company and that will be paid the following year when the appropriate tax return is filed.

The income tax is determined on the basis of the tax result determination to which the tax rate currently in force in Chile, i.e. 17%, is applied (the tax rate was transitorily increased for 2011 and 2012 to 20% and 18.5%, respectively).

The royalty provision is determined by applying the tax rate that was determined to the Operational Net Income (ONI).

In conclusion, both concepts represent the estimated amount the company will have to pay on account of income tax and specific tax on mining.

29.3 Taxable earnings

As of December 31, 2010, December 31, 2009 and January 1, 2009, the Company and its subsidiaries have recorded the following consolidated balances for retained taxable earnings registry, income not constituting revenue subject to income tax, accumulated tax losses and credit for shareholders:

	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Taxable profits with credit rights (1)	602,536	668,670	813,716
Taxable profits without credit rights (1)	86,920	107,832	132,773
Taxable losses	21,630	99,333	16,949
Credit for shareholders	123,322	136,874	166,554

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.3 Taxable earnings (continued)

(1): The Retained Taxable Profits Registry (FUT) is a chronological registry where the profits generated and distributed by the company are recorded. The object of the FUT is to control the accumulated taxable profits of the company that may be distributed, withdrawn or remitted to the owners, shareholders or partners, and the final taxes that must be imposed, called in Chile Global Aggregate Tax (that levies persons resident or domiciled in Chile), or Withholding Tax (that levies persons “Not” resident or domiciled in Chile).

The FUT Register contains profits with credit rights and profits without credit rights, which arise out of the inclusion of the net taxable income determined by the company or the profits received by the company that may be dividends received or withdrawals made within the period.

Profits without credit rights represent the tax payable by the company within the year and filed the following year, therefore they will be deducted from the FUT Registry the following year.

Profits with credit rights may be used to reduce the final tax burden of owners, shareholders or partners, which upon withdrawal are entitled to use the credits associated with the relevant profits.

In summary, companies use the FUT Registry to maintain control over the profits they generate that have not been distributed to the owners and the relevant credits associated with such profits.

29.4 Income and deferred taxes

Assets and liabilities recognized in the consolidated classified statement of financial position are offset if and only if:

1 The Company has legally recognized before the tax authority the right to offset the amounts recognized in these entries; and

2 Deferred income tax assets and liabilities are derived from income tax related to the same tax authority on:

(i) the same entity or tax subject; or

(ii) different entities or tax subjects who intend either to settle current fiscal assets and liabilities for their net amount, or to realize assets and pay liabilities simultaneously in each of the future periods in which the Company expects to settle or recover significant amounts of deferred tax assets or liabilities.

Deferred income tax assets recognized are those income taxes to be recovered in future periods, related to:

(a) deductible temporary differences;

(b) the offset of losses obtained in prior periods and not yet subject to tax deduction; and

(c) the offset of unused credits from prior periods.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

The Company recognizes a deferred tax asset when there is certainty that these can be offset with fiscal income from subsequent periods, losses or fiscal credits not yet used, but solely as long as it is more likely than not that there will be tax earnings in the future against which to charge to these losses or unused fiscal credits.

Deferred tax liabilities recognized refer to the amounts of income taxes payable in future periods related to taxable temporary differences.

D.1 Income tax assets and liabilities as of December 31, 2010 are detailed as follows:

Description of deferred income tax assets and liabilities	Net position, assets		Net position, liabilities	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Depreciation	-	-	-	88,785
Doubtful accounts impairment	139	-	3,452	-
Vacation accrual	9	-	2,382	-
Production expenses	-	-	-	47,442
Unrealized gains (losses) from sales of products	-	-	49,181	-
Bonds fair value	-	-	1,886	-
Employee termination benefits	-	-	-	2,984
Hedging	-	-	-	20,739
Inventory of products, spare parts and supplies	-	1,050	8,950	-
Research and development expenses	-	-	-	4,215
Tax losses	796	-	2,748	-
Capitalized interest	-	-	-	14,784
Expenses in assumption of bank loans	-	-	-	2,278
Unaccrued interest	-	-	261	-
Fair value of property, plant and equipment	-	-	9,634	-
Employee benefits	-	-	6,052	-
Royalty deferred income taxes	-	-	-	7,462
Other	471	-	3,362	-
Balance at year-end	1,415	1,050	87,908	188,689
Net balance	365	-	-	100,781

