

Corporate Update

August 2021



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Second Quarter 2021 Highlights of LATAM group

Operations & Network



- Operated 30.9% of ASKs compared with the same quarter of 2019
- Operations were 24.9% of ASKs in April, rising to 36.9% of ASKs in June
- Forecast reaching over 50% capacity by the end of third quarter

Cargo Business



- Revenues increased 37.5%, though total capacity decreased 28%, compared to 2019
- Cargo represented 41.7% of total revenues (vs. 11.4% in 2Q19)
- Freighter capacity increased 24% vs 2019 with historic utilization levels
- Load factors reached 68.0%

Financial & Chapter 11



- Liquidity of US\$2.3 billion as of June 30, 2021 (US\$1.5 bn in cash + US\$800 bn in undrawn DIP financing facility)
- Financial Debt's nominal value totaled US\$7.9bn
- Exclusivity period for LATAM to file Plan of Reorganization through September 15, 2021

Recent Highlights

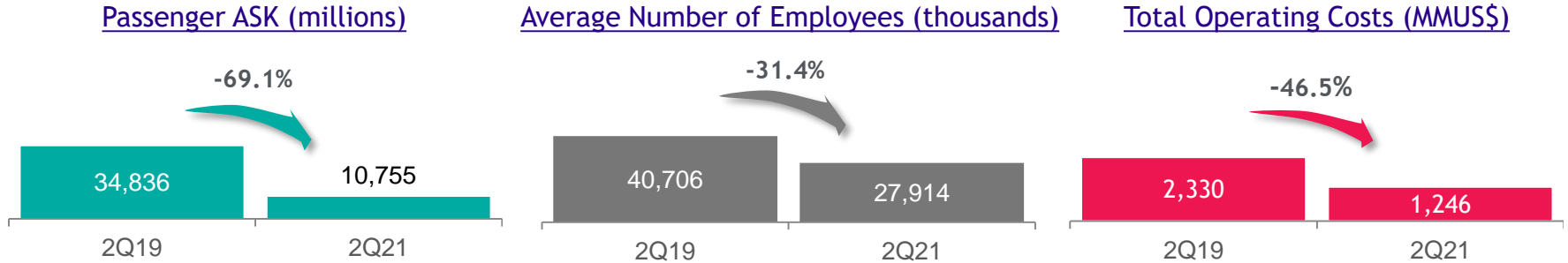


- Launch of long-term sustainability strategy which includes a carbon-neutral LATAM by 2050 and zero waste to landfills by 2027
- Recognized by Official Airline Guide (OAG) as most punctual in the world, based on OTP between January and June 2021
- Concluded negotiations and filed agreements to allow the group to reach 95% of its fleet needs

Second Quarter 2021 Financial Summary

(US\$ Millions)	2Q21	2Q20	Change	2Q19	Change
Total Operating Revenues	889	572	55.4%	2,370	-62.5%
Passenger	456	123	270.6%	2,020	-77.4%
Cargo	370	319	16.1%	269	37.5%
Others	63	130	-51.7%	81	-22.4%
Total Operating Costs	-1,246	-1,267	-1.6%	2,330	-46.5%
Fuel	-267	-77	246.8%	-721	-62.9%
Ex-fuel	-979	-1,190	-17.7%	1,608	-39.1%
Operating Income	-358	-695	-48.5%	40	n.m.
Operating Margin	-40.3%	-121.5%	-81.2 p.p.	1.7%	-42.0 p.p.
Net Income	-770	-890	-13.5%	-63	n.m.
EBITDA	-89	-388	-77.1%	392	-122.7%
EBITDA Margin	-10.0%	-67.8%	57.8 p.p.	16.5%	-26.5 p.p.

Total Operating Costs decreased 46.5% versus 2019



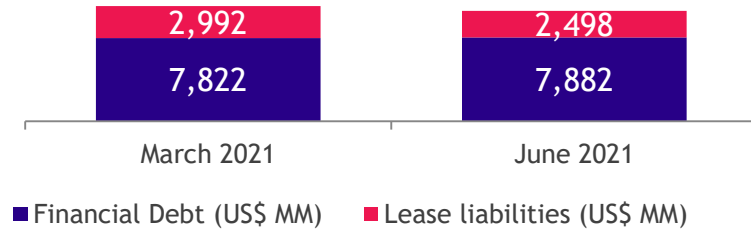
Total Costs US\$MM	2Q21	2Q20	Change	2Q19	Change
Fuel Cost	267	77	246.8%	721	-62.9%
Wages & Benefits	232	174	33.4%	432	-46.3%
Fleet Cost ¹	372	447	-16.7%	460	-19.1%
Others ²	360	569	-36.7%	716	-49.8%
Operating Costs	1,246	1,267	-1.6%	2,330	-46.5%

1) Includes cost of Depreciation & Amortization + Aircraft Maintenance. PBH variable fleet cost not reflected in P&L due to IFRS accounting standards, but has resulted in reduced cash flows.

