

First Quarter 2019 Results Presentation

May 17, 2019



First Quarter 2019 Highlights



Revenue amounted to US\$2,525 million decreasing 7.5%, impacted by currency devaluation in the region, weak international demand in Argentina and international overcapacity



Cost per ASK improved 6.9% YoY, while cost per ASK excluding fuel improved 8.7% YoY.



Operating income amounted to US\$82 million and operating margin of 3.3%



Intention to participate in the restructuring plan for Avianca Brazil proposed by Elliot Management Corporation



Acquisition of the minority interest of Multiplus completed for US\$304 million



LATAM's shareholders approved a dividend distribution of US\$54.6 million paid on May 16, 2019

First Quarter 2019 Financial Summary

(US\$ Millions)	1Q19	1Q18	Change
Total Operating Revenues	2,525	2,731	-7.5%
Passenger	2,168	2,318	-6.5%
Cargo	263	296	-10.9%
Others	94	117	-19.6%
Total Operating Costs	-2,443	-2,462	-0.7%
Fuel	-747	-718	4.0%
Ex-Fuel	-1,697	-1,744	-2.6%
Operating Income	82	270	-69.6%
Operating Margin	3.3%	9.9%	-6.6 p.p.
Net Income	-60	92	n.a.
EBITDA	434	619	-30.0%
EBITDA Margin	17.2%	22.7%	5.5 p.p.

First Quarter 2019 Operating Statistics

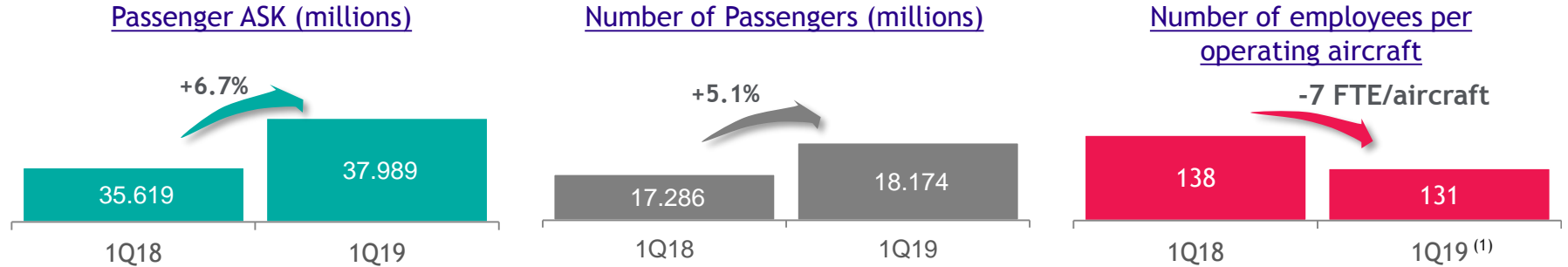
% YoY	System Capacity	Capacity (ASK)	Traffic (RPK)	Load Factor	RASK/RATK (USc) ¹ (% YoY)
		+8.1%	+5.5%	85.1% (-2.2 p.p.)	5.6 (-15.2%)
		+1.5%	+1.3%	82.1% (-0.2 p.p.)	6.2 ² (-7.2%)
		+9.6%	+10.3%	84.2% (0.5 p.p.)	6.5 (-10.4%)
Passenger		+6.7%	+5.2%	84.2% (-1.1 p.p.)	5.7 (-12.3%)
Cargo		-0.4%	+1.9%	56.0% (1.3 p.p.)	16.4 (-10.6%)

BRL
1Q19: +7.3%

¹ RASK by business unit includes ticket revenue, breakage, frequent flyer program contribution and ancillary revenues.

² Excluding proportional margin contribution from Multiplus

Cost per ASK excluding fuel decreased by 8.7% YoY

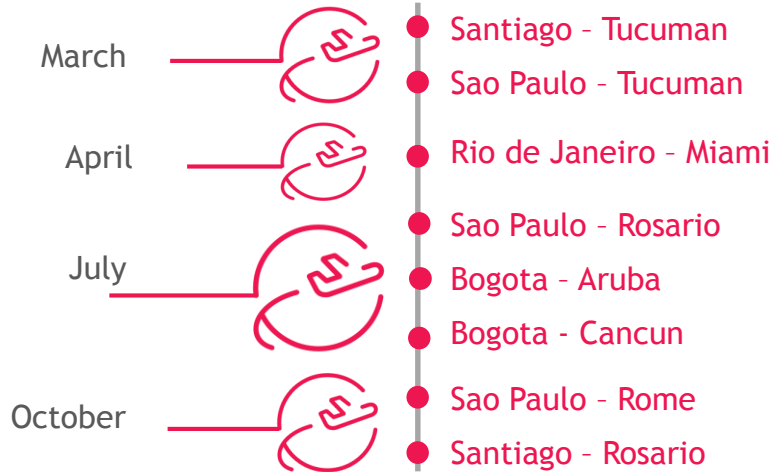


Total Costs US\$MM	1Q19	1Q18	Change
Fuel Cost	747	718	+4.0%
Wages & Benefits	476	515	-7.5%
Fleet Cost	456	448	+1.8%
Others	765	780	-2.8%
Operating Costs	2,443	2,462	-0.7%
CASK(US cents)	6.4	6.9	-6.9%
CASK ex-fuel (US cents)	4.5	4.9	-8.7%