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.2 Income tax assets and liabilities as of December 31, 2009 are detailed as follows:

Description of deferred income tax assets and liabilities	Net position, assets		Net position, liabilities	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Depreciation	-	-	-	81,055
Doubtful accounts impairment	-	-	3,708	-
Vacation accrual	-	-	2,309	-
Production expenses	-	-	-	39,660
Unrealized gains (losses) from sales of products	-	-	48,644	-
Bonds fair value	-	-	1,635	-
Employee termination benefits	-	-	-	2,593
Hedging	-	-	-	10,948
Inventory of products, spare parts and supplies	-	-	14,229	-
Research and development expenses	-	-	-	5,263
Tax losses	1,733	-	16,473	-
Capitalized interest	-	-	-	11,222
Expenses in assumption of bank loans	-	-	-	2,015
Unaccrued interest	-	-	393	-
Fair value of property, plant and equipment	-	-	10,524	-
Employee benefits	-	-	6,180	-
Royalty deferred income taxes	-	-	-	7,677
Other	-	863	2,536	-
Balance at year-end	1,733	863	106,631	160,433
Net balance	870	-	-	53,802

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.3 Income tax assets and liabilities as of January 1, 2009 are detailed as follows

Description of deferred income tax assets and liabilities	Net position, assets		Net position, liabilities	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Depreciation	-	-	-	72,192
Doubtful accounts impairment	-	-	1,926	-
Vacation accrual	-	-	1,734	-
Production expenses	-	-	-	29,774
Unrealized gains (losses) from sales of products	-	-	55,827	-
Bonds fair value	-	-	1,616	-
Employee termination benefits	-	-	-	1,777
Hedging	-	-	629	-
Inventory of products, spare parts and supplies	-	-	13,613	-
Research and development expenses	-	-	-	4,702
Tax losses	2,828	-	1,534	-
Capitalized interest	-	-	-	9,252
Expenses in assumption of bank loans	-	-	-	826
Unaccrued interest	-	-	504	-
Fair value of property, plant and equipment	-	-	12,287	-
Employee benefits	-	-	2,915	-
Royalty deferred income taxes	-	-	-	5,544
Other	-	859	4,294	-
Balance at year-end	2,828	859	96,879	124,067
Net balance	1,969	-	-	27,188

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.4 Deferred income taxes related to benefits for tax losses

The Company's tax loss carryforwards (NOL carryforwards) were mainly generated by losses in Chile, which in accordance with current Chilean tax regulations have no expiration date. During 2009, the Company did not use any significant tax losses.

As of December 31, 2010, December 31, 2009 and January 1, 2009, tax loss carryforwards (NOL carryforwards) are detailed as follows:

	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Chile	2,748	16,473	1,534
Other countries	796	1,733	2,828
Balance at year-end	3,544	18,206	4,362

Tax losses (NOL's) correspond mainly to Mexico. These losses expire on December 31, 2011.

D.5 Unrecognized deferred income tax assets and liabilities

As of December 31, 2010, December 31, 2009 and January 1, 2009, unrecognized assets and liabilities are detailed as follows:

	12.31.2010 ThUS\$ Assets (liabilities)	12.31.2009 ThUS\$ Assets (liabilities)	01.01.2009 ThUS\$ Assets (liabilities)
Tax losses (NOL's)	251	489	1,544
Doubtful accounts impairment	98	98	98
Inventory impairment	704	1,176	748
Pensions plan	266	648	1,091
Vacation accrual	29	29	29
Depreciation	(67)	(44)	(20)
Other	(17)	(15)	(12)
Balance at year-end	1,264	2,381	3,478

Tax losses mainly relate to the United States, which expire in 20 years.

Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.6 Movements in deferred tax liabilities

Movements in deferred tax liabilities as of December 31, 2010 and 2009 are detailed as follows:

	12.31.2010 ThUS\$ Liabilities (assets)	12.31.2009 ThUS\$ Liabilities (assets)
Beginning balance of deferred income tax liabilities	53,802	27,188
Increase (decrease) in deferred income taxes in statement of income	47,230	26,633
Increase (decrease) in deferred income taxes in equity	(251)	(19)
Balance at period and	100,781	53,802

D.7 Disclosures on income tax expense (income)

The Company recognizes current and deferred income taxes as income or expenses, and they are included in income, unless they arise from:

(a) a transaction or event recognized in the same period or in a different period, outside profit or loss either in other comprehensive income or directly in equity; or

(b) a business combination

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.7 Disclosures on income tax expense (income) (continued)

Current and deferred income tax expenses (income) are detailed as follows

	12.31.2010 ThUS\$ Benefit (expenses)	12.31.2009 ThUS\$ Benefit (expenses)
Current gains tax expense		
Current tax expense	(60,863)	(43,613)
Adjustments to current taxes of the previous year	2,569	(4,495)
Current tax expenses, net, total	(58,294)	(48,108)
Deferred tax expenses		
Deferred tax expense (revenue) relating to the creation and reversal of temporary differences	(36,350)	(27,732)
Deferred tax expense (revenue) relating to changes in fiscal rates or the imposition of new taxes	(11,385)	-
Deferred tax expenses, net, total	(47,735)	(27,732)
Income tax expense	(106,029)	(75,840)

Expenses (income) for income taxes for foreign and domestic parties are detailed as follows:

	12.31.2010 ThUS\$ Benefit (expenses)	12.31.2009 ThUS\$ Benefit (expenses)
Current income tax expense by domestic and foreign parties, net		
Current income tax expense, foreign parties, net	(2,208)	(1,499)
Current income tax expense, domestic, net	(56,086)	(46,609)
Total current income tax expense, net	(58,294)	(48,108)
Deferred income taxes by foreign and domestic parties, net		
Deferred income tax expense, foreign parties, net	(646)	(1,075)
Deferred income tax expense, domestic, net	(47,089)	(26,657)
Deferred income tax expense, net	(47,735)	(27,732)

Explanation of Responses:

Income tax expense	(106,029)	(75,840)

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.8 Equity interest in taxation attributable to investments recognized according to the equity method:

The Company does not recognize any deferred income tax liability in all cases of taxable temporary differences associated with investments in subsidiaries, branches and associated companies or interest in joint ventures, because as indicated in the standard, the following two conditions are jointly met:

(a) the parent company, investor or interest holder is able to control the time for reversal of the temporary difference; and

(b) It is more likely than not that the temporary difference is not reversed in the foreseeable future.

In addition, the Company does not recognize deferred income tax assets for all deductible temporary differences from investments in subsidiaries, branches and associated companies or interests in joint ventures because it is not possible to meet for the following requirements:

(a) Temporary differences are reversed in a foreseeable future; and

(b) The Company has tax earnings against which temporary differences can be used.

D.9 Information on the tax effects of other comprehensive income components:

Income tax related to components of other income and expense with a charge or credit to net equity	Amount before taxes	12.31.2010	Amount after taxes
		ThUS\$ Expense (income) for income taxes	
Cash flow hedges	(1,474)	251	(1,223)
Total	(1,474)	251	(1,223)

Income tax related to components of other income and expense with a charge or credit to equity	Amount before taxes	12.31.2009	Amount after taxes
		ThUS\$ Expense (income) for income taxes	
Cash flow hedges	(112)	19	(93)
Total	(112)	19	(93)

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.10 Explanation of the relationship between expense (income) for tax purposes and accounting income

In accordance with paragraph No. 81, letter c) of IAS 12, the Company has estimated that the method that discloses more significant information for the users of its financial statements is the reconciliation of tax expense (income) to the result of multiplying income for accounting purposes by the tax rate in force in Chile. This option is based on the fact that the Parent Company and its subsidiaries incorporated in Chile generate almost the total amount of tax expense (income) and the fact that amounts of subsidiaries incorporated in foreign countries have no relevant significance within the context of the total amount of tax expense (income.)

