

# Third Quarter 2021 Corporate Update

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November 2021



**Sustainability Award**

Silver Class 2021

**S&P Global**

# Third Quarter 2021 Highlights of LATAM group

## Operations & Network



- Operated 49.7% of ASKs compared with the same quarter of 2019
- Capacity increased 75% from the second quarter of 2021, illustrating continued ramp up
- Forecast to operate over 65% of 2019 levels of capacity by the end of the year

## Cargo Business



- Revenues increased 43.7%, though total capacity decreased 26%, compared to 2019
- Yields increased 68.9% versus 2019
- Freighter capacity increased 14% vs 2019 with historic utilization levels
- Load factors reached 61.6%

## Financial & Chapter 11



- Tranche B of up to US\$750 million approved as part of DIP Financing, which gives LATAM access to US\$1.55 billion, of which LATAM has withdrawn US\$200 Million
- Financial debt totaled US\$7.5bn
- Exclusivity period for LATAM to file Plan of Reorganization through November 26, 2021

## Recent Highlights

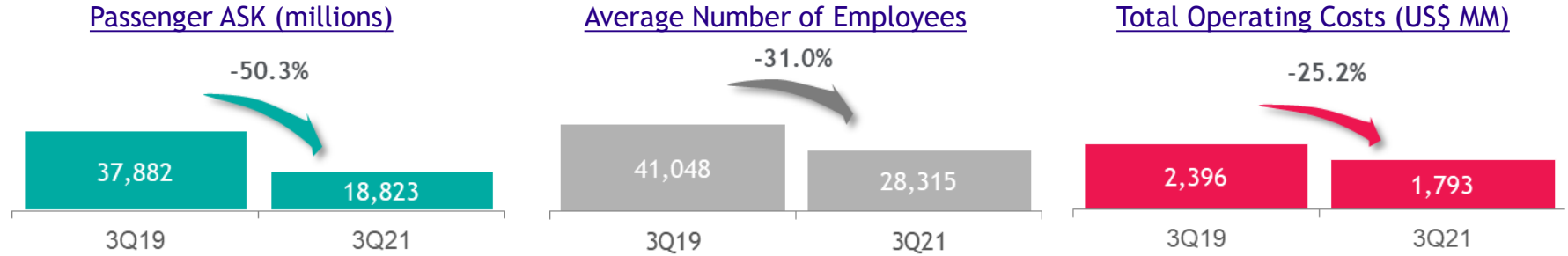


- Announced CO2BIO project, a conservation initiative in Colombia for over 200,000 hectares of iconic ecosystem
- Recognized by SkyTrax as the “Best Airline in South America”
- LATAM & Delta Air Lines received approval of their agreement reached with FNE to implement the TransAtlantic JVA from the TDLC in Chile on October 28, 2021. DOT approval is pending.

# Third Quarter 2021 Financial Summary

(US\$ Millions)	3Q21	3Q20	Change	3Q19	Change
<b>Total Operating Revenues</b>	<b>1,314</b>	<b>513</b>	<b>156.1%</b>	<b>2,665</b>	<b>-50.7%</b>
Passenger	915	121	655.6%	2,340	-60.9%
Cargo	361	284	27.3%	252	43.6%
Others	38	108	-65.2%	73	-48.6%
<b>Total Operating Costs</b>	<b>-1,793</b>	<b>-1,078</b>	<b>66.4%</b>	<b>-2,396</b>	<b>-25.2%</b>
Fuel	-393	-110	258.1%	-717	-45.2%
Ex-fuel	-1,400	-968	44.7%	-1,679	-16.6%
<b>Operating Income</b>	<b>-479</b>	<b>-565</b>	<b>-15.1%</b>	<b>269</b>	<b>n.m.</b>
Operating Margin	-36.5%	-110.1%	73.6 p.p.	10.1%	-46.6 p.p.
<b>Net Income</b>	<b>-692</b>	<b>-573</b>	<b>20.7%</b>	<b>86</b>	<b>n.m.</b>
<b>EBITDA</b>	<b>-188</b>	<b>-265</b>	<b>-28.8%</b>	<b>645</b>	<b>n.m.</b>
EBITDA Margin	-14.3%	-51.6%	37.2 p.p.	24.2%	-38.5 p.p.

