



Airfinance Journal Conference - Dublin

LATAM Airlines Group Corporate Update

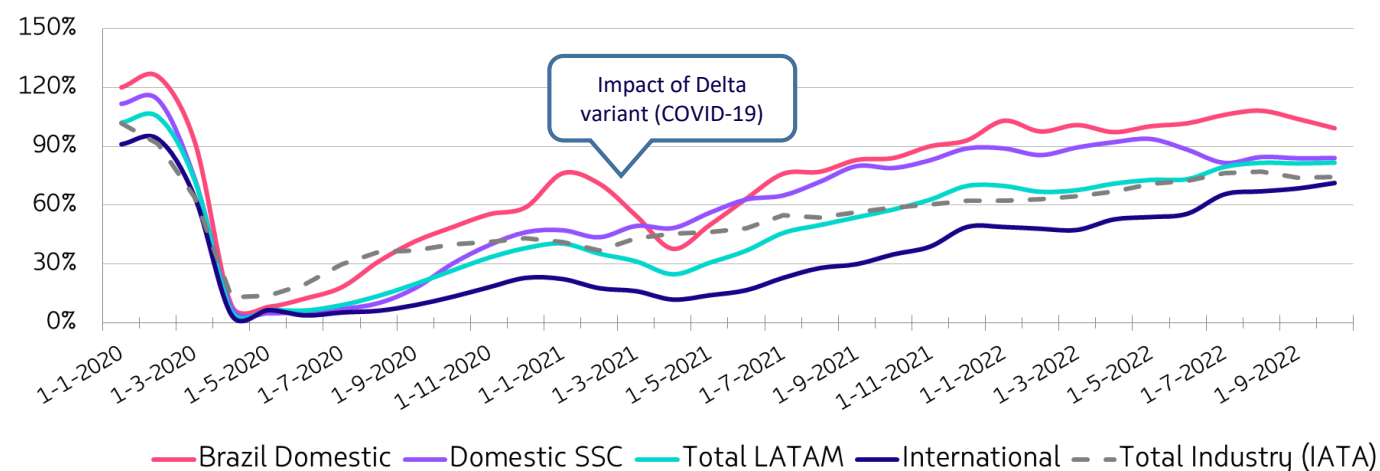
January 17-18, 2023

The COVID-19 pandemic had a severe impact on the region and LATAM group's operations



- In April 2020, LATAM group was operating only approximately 5% of its capacity (measured in ASKs).
- The South American region had some of the longest lasting and most severe COVID restrictions in the world.
- The impact of COVID-19 prompted governments worldwide to provide more than US\$243 billion in financial aid.
- LATAM group did not receive any government support.

Capacity (ASKs) vs 2019 Levels (%)¹



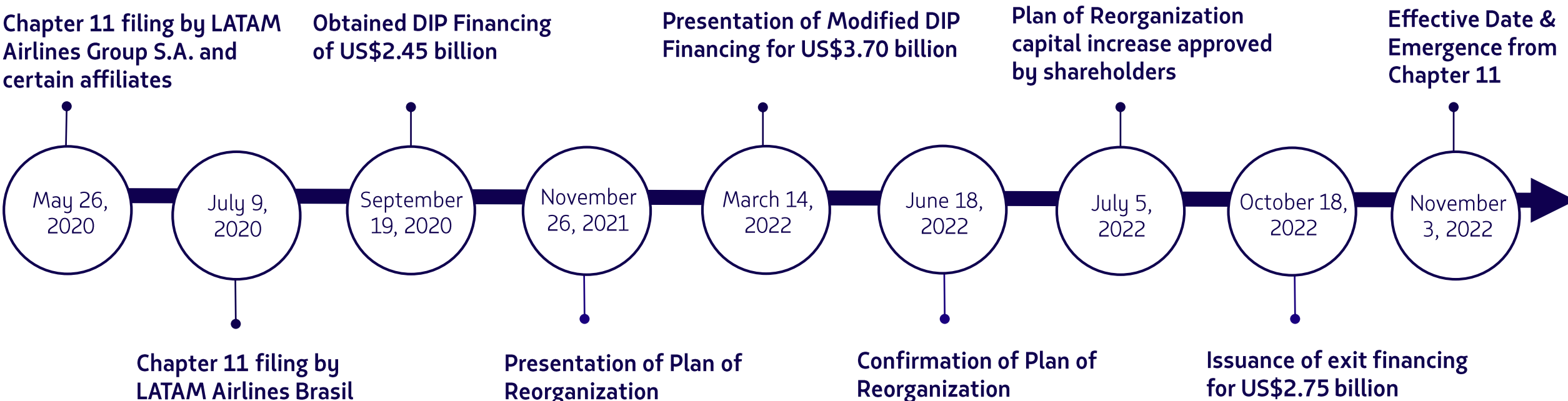
¹Company filings and IATA monthly traffic reports.