Reconciliation of numbers in income tax expenses (income) and the result of multiplying financial gain by the rate prevailing in Chile.

	12.31.2010		12.31.2009	
	ThUS\$		ThUS\$	
	Income		Income	
	(loss)		(loss)	
Consolidated income before taxes	493,300		415,603	
Income tax rate in force in Chile	17	%	17	%
Tax expense using the legal rate	(83,861)	(70,653)
Effect of royalty tax expense	(11,115)	(9,364)
Effect of non-taxable income	2,783		1,305	
Tax effect of rates in other jurisdictions	(3,996)	(141)
Effect of changes in tax rates – see below	(11,385)	-	
Other effects from the reconciliation between carrying amount and the tax expense (income)	1,545		3,013	
Tax expense using the effective rate	(106,029)	(75,840)

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 29 - Income and deferred taxes (continued)

29.4 Income and deferred taxes (continued)

D.11 Tax periods potentially subject to verification:

The Company is potentially subject to income tax audits by tax authorities in each country. These audits are limited to a number of annual tax periods, which, in general, when they elapse, give rise to the expiration of these inspections.

Tax audits, due to their nature, are often complex and may require several years. Below, we provide a summary of tax periods that are potentially subject to verification, in accordance with tax regulations in force in the country of origin:

a) Chile

In Chile, the tax authority may review tax returns for up to 3 years from the expiration date of the legal term in which the payment should have been made. In the event that there is an administrative or legal notice, the review can be extended to a period of 6 years.

b) United States

In the United States, the tax authority may review tax returns for up to 3 years from the expiration date of the tax return. In the event that an omission or error is detected in the tax return of sales or cost of sales, the review can be extended for a period of up to 6 years.

c) Mexico

In Mexico, the tax authority can review tax returns up to 5 years from the expiration date of the tax return.

d) Spain

In Spain, the tax authority can review tax returns up to 4 years from the expiration date of the tax return.

e) Belgium

In Belgium, the tax authority may review tax returns for up to 3 years from the expiration date of the tax return if no tax losses exist. In the event of detecting an omission or error in the tax return, the review can be extended for a period of up to 5 years.

f) South Africa

In South Africa, the tax authority may review tax returns for up to 3 years from the expiration date of the tax return. In the event an omission or error in the tax return is detected, the review can be extended for a period of up to 5 years.

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 29 - Income and deferred taxes (continued)

29.5 Amendments to the income tax law and specific tax on mining in Chile

a) Amendment to Corporate Tax

Law No. 20,455 was published in the Official Gazette of July 31, 2010. Article 1 of this law temporarily increases the Corporate Tax rate set forth in article 20 of the Income Tax Law (ITL), which levies incomes received or accrued within calendar years 2011 and 2012.

In accordance with that temporary increase, the referred-to rate of 17% increases to 20% for income received or accrued within calendar year 2011 (fiscal year 2012); and to 18.5% for income received or accrued within calendar year 2012 (fiscal year 2013).

