

CHEMICAL & MINING CO OF CHILE INC  
Form 6-K  
July 21, 2010

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

FORM 6-K

REPORT OF FOREIGN ISSUER  
PURSUANT TO RULE 13A-16 OR 15D-16  
OF THE SECURITIES AND EXCHANGE ACT OF 1934

Includes financial statements and their related notes for the three-month period ended  
March 31, 2010 filed by Sociedad Química y Minera de Chile S.A. before the  
Superintendencia de Valores y Seguros de Chile on May 25, 2010.

SOCIEDAD QUIMICA Y MINERA DE CHILE S.A.  
(Exact name of registrant as specified in its charter)

CHEMICAL AND MINING COMPANY OF CHILE INC.  
(Translation of registrant's name into English)

El Trovador 4285, Santiago, Chile (562) 425-2000  
(Address and phone number of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby  
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
82\_\_\_\_\_

On May 25, 2010, the Registrant filed with the Superintendencia de Valores y Seguros of Chile (the "SVS") a report that included information as to the Registrant's consolidated financial condition and results of operations for the three-month period ended March 31, 2010. Attached is a summary of such consolidated financial information included in the summary and in the report filed with the Superintendencia de Valores y Seguros of Chile. This financial information was prepared on the basis of International Financial Reporting Standards ("IFRS").

THIS REPORT IS AN ENGLISH TRANSLATION OF, AND AN INTERNATIONAL FINANCIAL REPORTING STANDARDS PRESENTATION OF, THE THREE-MONTH PERIOD ENDED MARCH 31, 2010 REPORT FILED WITH THE SUPERINTENDENCIA DE VALORES Y SEGUROS (SVS) IN CHILE, AND UNLESS OTHERWISE INDICATED, FIGURES ARE IN US DOLLARS.

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INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period ended

as of March 31, 2010

SOCIEDAD QUIMICA Y MINERA DE CHILE S.A. AND SUBSIDIARIES

Thousands of U.S. dollars

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This document is composed of:

- Consolidated Classified Statement of Financial Position.
- Interim Consolidated Statement of Comprehensive Income by function.
- Interim Consolidated Statement of Comprehensive Income
- Interim Consolidated Statement of Cash Flows
- Interim Statements of Changes in Net Shareholders' Equity
- Explanatory Notes to the Financial Statements

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Sociedad Química y Minera de Chile S.A. and Subsidiaries

## CONSOLIDATED CLASSIFIED STATEMENT OF FINANCIAL POSITION

	Note N°	As of March 31, 2010 ThUS\$	As of December 31, 2009 ThUS\$	As of January 1, 2009 ThUS\$
<b>ASSETS</b>				
<b>Current assets</b>				
Operating current assets				
Cash and cash equivalents	6.0	359,256	530,394	303,799
Other current financial assets	9.1	88,259	75,537	21,720
Other non-financial current assets	25	34,601	36,884	42,776
Trade accounts receivable and other accounts receivable, net	9.2	365,104	325,823	334,791
Accounts receivable from related companies	8.6	34,547	68,656	51,027
Inventories	7.0	633,509	630,763	540,877
Income taxes recoverable	28.1	52,929	41,825	1,695
<b>Total operating current assets</b>		<b>1,568,205</b>	<b>1,709,882</b>	<b>1,296,685</b>
<b>Non-Current Assets</b>				
Other financial assets	9.1	111	113	101
Other non-financial assets	25	39,956	41,751	31,042
Trade accounts receivable and other accounts receivable, net	9.2	3,905	4,208	766
Accounts receivable from related companies	8.7	-	-	2,000
Investments in associated companies accounted for using the equity method	11.0	58,762	55,185	36,934
Intangible assets other than goodwill	13.1	3,103	2,836	3,525
Goodwill	13.1	38,388	38,388	38,388
Property, plant and equipment, net	14.1	1,303,135	1,300,546	1,076,531
Investment properties	14.4	1,397	1,405	1,436
Deferred tax assets	28	181	870	1,969
<b>Total Non-Current Assets</b>		<b>1,448,938</b>	<b>1,445,302</b>	<b>1,192,692</b>
<b>Total Assets</b>		<b>3,017,143</b>	<b>3,155,184</b>	<b>2,489,377</b>

The accompanying notes form an integral part of these interim consolidated financial statements.