LATAM group’s Chapter 11 process was longer and more complex than most



Unique challenges faced:

- The difficulty of reconciling Chilean law and US Bankruptcy Code, especially with regard to the role of shareholders in the process, in addition to the multi-jurisdiction complexities of LATAM group.
- LATAM group had to reconcile more than 6,500 claims asserting more than US\$125 billion, many of which were duplicates, signifying great costs in both time and resources.
- The need of support and approval from both creditors and shareholders in order to approve and implement its Plan of Reorganization and eventual emergence from the process.
- At filing, the airline group’s fleet consisted of 340 aircraft with several different financing structures.



LATAM group emerged successfully with important improvements in its cost and capital structures

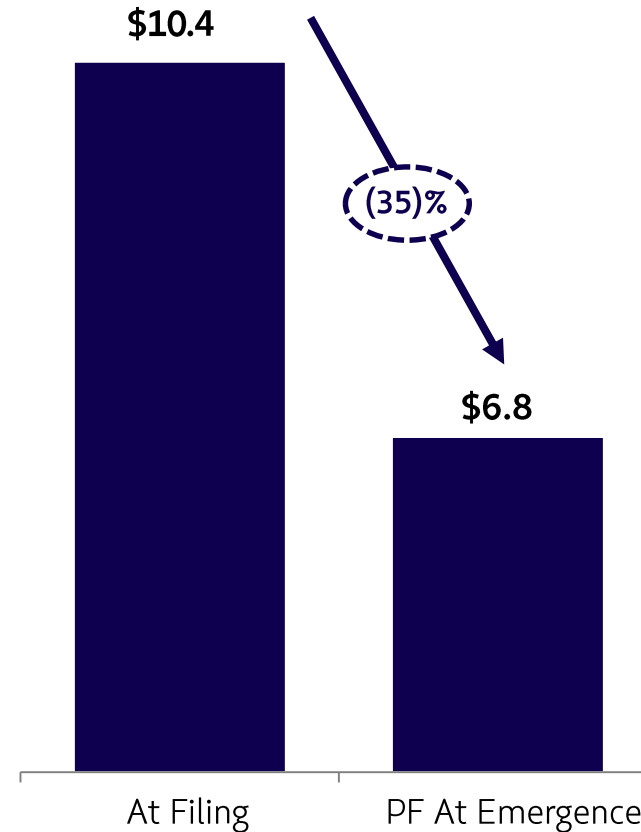


- ✓ Over **US\$1 billion** in cost saving initiatives vs 2019
- ✓ Over **40% fleet cash cost savings** vs 2019
- ✓ Capital Structure: approximately **US\$6.8 bn in debt** and **US\$10.3 bn in equity**
- ✓ Liquidity: **US\$2.2 bn** (25% of LTM revenues)

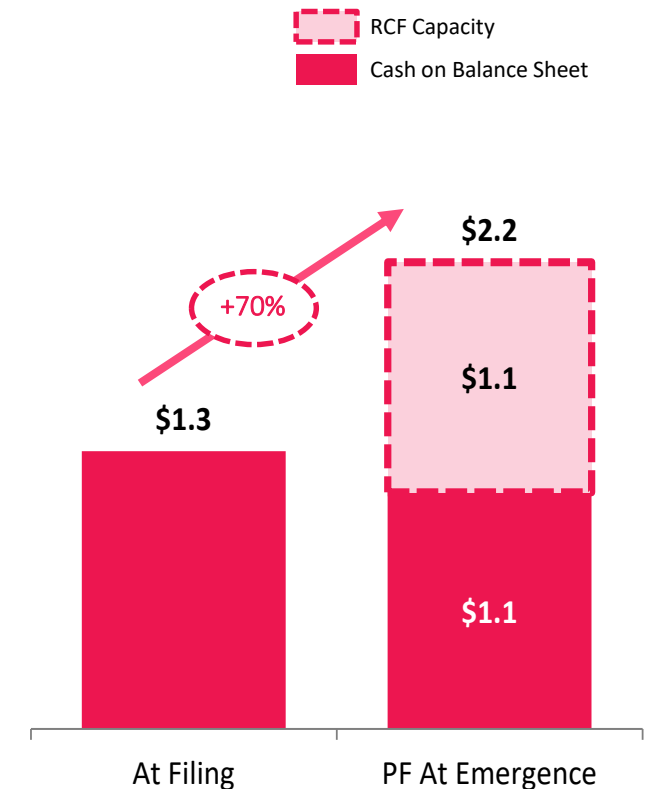
Key Cost Saving Initiatives

- Business simplification
- Rightsized and more efficient fleet
- Headcount reduction of approximately 25%
- Improved vendor and supplier contracts
- Passenger CASK ex Fuel¹ of US\$4.0 cents in 3Q22, below 2019 levels (-3.1%)