The temporary differences affected by this rate increase were identified, which triggers a deferred tax charge to income amounting to ThUS\$11,385.

b) Amendment to the specific tax on mining

Law No. 20.469 was published in the Official Gazette of October 21, 2010, dealing with the following matters:

- a. Article 64 bis of the Income Tax Law, which establishes a specific tax on the operating income derived from mining activities earned by a foreign mine operator, was replaced;
- b. It included a new article 64 ter, relating to the method to be used to determine the operating taxable income derived from mining activities that, prior to this amendment, were addressed in the replaced article 64 bis;
- c. It amended article 11 ter of Decree Law 600/ 1974; and
- d. It established transitory and optional regulations applicable to investments or companies subject to articles 7, 11 bis and 11 ter of DL 600/ 1974; transitory article 5 of Law 20,026, and companies included in the provisions set forth in transitory article 4, even when they are not the recipients of foreign investments.

Subsidiaries SQM Salar S.A. and SQM Nitratos S.A. requested approval from the Ministry of Economy to be subject to the provisions set forth in transitory article 4 so they can choose to be subject, from 2013 and for a 5 year period, to the 5% invariability rate as the specific tax on mining.

Consequently, for the years 2010, 2011 and 2012 the mechanism used to determine the tax on mining payable with regard to the mining operating margin obtained by these entities will change. As of December 31, 2010 the company reserved the amount of ThUS\$13,565, chargeable to the income account.

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 30 - Disclosures on accounts maintained in foreign currency

Assets maintained in foreign currency are detailed as follows:

Types of Assets	Currency	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Current assets:				
Cash and cash equivalents	CLP	332,624	61,326	99
Cash and cash equivalents	CLF	-	-	-
Cash and cash equivalents	EUR	6,709	3,813	7,676
Cash and cash equivalents	ZAR	1,523	2,586	2,574
Cash and cash equivalents	AED	-	-	176
Cash and cash equivalents	BRL	22	33	4
Cash and cash equivalents	YEN	1,193	823	1,096
Cash and cash equivalents	CNY	104	-	-
Cash and cash equivalents	PEN	13	26	175
Cash and cash equivalents	ARS	-	1	3
Cash and cash equivalents	IDR	-	5	4
Cash and cash equivalents	INR	16	-	-
Cash and cash equivalents	GBP	5	2	6
Cash and cash equivalents	MXN	102	217	809
Subtotal cash and cash equivalents		342,311	68,832	12,622
Other current financial assets	CLP	69,818	126,198	-
Other current financial assets	CLF	-	43,599	-
Subtotal other current financial assets		69,818	169,797	-
Other current non-financial assets	CLP	30,966	24,442	24,607
Other current non-financial assets	CLF	21	758	294
Other current non-financial assets	EUR	4,303	2,656	10,197
Other current non-financial assets	ZAR	167	17	135
Other current non-financial assets	ARS	42	-	-
Other current non-financial assets	AED	-	-	135
Other current non-financial assets	BRL	2	3	9
Other current non-financial assets	YEN	-	-	-
Other current non-financial assets	CNY	23	-	-
Other current non-financial assets	PEN	331	-	-
Other current non-financial assets	MXN	552	442	338
Subtotal other current non-financial assets		36,407	28,318	35,715
Trade debtors and other accounts receivable	CLP	114,108	103,877	100,825
Trade debtors and other accounts receivable	CLF	1,015	1,735	1,512
Trade debtors and other accounts receivable	EUR	97,193	62,934	43,096
Trade debtors and other accounts receivable	ZAR	7,292	30,977	8,524
Trade debtors and other accounts receivable	AED	-	-	236
Trade debtors and other accounts receivable	BRL	64	20	2
Trade debtors and other accounts receivable	ARS	5	-	-
Trade debtors and other accounts receivable	YEN	2	-	-
Trade debtors and other accounts receivable	CNY	48	-	-

Explanation of Responses:

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Trade debtors and other accounts receivable	PEN	2	-	-
Trade debtors and other accounts receivable	GBP	409	-	-
Trade debtors and other accounts receivable	MXN	58	7	119
Subtotal trade debtors and other accounts receivable		220,196	199,550	154,314
Accounts receivable from related entities	CLP	111	299	150
Accounts receivable from related entities	EUR	2,651	1,935	3,637
Accounts receivable from related entities	AED	-	-	39
Subtotal accounts receivable from related entities		2,762	2,234	3,826
Current tax assets	CLP	9,098	7,954	-
Current tax assets	EUR	140	208	232
Current tax assets	ZAR	123	2	195
Current tax assets	YEN	16	32	721
Current tax assets	CNY	20	-	-
Current tax assets	PEN	61	-	-
Current tax assets	MXN	39	469	-
Subtotal current tax assets		9,497	8,665	1,148
Total current assets		680,991	477,396	207,625

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 30 - Disclosures on accounts maintained in foreign currency (continued)

Types of Assets	Currency	12.31.2010 ThUS\$	12.31.2009 ThUS\$	01.01.2009 ThUS\$
Non-current assets				
Other non-current financial assets	CLP	20	20	-
Other non-current financial assets	EUR	3	10	10
Other non-current financial assets	BRL	34	28	19
Other non-current financial assets	YEN	58	52	51
Subtotal other non-current financial assets		115	110	80
Other non-financial non-current assets	CLP	599	2,757	353
Other non-financial non-current assets	CLF	-	5,939	2,449
Other non-financial non-current assets	BRL	227	245	160
Other non-financial non-current assets	YEN	373	297	256
Subtotal other non-financial non-current assets		1,199	9,238	3,218
Non-current rights receivable	CLP	469	883	327
Non-current rights receivable	CLF	633	787	439
Subtotal non-current rights receivable		1,102	1,670	766
Investments accounted for using the equity method	CLP	1,352	328	473
Investments accounted for using the equity method	EUR	9,560	12,121	12,483
Investments accounted for using the equity method	AED	24,168	22,575	5,277
Investments accounted for using the equity method	INR	432	530	94
Investments accounted for using the equity method	TRY	11,988	8,693	11,212
Investments accounted for using the equity method	EGP	1,435	1,780	2,247
Investments accounted for using the equity method	THB	1,543	1,477	1,414
Subtotal investments accounted for using the equity method		50,478	47,504	33,200
Increase in value	CLP	735	-	-
Subtotal Increase in value		735	-	-
Property, plant and equipment	CLP	1,762	577	290
Subtotal property, plant and equipment		1,762	577	290
Total non-current assets		55,391	59,099	37,554
Total assets		736,382	536,495	245,179

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 30 - Disclosures on accounts maintained in foreign currency (continued)

Liabilities maintained in foreign currency are detailed as follows:

Types of Liabilities	Currency	12.31.2010			12.31.2009		
		Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total ThUS\$	Up to 90 days ThUS\$	Over 90 days to 1 year ThUS\$	Total ThUS\$
Current liabilities							
Other current financial liabilities	CLF	3,577	7,749	11,326	3,649	6,541	10,190
Other current financial liabilities	CLP	814	1,508	2,322	30,647	1,268	31,915
Other current financial liabilities	EUR	-	-	-	-	3,327	3,327
Subtotal other current financial liabilities		4,391	9,257	13,648	34,296	11,136	45,432
Trade and other accounts payable	CLP	85,403	-	85,403	72,888	66	72,954
Trade and other accounts payable	EUR	22,356	1,535	23,891	65,031	-	65,031
Trade and other accounts payable	INR	1	-	1	-	-	-
Trade and other accounts payable	ARS	1	-	1	-	-	-
Trade and other accounts payable	BRL	341	-	341	-	-	-
Trade and other accounts payable	PEN	43	-	43	-	-	-
Trade and other accounts payable	MXN	1,020	140	1,160	570	19	589
Trade and other accounts payable	GBP	40	-	40	-	-	-
Trade and other accounts payable	CNY	57	-	57	-	-	-
Trade and other accounts payable	ZAR	1,280	1,062	2,342	3,840	-	3,840
Subtotal trade accounts payable and other accounts payable		110,542	2,737	113,279	142,329	85	142,414
Accounts payable to related entities	EUR	-	997	997	-	23	23
Accounts payable to related entities	CLP	-	-	-	-	233	233
		-	997	997	-	256	256