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Sociedad Química y Minera de Chile S.A. and Subsidiaries

## CONSOLIDATED CLASSIFIED STATEMENT OF FINANCIAL POSITION

	Note N°	As of March 31, 2010 ThUS\$	As of December 31, 2009 ThUS\$	As of January 1, 2009 ThUS\$
<b>Shareholders' Equity and Liabilities</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Other current financial liabilities	9.4	141,310	271,364	159,925
Trade accounts payable and other accounts payable	9.5	129,349	184,195	110,802
Current accounts payable to related companies	8.8	3,556	3,892	178
Other accrued expenses, short-term	18.1	18,627	18,222	9,551
Current Income Taxes payable	28.2	1,083	1,298	89,142
Current accrual expenses related to employee's benefits	16.1	12,938	16,375	22,112
Other current non-financial liabilities	18.3	57,224	52,205	115,682
<b>Total Current Liabilities</b>		<b>364,087</b>	<b>547,551</b>	<b>507,392</b>
<b>Non-current Liabilities</b>				
Other non-current financial liabilities	9.4	990,560	1,035,221	515,940
Non-current liabilities	9.5	223	187	398
Other long-term accrued expenses	18.2	3,500	3,500	3,181
Deferred tax liabilities	28.4	61,837	53,802	27,188
Non-current accrued expenses related to employee's benefits	16.1	47,987	50,473	35,059
<b>Total non-current liabilities</b>		<b>1,104,107</b>	<b>1,143,183</b>	<b>581,766</b>
<b>Total Liabilities</b>		<b>1,468,194</b>	<b>1,690,734</b>	<b>1,089,158</b>
<b>Shareholders' Equity</b>				
Issued capital		477,386	477,386	477,386
Retained earnings (accumulated deficit)		1,027,666	951,173	888,369
Other reserves		(1,022)	(9,806)	(12,077)
Net shareholder's equity attributable to instrument net shareholders of controlling interest		1,504,030	1,418,753	1,353,678
Minority interest		44,919	45,697	46,541
<b>Total net shareholders' equity</b>		<b>1,548,949</b>	<b>1,464,450</b>	<b>1,400,219</b>
<b>Total Net Shareholders' Equity and Liabilities</b>		<b>3,017,143</b>	<b>3,155,184</b>	<b>2,489,377</b>

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## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY FUNCTION

	Note N°	As of March 31, 2010 ThUS\$	As of March 31, 2009 ThUS\$
Total common revenue		388,523	321,143
Cost of sales		(257,025)	(179,058)
Gross profit		131,498	142,085
Other income, by function	27	1,625	1,155
Administrative expenses		(17,774)	(15,998)
Other expenses, by function	27	(5,044)	(9,175)
Other gains (losses)		(7,146)	51
Financial operating income		2,268	3,913
Financial costs		(7,786)	(7,941)
Equity participation in income (loss) of associated companies and joint ventures accounted for using the equity method		3,059	(93)
Exchange differences		(3,133)	(5,714)
Income (loss), before income tax		97,567	108,283
Expense due to income taxes	28.4	(20,696)	(20,828)
Income (loss) from continuing operations		76,871	87,455
Income (loss)		76,871	87,455
Income (loss), attributable to			
Income (loss) attributable to equity holders of the controlling interest		76,493	88,389
Gain (loss) attributable to minority interest		378	(934)
Total income (loss) attributable to equity holders of the controlling interest and minority interest		76,871	87,455

The accompanying notes form an integral part of these interim consolidated financial statements.