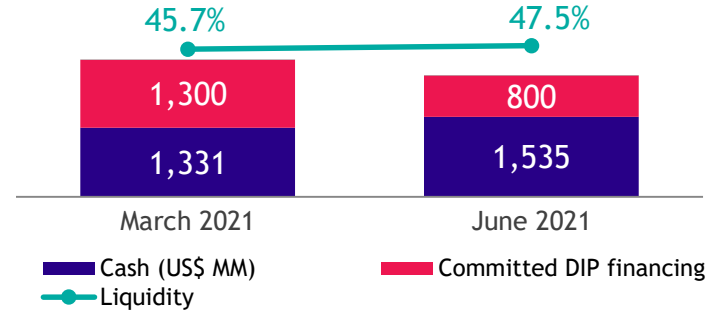
2) Includes cost of Commissions to Agents + Other Rental and Landing Fees + Passenger Services + Other Operating Expenses

Second Quarter 2021 Credit Metrics

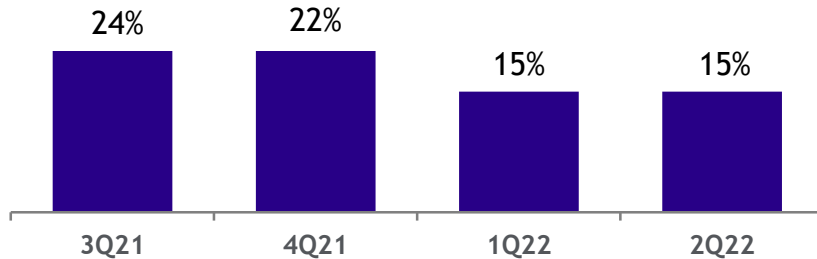
Financial Debt Position



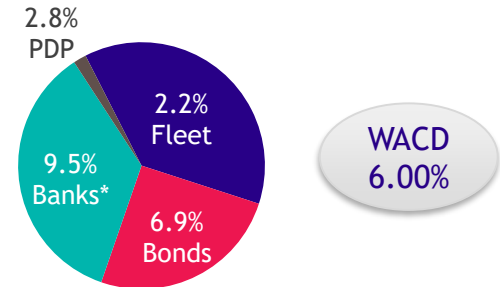
Cash and Equivalents as % of LTM revenues



Fuel Hedge (% consumption)



Cost of Debt as of June 30, 2021



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: Announced indefinite cessation of operations in 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

September 15, 2021: Deadline of exclusivity period to file Plan of Reorganization

November 8, 2021: Deadline for voting upon the Plan of Reorganization

Other Chapter 11 Process Milestones

Fleet renegotiations:

- Conclusion of various fleet negotiations and Court filings, allowing LATAM to reach approximately 95% of its fleet needs with largely favorable outcomes - lower rent payments, extended variable payment periods, extended payment periods.

Agreement finalized with Boeing:

- Terminate orders for four B787 aircraft and one B777F aircraft without penalties and receive two Boeing 787 Dreamliner aircraft in the fourth quarter of 2021 or first quarter of 2022.

Agreement finalized with Airbus:

- Postponing deliveries up to three years from the originally scheduled delivery dates
- Eliminating deliveries in 2020 and 2021
- Cancellation of two A350 deliveries, in line with LATAM's decision to retire its A350 fleet
- Total purchase order of 70 aircraft through 2028 of Airbus 320 Neo family

Aircraft sale:

- Approval of sale of nine B767 aircraft to Jetran

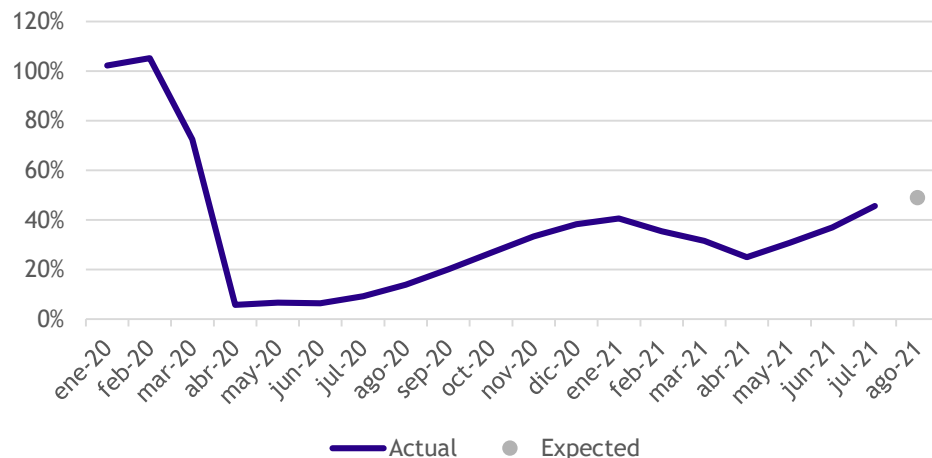
Claims Reconciliation:

- A total of approximately 6,300 claims for a total approximate value of US\$123.5 billion were filed against the debtors, of which approximately 2,170 claims for a total value of US\$23 billion have been objected to or resolved through claims withdrawals, stipulations and court orders.

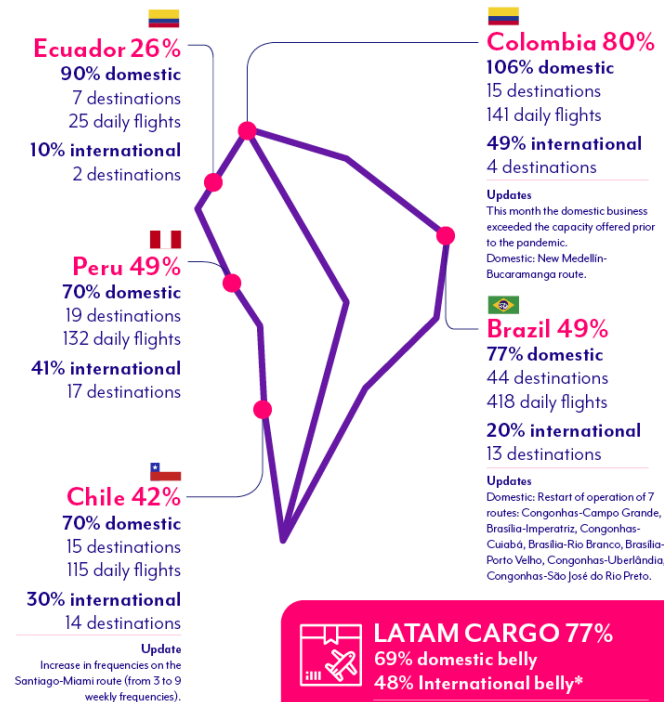
Gradual Operational Recovery, Highly Dependent on Travel Restrictions

Fourth consecutive month of operational ramp up projected

Monthly capacity operated in ASKs
(compared to 2019)



Forecast of 49% of 2019 ASKs in August



Vaccination roll-out and travel restrictions

	Argentina	Brazil	Chile	Colombia	Ecuador	Peru
Vaccination progress (total population)	22.20%	23.85%	68.13%	29.40%	26.60%	20.90%
Vaccination progress (completion of program in target population)	62.28%	29.81%	83.25%	39.20%	57.30%	28.30%
Vaccines administered	36,851,592	166,498,229	25,456,282	31,769,498	14,700,000	16,000,000
Approved vaccines	Sputnik V, AstraZeneca, Sinopharm, Covishield and Pfizer	Jenssen, Sinovac, AstraZeneca and Pfizer	Sinovac, AstraZeneca, Pfizer and Cansino and Sputnik V	Sinovac, Jenssen AstraZeneca and Pfizer	Sinovac, AstraZeneca and Pfizer	Pfizer, Sinopharm and AstraZeneca
National travel restrictions	Permitted Essential travel only. Permit required, depending on local government	Permitted	Permitted National travel permitted according to status of local district in "step-by-step" plan. Reduced restrictions for inoculated population with <i>mobility pass</i> . Slot and capacity constraints.	Permitted	Permitted Galapagos requires a negative PCR test -96 hours prior to departure	Permitted Travel affidavit required
International travel restrictions	Borders closed until September 4 Limited international capacity operating to serve nationals and residents.	Borders open Negative PCR test -72 hours prior to departure. Passengers from UK, India and South Africa not permitted	Borders open for Chileans and residents with mobility pass Special exceptions for international passengers. (negative PCR test -72 hours prior to departure / 10-day home quarantine for mobility pass holders or 10 days in transit hotel / insurance)	Borders open PCR test no longer required for entry.	Borders open Negative PCR test -72 hours prior to departure or Covid-19 vaccination certificate	Borders open Negative PCR/antigen test -72 hours prior to departure. Passengers from Brazil, India and South Africa not permitted. Nationals/residents travelling from these countries need to quarantine for 14 days

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