Explanation of Responses:

Subtotal accounts payable to related entities							
Other short term accruals	CLP	20	-	20	-	418	418
Other short term accruals	EUR	323	-	323	-	118	118
Other short term accruals	BRL	-	1,634	1,634	-	1579	1579
Subtotal other short-term accruals							
		343	1,634	1,977	-	2,115	2,115
Current tax liabilities	CLP	-	-	-	-	27	27
Current tax liabilities	EUR	-	335	335	-	422	422
Current tax liabilities	MXN	-	-	-	-	2	2
Subtotal current tax liabilities							
		-	335	335	-	451	451
Employee benefits current accruals	MXN	-	292	292	-	-	-
Employee benefits current accruals	CLP	34,211	9,455	43,666	-	16,375	16,375
Subtotal employee benefits current provisions							
		34,211	9,747	43,958	-	16,375	16,375
Other current non-financial liabilities	CLP	6,299	12,557	18,856	14,187	13,530	27,717
Other current non-financial liabilities	EUR	29	84	113	128	299	427
Other current non-financial liabilities	BRL	12	-	12	-	48	48
Other current non-financial liabilities	MXN	710	54	764	162	-	162
Other current non-financial liabilities	PEN	79	-	79	-	-	-
Other current non-financial liabilities	AUD	-	4	4	-	-	-
Other current non-financial liabilities	CNY	18	-	18	-	-	-
Other current non-financial liabilities	ZAR	-	-	-	856	-	856
Subtotal other current non-financial liabilities							
		7,147	12,699	19,846	15,333	13,877	29,210
Total current liabilities							
		156,634	37,406	194,040	191,958	44,295	236,253

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Notes to the consolidated Financial Statements as of December 31, 2010
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Note 30 - Disclosures on accounts maintained in foreign currency (continued)

Types of Liabilities	Currency	Up to 90 days ThUS\$	01.01.2009	Total ThUS\$
			Over 90 days to 1 year ThUS\$	
Current liabilities				
Other current financial liabilities	CLF	-	5,352	5,352
Other current financial liabilities	EUR	1,633	-	1,633
Subtotal other current financial liabilities		1,633	5,352	6,985
Trade accounts payable and other accounts payable	CLP	68,914	-	68,914
Trade accounts payable and other accounts payable	CFL	55	171	226
Trade accounts payable and other accounts payable	EUR	9,962	-	9,962
Trade accounts payable and other accounts payable	BRL	249	-	249
Trade accounts payable and other accounts payable	AED	169	-	169
Trade accounts payable and other accounts payable	MXN	643	-	643
Trade accounts payable and other accounts payable	ZAR	599	-	599
Subtotal trade accounts payable and other accounts payable		80,591	171	80,762
Other short term accruals	CLP	138	-	138
Other short term accruals	EUR	7	291	298
Other short term accruals	BRL	-	1,295	1,295
Other short term accruals	AED	11	-	11
Subtotal other short term accruals		156	1,586	1,742
Employee benefits current accruals	CLP	-	22,112	22,112
Subtotal employee benefits current accruals			22,112	22,112
Other current non-financial liabilities	CLP	9,303	10,042	19,345
Other current non-financial liabilities	EUR	74	375	449
Other current non-financial liabilities	BRL	3	18	21
Other current non-financial liabilities	MXN	255	-	255
Subtotal other current non-financial liabilities		9,635	10,435	20,070
Total current liabilities		92,015	39,656	131,671

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Note 30 - Disclosures on accounts maintained in foreign currency (continued)