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## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY FUNCTION , continued

	As of March 31, 2010 ThUS\$	As of March 31, 2009 ThUS\$
<b>Earnings per share</b>		
Common shares		
Basic earnings per share (US\$ per share)	0.2906	0.3358
Basic earnings per share (US\$ per share) from continuing operations	0.2906	0.3358
Common diluted shares		
Diluted earnings per share (US\$ per share)	0.2906	0.3358
Diluted earnings per share (US\$ per share) from continuing operations	0.2906	0.3358

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## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY FUNCTION , continued

	As of March 31, 2010 ThUS\$	As of March 31, 2009 ThUS\$
Statement of Other Comprehensive Income		
Income (loss)	76,871	87,455
Other income or expenses with a charge to net shareholders' equity		
Effect derived from bond coverage in UF and Ch\$	10,799	10,389
Restatement of property, plant and equipment		
Translation adjustment	(179)	397
Actuarial gains (losses) defined as benefits from pension plans		
Other adjustments to net shareholders' equity	(1,836)	(1,766)
Other income and expenses with a charge or credit to net shareholders' equity, total		
Total income from comprehensive income and expenses	85,655	96,475
Income from comprehensive income and expenses attributable to:		
Income from comprehensive income and expenses attributable to majority shareholders	85,277	97,409
Income from comprehensive income and expenses attributable to minority interest	378	(934)
Total income from comprehensive income and expenses	85,655	96,475

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## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Statement of cash flows	3/31/2010 ThUS\$	3/31/2009 ThUS\$
Net cash flows provided by (used in) operating activities, indirect method		
Income (loss)	76,493	88,389
Adjustments due to reconciliation of income (loss)		
Adjustments due to decreases (increases) on inventories	(2,339)	(41,600)
Adjustments due to decreases (increases) in trade accounts receivable	(9,625)	(48,825)
Adjustments due to decreases (increases) in other accounts receivable from operating activities	33,808	(1,461)
Adjustments due to decreases (increases) in trade accounts payable	(48,869)	5,449
Adjustments due to decreases (increases) in other accounts payable from operating activities	(55,387)	37,955
Adjustments due to depreciation expenses and amortization	32,374	35,063
Accruals adjustment	5,572	10,425
Adjustments for losses (income) in unrealized foreign currency	3,133	5,714
Adjustments for losses (income) of reasonable value		93
Adjustments for undistributed income of associates	(3,059)	
Other adjustments for entries other than cash	45,050	5,104
	(1)	
Total adjustments for income (losses) reconciliation	657	7,917
Interest paid	(1,988)	(7,175)
Reimbursed income taxes (paid)	-	(21,038)
Net cash flows provided by (used in) operating activities	75,162	68,093
Net cash flows provided by (used in) investing activities		
Other payments to acquire participations in joint ventures	(1,000)	-
Borrowings to related companies	-	-
Purchases of Property, plant and equipment	(73,126)	(73,589)
Cash advances and loans granted to third parties	198	(1,253)
Proceeds derived from futures contracts, on terms, options and swaps.	(37,743)	-
Collections from futures contracts, on terms, options and swaps.	15,043	20,121
Net cash flows provided by (used in) investing activities	(96,628)	(54,721)

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## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

(continued)

Cash flows provided by (used in) financing activities		
Amounts received from the issuance of other equity instruments	-	199,065
Amounts received from long-term loans	39,500	124,500
Amounts received from short-term loans		
Total amounts received from loans	39,500	124,500
Payments of loans	(193,540)	(65,000)
Dividends paid	-	(74)
Other income (expense) of cash	-	(3,349)
Net cash flows provided by (used in) financing activities	(154,040)	255,142
Net increase (decrease) in cash and cash equivalents before the effect of changes in exchange rates		
	(175,506)	268,514
Effects of variation in exchange rate on cash and cash equivalents		
Effects of variation in exchange rate on cash and cash equivalents	4,368	(3,152)
Net increase (decrease) of cash and cash equivalents	(171,138)	265,362
Cash equivalents to cash, Statement of cash flows Opening balance		
	530,394	303,799
Cash equivalents to cash, Statement of cash flows Ending balance		
	359,256	569,161