Gross Debt (US\$bn)^{1,2}



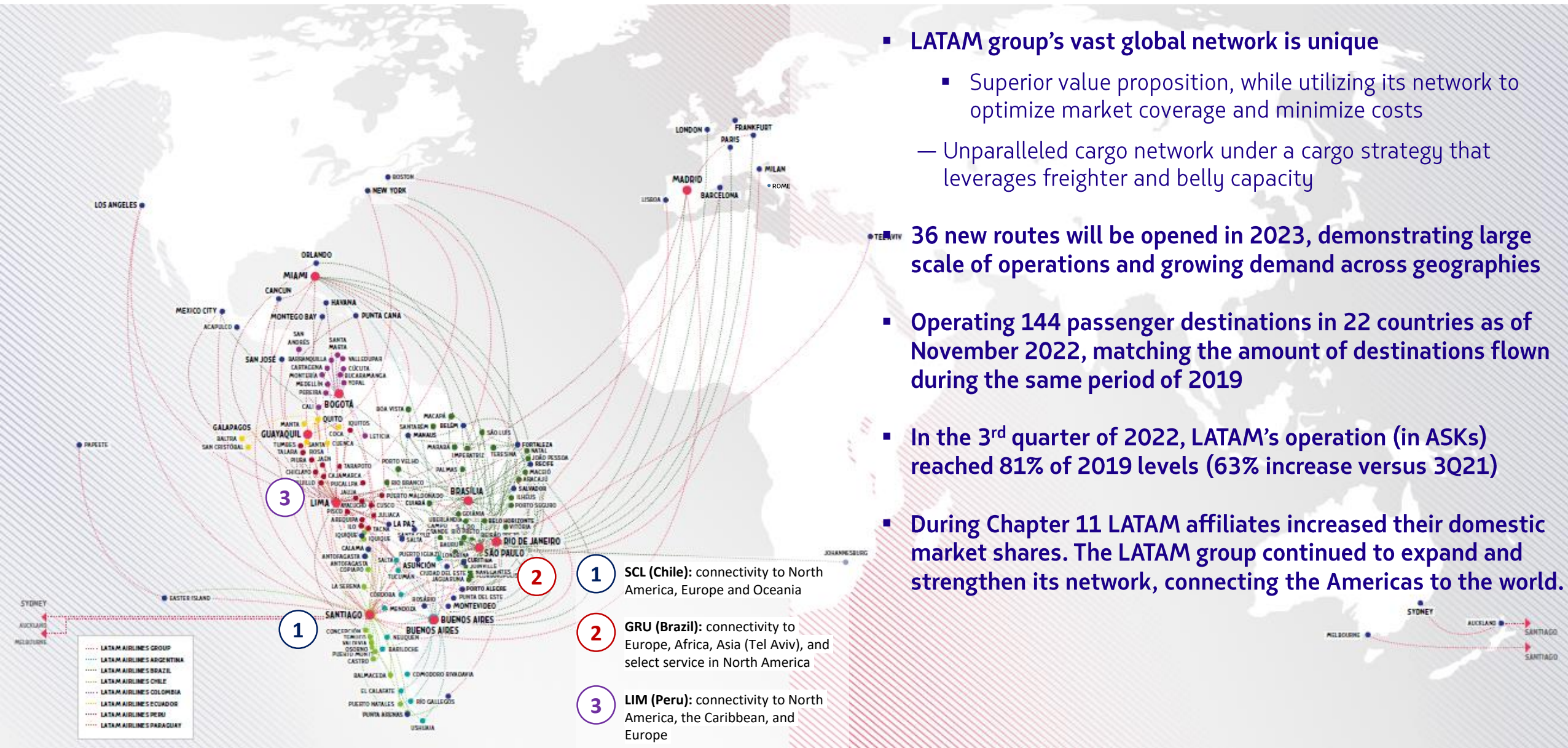
Liquidity (US\$bn)^{1,2,3}



Note: May not sum due to rounding; ¹ "At Filing" refers to 5/25/2020 petition date debt balances; ² "At Emergence" is pro forma for financing transactions related to emergence. Cash balance based on assumed cash as of 12/31/2022 based on publicly available information; ³ Includes cash & cash equivalents and revolving credit facility capacity.