Types of Liabilities	Currency	12.31.2010				12.31.2009			
		Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-current liabilities									
Other non-current financial liabilities	CLF	-	66,081	284,056	350,137	6,195	68,144	251,926	326,265
Other non-current financial liabilities	CLP	-	154,485	-	154,485	-	143,956	-	143,956
Subtotal other non-current financial liabilities		-	220,566	284,056	504,622	6,195	212,100	251,926	470,221
Non-current liabilities	CLF	-	-	-	-	187	-	-	187
Non-current liabilities		-	-	-	-	-	-	-	-
Subtotal non-current liabilities		-	-	-	-	187	-	-	187
Tax liabilities	CLP	56	-	36	92	-	-	-	-
Subtotal tax liabilities		56	-	36	92	-	-	-	-
Employee benefits non-current accruals	CLP	-	-	1,805	1,805	-	-	28,171	28,171
Employee benefits non-current accruals	MXN	-	-	-	-	-	-	185	185
Employee benefits non-current accruals	JPY	-	-	-	-	-	-	326	326
Subtotal employee benefits non-current accruals		-	-	1,805	1,805	-	-	28,682	28,682
Total non-current liabilities		56	220,566	285,897	506,519	6,382	212,100	280,608	499,090

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 30 - Disclosures on accounts maintained in foreign currency (continued)

Types of Liabilities	Currency	01.01.2009			Total ThUS\$
		Over 1 year to 3 years ThUS\$	Over 3 years to 5 years ThUS\$	Over 5 years ThUS\$	
Non-current liabilities					
Other non-current financial liabilities	CLF	5,056	5,056	75,828	85,940
Subtotal other non-current financial liabilities		5,056	5,056	75,828	85,940
Non-current liabilities	CLF	398	-	-	398
Subtotal non-current liabilities		398	-	-	398
Tax liabilities	CLP	18	-	-	18
Subtotal tax liabilities		18	-	-	18
Employee benefits non-current accruals	CLP	-	-	19,489	19,489
Employee benefits non-current	MXN	-	-	403	403
Employee benefits non-current	JPY	-	-	294	294
Subtotal employee benefits non-current accruals		-	-	20,186	20,186
Total non-current liabilities		5,472	5,056	96,014	106,542

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Notes to the consolidated Financial Statements as of December 31, 2010
(Translation of consolidated financial statements originally issued in Spanish – see Note 2.2)

Note 31 – Lease Commitments

SQM Salar S.A., a consolidated subsidiary of the Company, entered into a contract with a government agency (CORFO) for the rental of land for the purpose of exploration and exploitation of certain minerals. Rental payments (royalties) are stated in US dollars and are determined based on actual mineral sales through 2030 in accordance with rates specified in the agreement. Based on the agreement the Company paid ThUS\$ 18,717, ThUS\$ 17,747 and ThUS\$ 17,712 in 2010, 2009 and 2008 respectively, including the minimum annual rental, which was ThUS\$ 7,567, ThUS\$ 11,738 and ThUS\$ 3,757 for 2010, 2009 and 2008, respectively. Future estimated minimum annual rentals are as follows:

Year ended December 31,	Minimum Annual Rentals ThUS\$
2011	5,124
2012	5,124
2013	5,124
2014	5,124
2015	5,124
Thereafter(2016-2030)	81,751
Total	107,371

As of December 31, 2010, SQM Salar S.A. has accrued for the rental payment of ThUS\$ 5,182 related to the rental agreement maintained with CORFO.

Note 32 - Events after the reporting period

32.1 Authorization of the financial statements

The consolidated financial statements of Sociedad Química y Minera S.A. and subsidiaries prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2010 were approved and authorized for issuance by the Board of Directors at their meeting held on March 1, 2011.

The consolidated financial statements of Sociedad Química y Minera S.A. and subsidiaries have been translated into English and adapted in order to comply with US SEC requirements. These consolidated financial statements were approved and authorized for issuance by the Board of Directors whose meeting was held on June 28, 2011.

32.2 Disclosures of subsequent events

Management is not aware of any other significant events that occurred between December 31, 2010 and the date of issuance of these consolidated financial statements that may significantly affect them.

32.3 Detail of dividends declared after the reporting date

As of the closing date of these financial statements, there are no dividends declared after the reporting date.

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