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## INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Prior period December 2009	Changes in issued capital		Changes in other reserves			Total changes in net shareholders' equity			Total changes in net equity
	Common shares		Translation reserves	Revaluation reserves	Coverage reserves	Other retained earnings (accumulated deficit)	attributable to controlling interest	Changes in minority interest	
Initial balance current period: 1/1/2010	477,386	1,234	-	(7,984)	(3,056)	951,173	1,418,753	45,697	1,464,450
Income from comprehensive income and expenses	-	-	-	-	-	76,493	76,493	378	76,871
Other increases (decreases) in net equity	-	(179)	-	8,963	-	-	8,784	(1,156)	7,628
Changes in net equity	-	179	-	8,963	-	76,493	85,277	(778)	84,499
Final balance current period 3/31/2010	477,386	1,055	-	979	(3,056)	1,027,666	1,504,030	44,919	1,548,949

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## INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Prior period December 2009	Changes in net equity, total	Changes in other reserves					A Change in retained earnings (accumulated deficit)	Total changes in net shareholders' equity attributable to controlling interest		Changes in minority interest	Total changes in net equity
		Share capital	Transfers	Retained earnings	Contingency reserves	Other reserves		Changes retained earnings	Changes in equity		
Initial balance current period: January 1, 2009	477,386	-	-	(7,891)	(4,185)	-	888,368	1,353,678	46,541	1,400,219	
Income from comprehensive income and expenses	-	-	-	-	-	-	88,389	88,389	(934)	87,455	
Other increases (decreases) in net equity	-	397	-	8,623	-	-	-	9,020	195	9,215	
Changes in net equity	-	397	-	8,623	-	-	88,389	97,409	(739)	96,670	
Final balance current period 3/31/2009	477,386	397	-	732	(4,185)	-	976,757	1,451,087	45,802	1,496,889	

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## Sociedad Química y Minera de Chile S.A. and Subsidiaries

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29	Events occurred subsequent to the balance sheet date	191

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Sociedad Química y Minera de Chile S.A. and Subsidiaries

Notes to the Interim Consolidated Financial Statements

as of March 31, 2010

Sociedad Química y Minera de Chile S.A.

and Subsidiaries

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 1. Identification and business of Sociedad Química y Minera de Chile S.A. and Subsidiaries

Historic Background

Sociedad Química y Minera de Chile S.A. (the “Company”) is an open stock corporation organized under the laws in the Republic of Chile. The Company was constituted by public deed issued on June 17, 1968 by the Notary Public of Santiago Mr. Sergio Rodríguez Garcés. Its existence was approved by Decree No. 1.164 of June 22, 1968 of the Ministry of Finance, and it was registered on June 29, 1968 in the Business Registry of Santiago, on page 4.537 N° 1.992. The Parent Company is located at El Trovador 4285, Floor 6, Las Condes, Santiago, Chile. Its phone No. is (56-2) 425-2000.

The Company is registered with the Securities Registry of the Chilean Superintendence of Securities and Insurance (SVS) under No. 0184 dated March 18, 1983 and is subject to the inspection of the SVS.

Our products are divided into five main categories, as follows:

**Specialty Plant Nutrition:** Products in this business line are niche fertilizers, used in specialty crops. This business is characterized by being closely related to its customers to which it has specialized staff who provide expert advice in best practices for fertilization according to each type of crop, soil and climate. Potassium derived fertilizers, and in particular potassium nitrate, play an important role in crop development, and they also improve post-harvest shelf life, quality, flavor and fruit color. Products in this business line include potassium nitrate, which is sold in multiple grades and as a part of other specialty mixtures, sodium nitrate and potassium sodium nitrate, and more than 200 specialty blends.

**Iodine:** SQM is the largest global producer of iodine, a product widely used in a variety of industries such as pharmaceutical, technological and health/nutrition. During the 8 years prior to the economic crisis, demand for iodine grew between 6% and 7% per year mainly due to its use in x ray contrast media and polarizing film for LCD displays. This growth trend should return to the industry in the short-term.

**Lithium:** Lithium is widely used in rechargeable batteries for cell phones, cameras and laptops. The sale of lithium grew at an average annual rate of 7% to 8% in the 10 years leading up to the financial crisis. During the financial crisis, overall consumption fell significantly. SQM is the worldwide leader in the production and sale of lithium. Demand growth should return to pre-crisis rates in the short term. Through the development of lithium-based products, SQM provides important resources to face modern challenges, such as the efficient use of energy and raw material. Lithium is not only used in rechargeable batteries and in technologies for electric cars, but also used in industrial applications to lower melting temperature, helping to save energy and reduce costs.