1) Excludes cargo related costs and double counting cost of Aircraft Rentals (PBH)

LATAM group's global network continues to connect within the region and to the world



■ LATAM group's vast global network is unique

- Superior value proposition, while utilizing its network to optimize market coverage and minimize costs
- Unparalleled cargo network under a cargo strategy that leverages freighter and belly capacity

36 new routes will be opened in 2023, demonstrating large scale of operations and growing demand across geographies

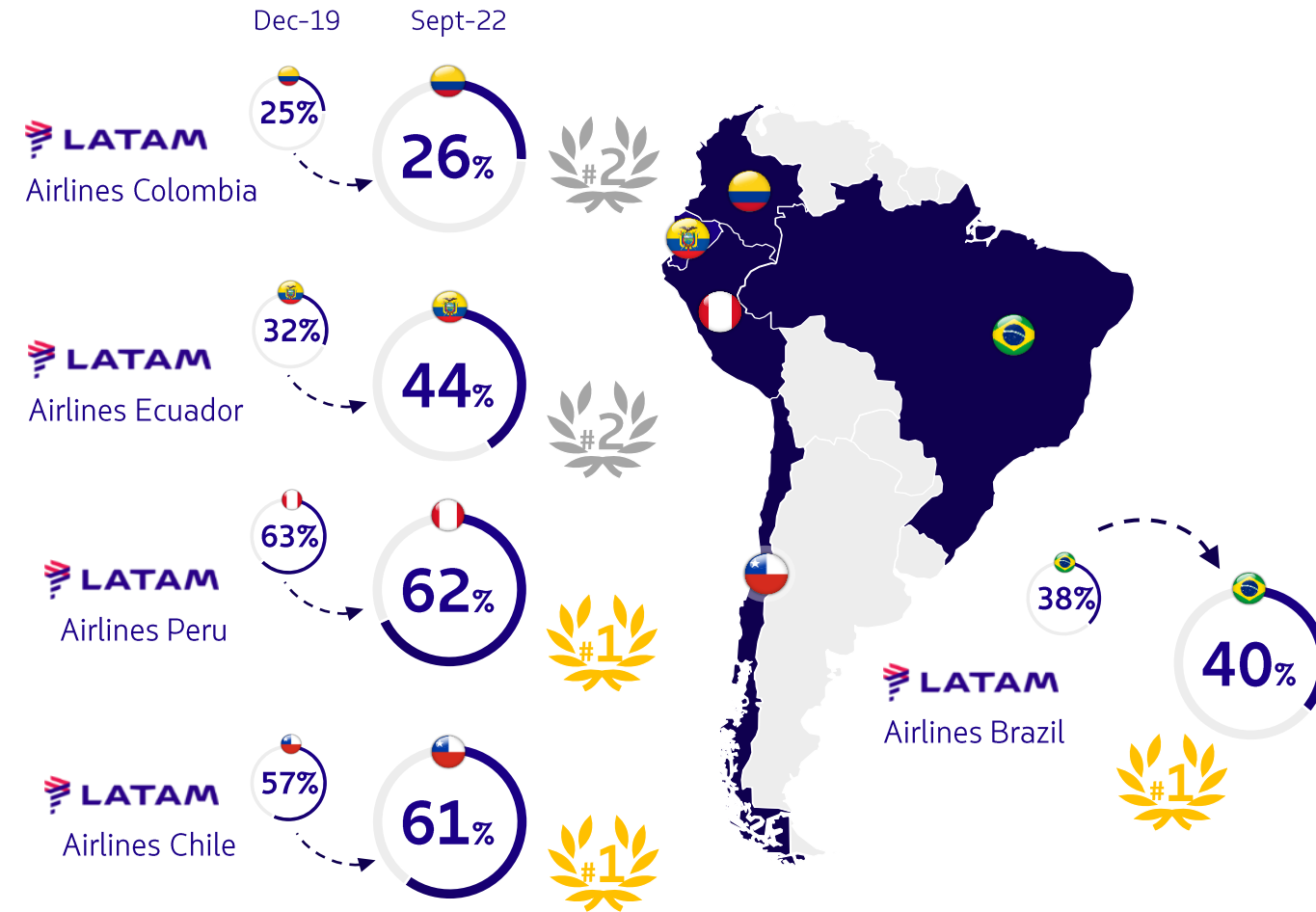
- Operating 144 passenger destinations in 22 countries as of November 2022, matching the amount of destinations flown during the same period of 2019
- In the 3rd quarter of 2022, LATAM's operation (in ASKs) reached 81% of 2019 levels (63% increase versus 3Q21)
- During Chapter 11 LATAM affiliates increased their domestic market shares. The LATAM group continued to expand and strengthen its network, connecting the Americas to the world.