¹ Excluding 2 Boeing 777 leased to Boeing

2019 network adjustments

Out

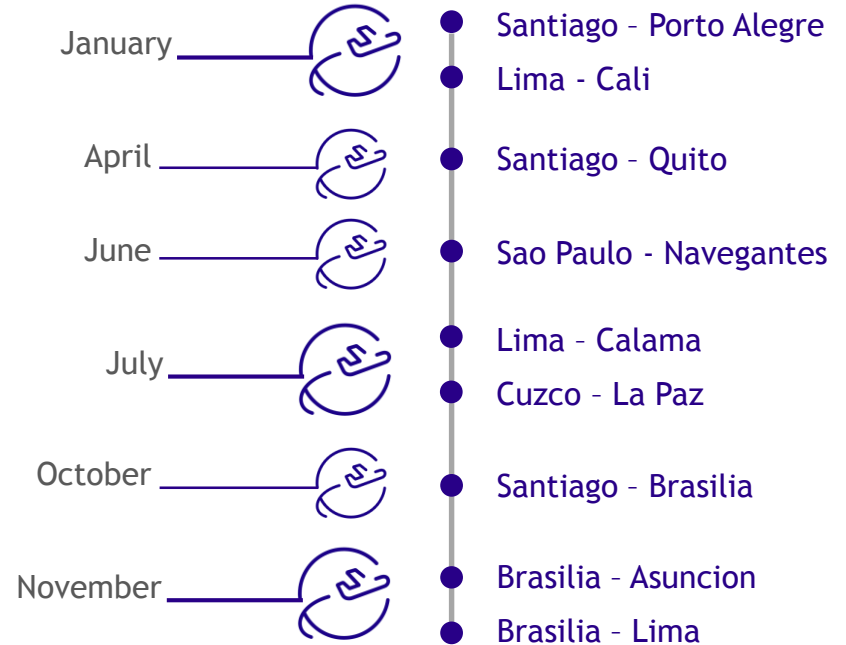


Other adjustments

Sao Paulo to Munich will not be launched in June

Lima to Montego Bay postponed from July to December

In



Worldwide recognition for our operational excellence and customer care

Best Global Airline in South America



“Best Seat Comfort” - “Best Cabin Service”
“Best Food and Beverage” - “Best Wi-Fi”
“Best Inflight Entertainment”