# LATAM group Total Operating Costs decreased 25.2% versus 2019



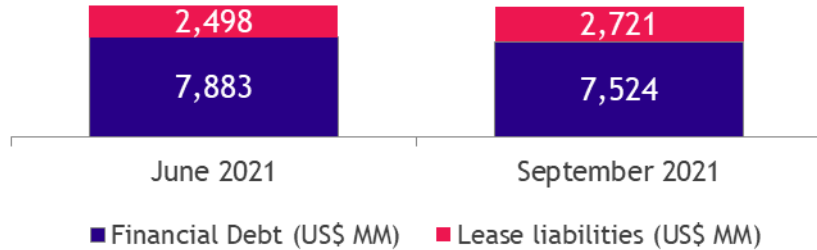
Total Costs US\$MM	3Q21	3Q20	Change	3Q19	Change
Fuel Cost	393	110	258.1%	717	-45.2%
Wages & Benefits	252	196	28.7%	447	-43.5%
Fleet Cost <sup>1</sup>	541	368	46.8%	480	12.5%
Others <sup>2</sup>	607	403	50.5%	752	-19.3%
<b>Operating Costs</b>	<b>1,793</b>	<b>1,078</b>	<b>66.4%</b>	<b>2,396</b>	<b>-25.2%</b>

1) Includes cost of Depreciation & Amortization + Aircraft Maintenance + PBH variable fleet cost.

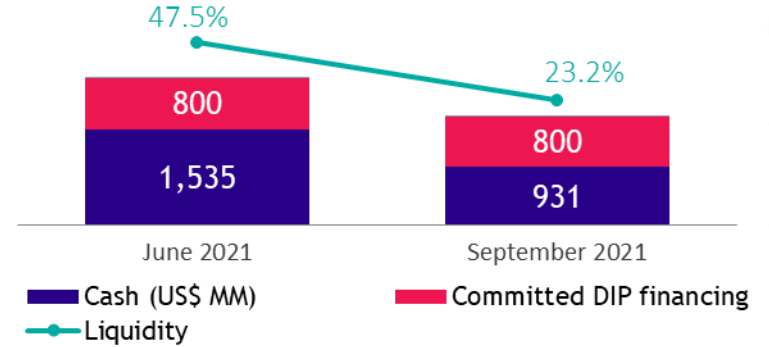
2) Includes cost of Commissions to Agents + Other Rental and Landing Fees + Passenger Services + Other Operating Expenses

# Third Quarter 2021 Credit Metrics

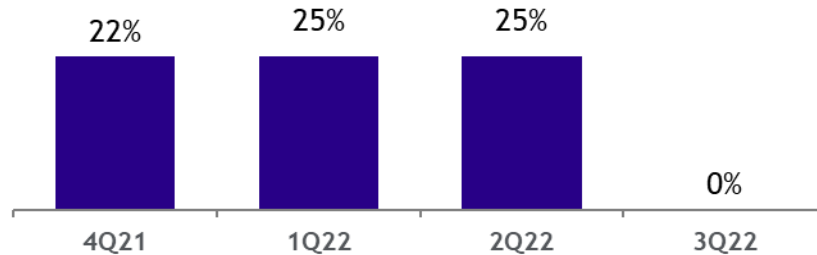
## Financial Debt Position



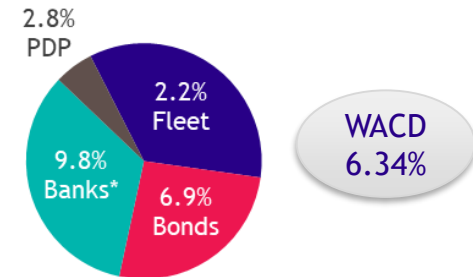
## Cash and Equivalents as % of LTM revenues