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 1. Identification and business of Sociedad Química y Minera de Chile S.A. and Subsidiaries, continued

**Industrial Chemicals:** Industrial chemicals include various products that are used inputs in a number of production processes. SQM has participated in this business line for more than 30 years producing sodium nitrate, potassium nitrate, boric acid and potassium chloride. In recent years a new, important application has developed in the field of renewable energy; sodium nitrate and potassium nitrate are being used in new solar energy plants to store thermal energy. There are currently projects being developed in countries such as Spain and the United States, as these countries aim to reduce their CO2 emissions

**Potassium:** Potassium is a essential primary macro-nutrient that, although not part of a plant's structure, has a significant role in the development of its basic functions. Potassium increases post-harvest shelf life, improves flavor, vitamin content and physical appearance. In this business line, SQM produces and sells potassium chloride and potassium sulfate, both produced from brines extracted from the Salar de Atacama salt flat in the north of Chile. In this business line SQM has focused a significant part of it investments plan, allowing a significantly increase in the Company's production levels in the last2 years.

Employees

As of March 31, 2010 and December 31, 2009 we had employees as detailed below:

	3/31/2010	12/31/2009
Employees in Chile	3,789	4,161
Employees elsewhere	266	226
Permanent employees	4,055	4,387

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## Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 1. Identification and business of Sociedad Química y Minera de Chile S.A. and Subsidiaries, continued  
Majority shareholders

The table below establishes certain information about the beneficial property of Series A and Series B shares of SQM as of March 31, 2010 and as of December 31, 2009. In respect to each shareholder which has interest of more than 5% of outstanding Series A or B shares. The information below is taken from our records and reports registered by the individuals indicated below with the Superintendencia de Securities and Insurance (SVS) and the Chilean Stock Exchange.

Shareholder 3/31/2010	Number of Series A shares with ownership	% of Series A shares	Number of Series B shares with ownership	% of Series B shares	Total % of shares
Sociedad de Inversiones Pampa Calichera S.A. (*)	57,934,256	40.56%	6,427,129	5.34%	24.45%
Inversiones El Boldo Limitada	44,679,453	31.28%	17,643,419	14.66%	23.68%
The Bank of New York	-	-	55,491,793	46.10%	21.08%
Inversiones RAC Chile Limitada	19,200,242	13.44%	2,699,773	2.24%	8.32%
Inversiones Global Mining (Chile) Limitada (*)	9,993,168	7.00%	-	-	3.80%
Banchile Corredores de Bolsa S.A.	121,838	0.09%	4,689,692	3.90%	1.83%
Santiago Stock Exchange	3,805,371	2.66%	701,599	0.58%	1.71%
Inversiones La Esperanza Limitada	3,693,977	2.59%	-	-	1.40%
AFP Provida S.A.	-	-	2,705,016	2.25%	1.03%
Banco Itau on behalf of investors	-	-	2,200,501	1.83%	0.84%

(\*) Total Pampa Group 28.25%

Shareholder as of 12/31/2009	Number of Series A shares with ownership	% of Series A shares	Number of Series B shares with ownership	% of Series B shares	Total % of shares
Sociedad de Inversiones Pampa Calichera S.A. (*)	57,934,256	40.56%	7,544,215	6.27%	24.88%
Inversiones El Boldo Limitada	44,679,453	31.28%	17,643,419	14.66%	23.68%

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The Bank of New York	-	-	55,734,253	46.30%	21.18%
Inversiones RAC Chile Limitada	19,200,242	13.44%	2,699,773	2.24%	8.32%
Inversiones Global Mining (Chile) Limitada (*)	9,993,168	7.00%	-	-	3.80%
Banchile Corredores de Bolsa S.A.	123,318	0.09%	5,326,662	4.42%	2.07%
Santiago Stock Exchange	3,805,371	2.66%	729,421	0.61%	1.72%
Inversiones La Esperanza Limitada	3,693,977	2.59%	-	-	1.40%
AFP Provida S.A.	-	-	2,900,035	2.41%	1.10%
Banco Itau on behalf of investors	-	-	2,242,292	1.86%	0.85%