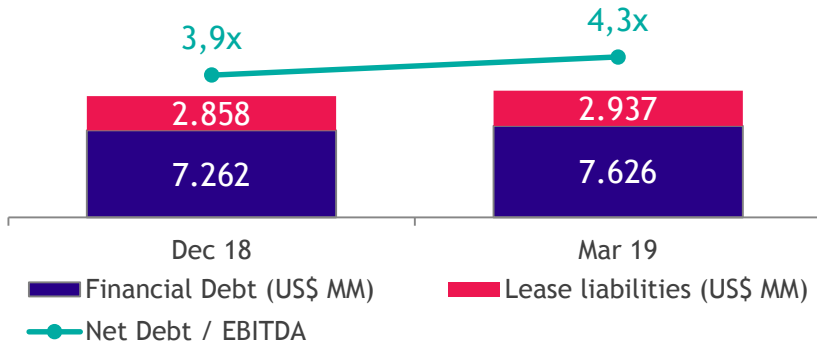
Outstanding Food Service



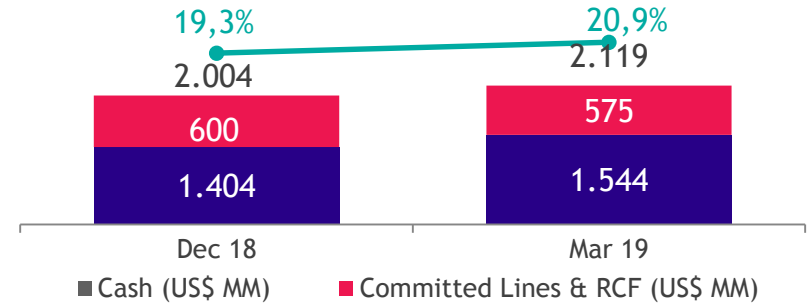
Best food service in South America

First quarter 2019 credit metrics

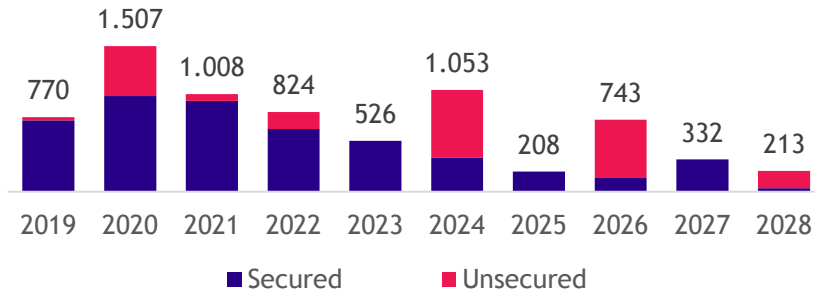
Net Debt / EBITDA LTM



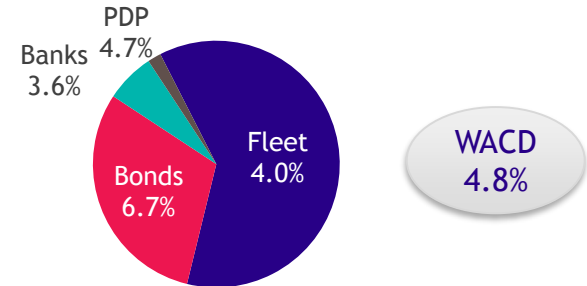
Cash and Equivalents as % of LTM revenues



Debt maturity profile (US\$MM) as of March 31, 2019¹



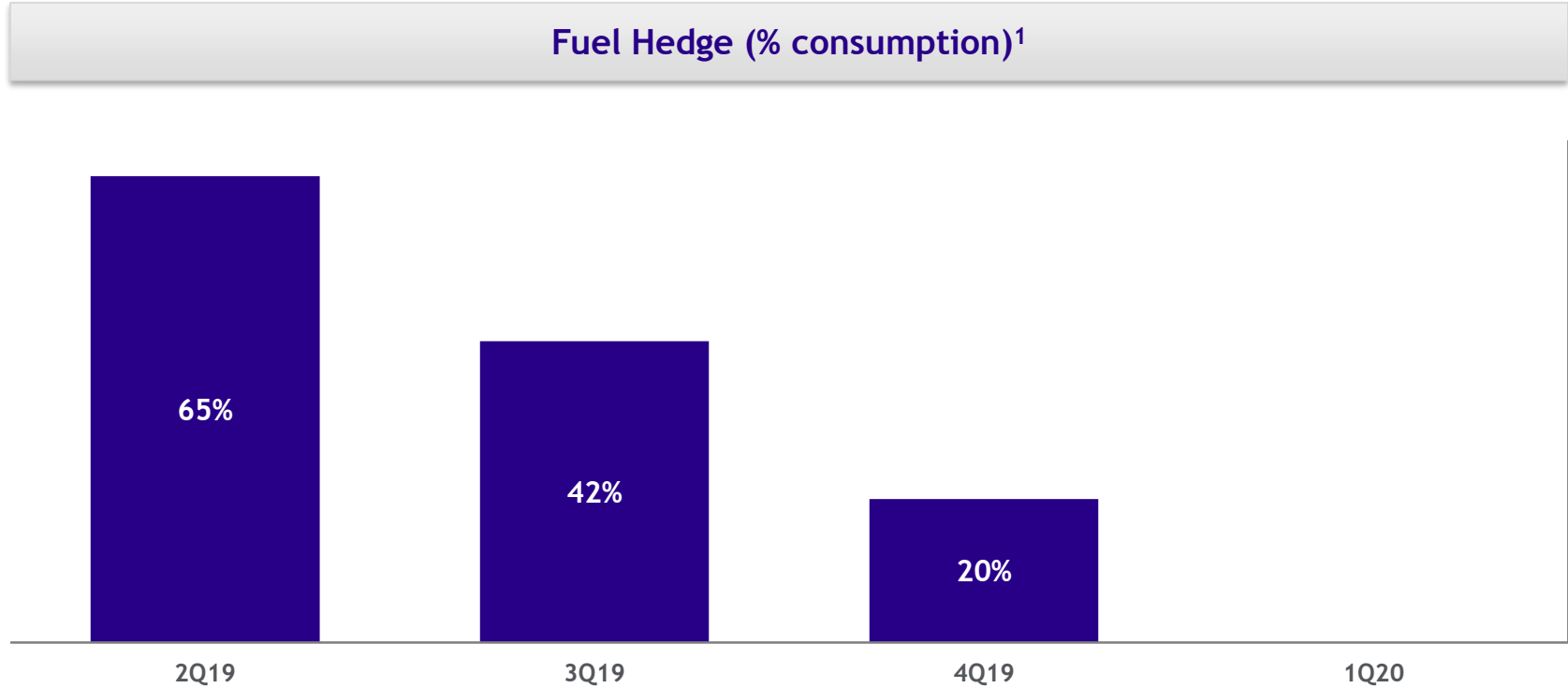
Cost of debt as of March 31, 2019



(1) The debt maturity profile does not include PDP and short term rolling debt.




Note: 2018 debt figures have been re-expressed under IFRS16

Hedging strategy to support operational margin resilience



1. As of May 2019

Guidance 2019

		Previous guidance	New guidance
Passenger (ASK) 	International	3% - 5%	0% - 2%
	Domestic Brazil	2% - 4%	5% - 7%
	Domestic Spanish Speaking Countries	8% - 10%	8% - 10%
	Total	4% - 6%	3% - 5%
Cargo (ATK) 		1% - 3%	0% - 2%
Operating Margin (%) 		7% - 9%	7% - 9%

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