



## FOR IMMEDIATE RELEASE

**Santiago, Chile, January 16, 2005.-** Sociedad Química y Minera de Chile S.A. (SQM) (NYSE: SQM, SQMA; Santiago Stock Exchange: SQM-B, SQM-A) and its subsidiaries and the Dutch Group “DSM” (DSM) are currently negotiating the possible purchase by SQM of all the shares issued by a Chilean and a Dutch subsidiary of DSM (both, DSMSB) involved in the production and distribution of iodine and iodine derivatives.

This transaction, if succeeds, will allow SQM to acquire the mining and water rights, the industrial plants and all the other DSMSB’s assets that enable the production -in Chile- and the distribution -abroad- of iodine and iodine derivatives. The main DSMSB’s assets are situated in Chile and DSMSB has an industrial installed capacity to produce approximately 2,200 tonnes of iodine per year.

The pertinent negotiations should conclude during this month. It is, however, subject to the parts reaching the definitive agreements related to the price of the transaction, to the pertinent “representations and guarantees” and to the other terms and conditions that are inherent to contracts of this nature.

SQM will inform as essential issue to the Chilean Securities and Exchange Commission and to the other organizations and markets in general, about the end of such negotiations, immediately after it happens, regardless of the outcome. In the event there is an agreement, SQM will also inform about the price of the transaction and about any other relevant information related thereto.

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SQM is an integrated producer and distributor of specialty plant nutrients, iodine, lithium and industrial chemicals. Its products are based on the development of high quality natural resources that allow the Company to be leader in costs, supported by a specialized international network with sales in over 100 countries. SQM’s development strategy aims to maintain and strengthen the world leadership in its three main businesses: specialty plant nutrition, iodine and lithium.

For further information contact: SQM, Carolina Pavez + (56) 2 4252274 / [Carolina.pavez@sqm.com](mailto:Carolina.pavez@sqm.com)

**SQM**  
Los Militares 4290 Piso 6,  
Las Condes, Santiago, Chile  
Tel: (56 2) 425 2485  
Fax: (56 2) 425 2493  
[www.sqm.com](http://www.sqm.com)