(\*)Total Pampa Group 28.68%

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied

2.1 Accounting period

These interim consolidated financial statements cover the following period:

- Interim consolidated statements of financial position for the period ended as of March 31, 2010 and the year ended as of December 31, 2009.
- Interim consolidated statements of changes in net equity for the period ended as of March 31, 2010 and 2009.
- Interim consolidated statements of comprehensive income for the period between January 1 and March 31, 2010 y 2009, respectively
- Interim consolidated statements of cash flows, indirect method for the period ended as of March 31, 2010 and 2009.

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

2.2 Basis of preparation of interim consolidated financial statements

Interim and annual consolidated financial statements of Sociedad Química y Minera de Chile S.A. and Subsidiaries, have been prepared in accordance with International Financial Reporting Standards (hereinafter “IFRS”) and requirements of the Superintendencia of Securities and Insurance.

These interim and annual consolidated financial statements reflect fairly the Company’s equity and financial position and the results of its operations, changes in the statement of recognized income and expenses and cash flows, which have occurred during the periods then ended.

IFRS establish certain alternatives for their application. Those applied by the Company and its subsidiaries are included in detail in this Note.

The accounting policies used in the preparation of these consolidated interim and annual accounts comply with each IFRS in force at their date of presentation.

For comparative purposes, the Company’s statement of financial position as of 12/31/2009 and the Company’s Income statement as of 3/31/2009 haven been translated from Chilean GAAP to IFRS.

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

At the date of these interim consolidated financial statements, the following accounting pronouncements had been issued by the IASB but their application was not compulsory:

a)	Accounting standards.
Standards and Interpretations	Compulsory application, years beginning on
Revised IFRS 3: Business Combinations	Annual periods beginning on or after July 1, 2009
Amendment to IAS 39: Financial instruments: Recognition and measurement. Eligible covered items	Annual periods beginning on or after July 1, 2009
Amendment to International Accounting Standard 27(IAS 27): Consolidated and separate financial statements	Annual periods beginning on or after July 1, 2009
Improvement of IFRS	Mostly to annual periods beginning on or after July 1, 2009
Amendment to IFRS 2: Share-based payment International Financial Reporting Interpretations	Annual periods beginning on or after January 1, 2010
Committee 17 (IFRIC 17): Distributions of non-cash assets to owners	Annual periods beginning on or after July 1, 2009
IFRIC 17: Distributions of non-cash assets to owners	Annual periods beginning on or after July 1, 2010
IFRIC 19: Extinguishing financial liabilities with Equity instruments	Annual periods beginning on or after July 1, 2010

The Company's management believes the adoption of these standards, amendments and interpretations described above had no significant impact for the Group. The remaining accounting principles applied in 2010 had no variation compared to those used in 2009

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

a)	Accounting standards.
Interpretation and amendments	Compulsory application, years beginning on:
Amendment to IAS 32: Classification of right issues	Annual periods beginning on or after February 1, 2010
IFRS 9: Financial Instruments: Classification and measurement	Annual periods beginning on or after January 1, 2013
IAS 24 Revised: Disclosures of related companies	Annual periods beginning on or after January 1, 2011
IFRIC 19: Extinguishing financial liabilities with Equity instruments	Annual periods beginning on or after July 1, 2010
Amendment to IFRIC 14: Prepayments of a minimum funding requirement.	Annual periods beginning on or after January 1, 2011

The Company's management believes the adoption of standards, amendments and interpretations described above will have no significant impact on the Company's interim consolidated financial statements in the first-time application period.

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

2.3 Transactions in foreign currency

(a) Functional currency and presentation

The Company's interim consolidated financial statements are presented in United States dollars, which is the Company's functional and presentation currency and is the currency of the primary economic environment in which it operates.

Consequently, the term foreign currency is defined as any currency other than U.S. dollar.

The interim consolidated financial statements are presented in thousands of U.S. dollars with no decimals.