## Fuel Hedge (% consumption)



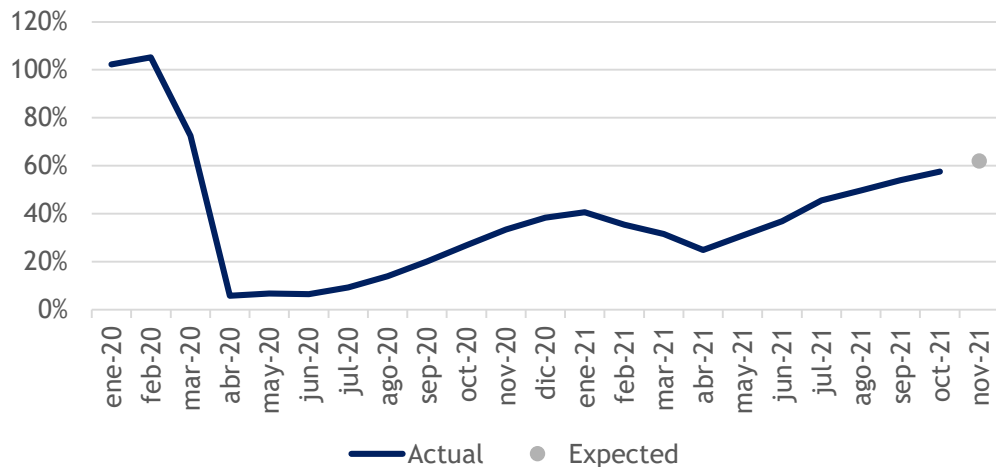
## Cost of Debt as of September 30, 2021



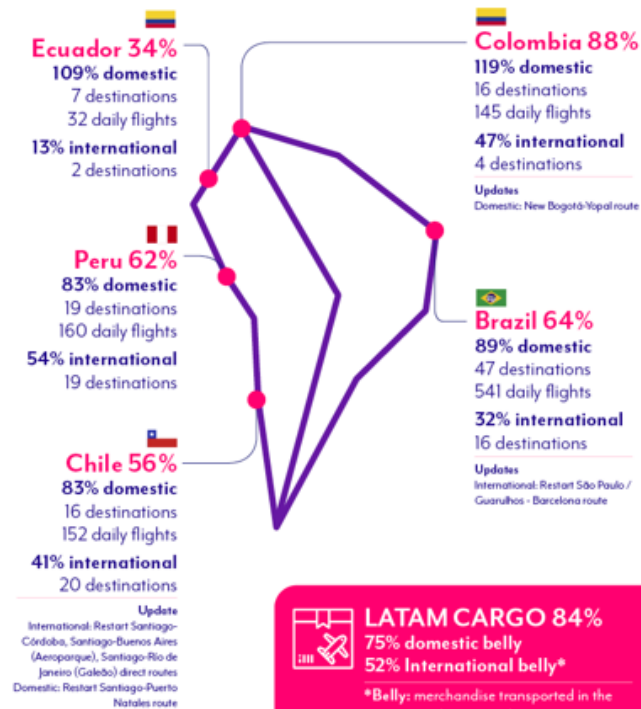
# LATAM group Gradual Operational Recovery, Highly Dependent on Travel Restrictions

Fourth consecutive month of operational ramp up projected

## Monthly capacity operated in ASKs (compared to 2019)



Forecast of 62% of 2019 ASKs in November



# Highlights Chapter 11 Process - LATAM

**May 26, 2020:** Filing for Chapter 11 by LATAM Airlines Group S.A and subsidiaries from Chile, Peru, Colombia, Ecuador and USA

**June 2020:** Signing of Stipulation letters and power by the hour (PBH) fleet payment scheme started

**June 10, 2020:** Delisting from New York Stock Exchange (NYSE)

**June 17, 2020:** Announcement of cessation of operations of LATAM Airlines Argentina

**July 9, 2020:** LATAM Airlines Brazil filed for Chapter 11

**September 18, 2020:** DIP Financing was approved for US\$2.45 billion

**October 8, 2020:** First DIP Financing draw for half of the funds committed at this date, amounting to US\$ 1.15 billion

**June 23, 2021:** Second DIP Financing draw for US\$500 million

**October 18, 2021:** Tranche B of DIP Financing approved for up to US\$750 million

**November 10, 2021:** Third DIP Financing draw for US\$200 million (entirely from Tranche B)

**\*\*November 26, 2021:** Deadline of exclusivity period to file Plan of Reorganization

**\*\*January 26, 2022:** Deadline for voting upon the Plan of Reorganization

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