(b) Transactions and balances

Transaction balances denominated in a currency other than the functional currency (U.S. dollar) are converted using the exchange rate in force of the functional currency at the transaction date. Monetary assets and liabilities denominated in a foreign currency are converted at the exchange rate of the functional currency prevailing at the closing date of the consolidated statement of financial position. All differences are recorded with a charge or credit to income for the period, except if they are deferred in net equity.

Changes in the fair value of monetary titles denominated in foreign currency classified as available-for-sale are analyzed between translation differences resulting from changes in the amortized cost of the title and other changes in the amount of the title in the accounting records. Translation differences are recognized in net income for the year or period, as applicable and other changes in the amount in the accounting records are recognized in net equity.

Translation differences on non-monetary entries such as equity instruments held at fair value with changes in income are presented as part of the gain or loss in fair value. Translation differences on non-monetary entries are included in net equity in the restatement reserve.

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

(c) Group entities

The results, assets and liabilities of all those entities with a currency other than the presentation currency are converted to the presentation currency as follows:

- Assets and liabilities are converted at the closing date exchange rate on the balance date.
- Income and expenses in each income statement account are converted at average exchange rates.
- All resulting exchange differences are recognized as a component separate from net equity.

In consolidation, exchange differences which arise from the conversion of a net investment in foreign entities and of loans and other instruments denominated in foreign currency designated as hedging for those investments are taken to net shareholders' equity. At the disposal date, these exchange differences are recognized in the statement of income as part of the loss or gain from the sale.

2.4 Basis of Consolidation  
(a) Subsidiaries

Subsidiaries are all those entities on which Sociedad Química y Minera de Chile S.A. has the control to lead the financial and operating policies, which, in general, is accompanied by participation greater than half the voting rights. Subsidiaries are consolidated from the date in which control is transferred to the Company and are excluded from consolidation on the date in which this control ceases to exist.

In order to account for the acquisition of an investment, the Company uses the acquisition method. Under this method, the acquisition cost is the fair value of assets delivered, of equity instruments issued and of liabilities incurred or assumed at the exchange date plus costs directly attributable to acquisition. Identifiable assets acquired and identifiable liabilities and contingencies assumed in a business combination are initially stated at their fair value at the acquisition date regardless of the scope of minority interest. The excess in acquisition cost over the fair value of the participation in identifiable net assets acquired is recognized as goodwill.

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

The subsidiaries included in consolidation are detailed as follows:

TAX ID No.	Foreign subsidiaries	Country of origin	Functional currency	Ownership percentage			
				2010 Direct	2010 Indirect	2009 Total	2009 Total
Foreign	Nitratos Naturais Do Chile Ltda.	Brazil	Brazilian Real	0.0000	100.0000	100.0000	100.0000
Foreign	Nitrate Corporation Of Chile Ltd.	United Kingdom	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	SQM North America Corp.	USA.	US\$	40.0000	60.0000	100.0000	100.0000
Foreign	SQM Europe N.V.	Belgium	US\$	0.8600	99.1400	100.0000	100.0000
Foreign	Soquimich S.R.L. Argentina	Argentina	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	Soquimich European Holding B.V.	The Netherlands	Euro	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Corporation N.V.	Dutch Antilles	US\$	0.0001	99.9999	100.0000	100.0000
Foreign	SQI Corporation N.V.	Dutch Antilles	US\$	0.0159	99.9841	100.0000	100.0000
Foreign	SQM Comercial De México S.A. De C.V.	Mexico	US\$	1.0000	99.0000	100.0000	100.0000
Foreign	North American Trading Company	USA	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	Administración Y Servicios Santiago S.A. De C.V.	Mexico	Mexican Peso	0.0200	99.9800	100.0000	100.0000
Foreign	SQM Peru S.A.	Peru	US\$	0.9800	99.0200	100.0000	100.0000
Foreign	SQM Ecuador S.A.	Ecuador	US\$	0.0040	99.9960	100.0000	100.0000
Foreign	SQM Nitratos Mexico S.A. De C.V.	Mexico	Mexican Peso	0.0000	51.0000	51.0000	51.0000
Foreign	SQMC Holding Corporation L.L.P.	USA.	US\$	0.1000	99.9000	100.0000	100.0000
Foreign	SQM Investment Corporation N.V.	Dutch Antilles	US\$	1.0000	99.0000	100.0000	100.0000
Foreign	SQM Brasil Limitada	Brazil	Brazilian Real	3.0100	96.9900	100.0000	100.0000
Foreign	SQM France S.A.	France	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Japan Co. Ltd.	Japan	US\$	1.0000	99.0000	100.0000	100.0000
Foreign	Royal Seed Trading Corporation A.V.V.	Aruba	US\$	1.6700	98.3300	100.0000	100.0000
Foreign	SQM Oceania Pty Limited	Australia	Australian dollar	0.0000	100.0000	100.0000	100.0000

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Foreign	Rs Agro-Chemical Trading A.V.V.	Aruba	US\$	98.3300	1.6700	100.0000	100.0000
Foreign	SQM Indonesia	Indonesia	Indonesian rupee	0.0000	80.0000	80.0000	80.0000
Foreign	SQM Virginia L.L.C.	USA	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Venezuela S.A.	Venezuela	Venezuelan Bolivar	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Italia SRL	Italy	Euro	0.0000	100.0000	100.0000	100.0000
Foreign	Comercial Caiman Internacional S.A.	Cayman Islands	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Africa Pty.	South Africa	South African Rand	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Lithium Specialties LLC	USA.	US\$	0.0000	100.0000	100.0000	100.0000
Foreign	Fertilizantes Naturales S.A.	Spain	Euro	0.0000	66.6700	66.6700	66.6700
Foreign	Iodine Minera B.V.	The Netherlands	Euro	0.0000	100.0000	100.0000	100.0000
Foreign	SQM Agro India Pvt.Ltd.	India	US\$	0.0000	100.0000	100.0000	0.00000
Foreign	SQM Beijing Comercial Ltd.	China	US\$	0.0000	100.0000	100.0000	0.00000

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Notes to the Interim Consolidated Financial Statements as of March 31, 2010

Note 2. Bases of presentation of interim consolidated financial statements and accounting criteria applied, continued

The Subsidiaries included in consolidation are detailed as follows:

Tax ID No	Domestic subsidiaries	Country of Origin	Functional currency	Ownership percentage		Total	2009 Total
				Direct	Indirect		
96801610-5	Comercial Hydro S.A.	Chile	Chilean peso	0.0000	60.6382	60.6382	60.6382
96651060-9	SQM Potasio S.A.	Chile	US Dollar	99.9974	0.0000	99.9974	99.9974
96592190-7	SQM Nitratos S.A.	Chile	US Dollar	99.9999	0.0001	100.0000	100.0000
96592180-K	Ajay SQM Chile S.A.	Chile	US Dollar	51.0000	0.0000	51.0000	51.0000
86630200-6	SQMC Internacional Ltda.	Chile	Chilean peso	0.0000	60.6382	60.6382	60.6382
79947100-0	SQM Industrial S.A.	Chile	US Dollar	99.9954	0.0046	100.0000	100.0000
79906120-1	Isapre Norte Grande Ltda.	Chile	Chilean peso	1.0000	99.0000	100.0000	100.0000
79876080-7	Almacenes y Depósitos Ltda.	Chile	Chilean peso	1.0000	99.0000	100.0000	100.0000
79770780-5	Servicios Integrales de Tránsitos y Transferencias S.A.	Chile	US Dollar	0.0003	99.9997	100.0000	100.0000
79768170-9	Soquimich Comercial S.A.	Chile	US Dollar	0.0000	60.6383	60.6383	60.6383
79626800-K	SQM Salar S.A.	Chile	US Dollar	18.1800	81.8200	100.0000	100.0000
78602530-3	Minera Nueva Victoria S.A.	Chile	US Dollar	99.0000	1.0000	100.0000	100.0000
78053910-0	Proinsa Ltda.	Chile	Chilean peso	0.0000	60.5800	60.5800	60.5800
76534490-5	Sociedad Prestadora de Servicios de Salud Cruz del Norte S.A.	Chile	Chilean peso	0.0000	100.0000	100.0000	100.0000