LATAM group affiliates have maintained or improved their market shares



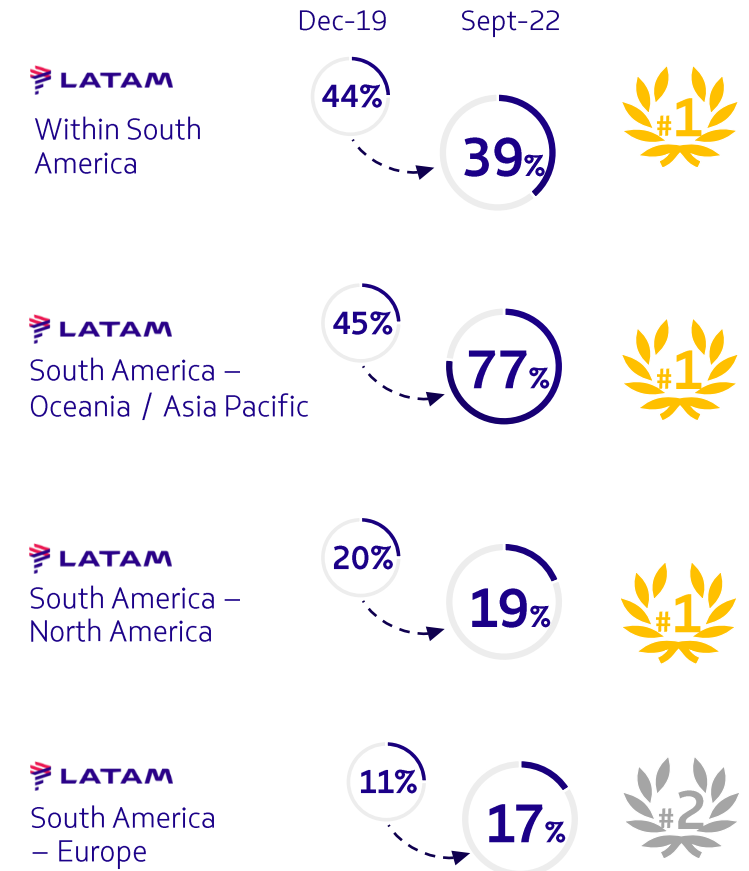
Domestic Affiliate Market Share¹

December 2019 vs September 2022



International Capacity Share²

ASK September 2022

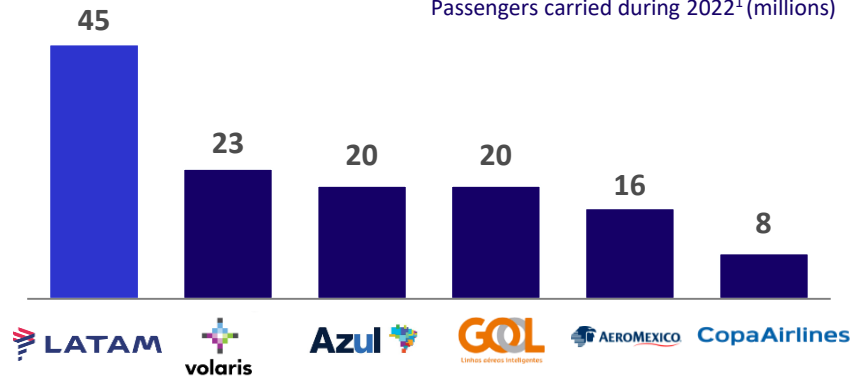


LATAM group continues to invest in its world-class value proposition



Leading airline group in Latin America and the world

Passengers carried during 2022¹ (millions)



Only long-haul & regional carriers based in Latin America

Leading cargo network in Latin America²



~\$1.8bn
Revenues (LTM)



+870k Tonnes
Transported (LTM)



~57.8%
Load Factor



23 Countries &
141 Destinations



Cargo business fits seamlessly within LATAM's overall network

Leading Frequent Flyer Program in South America



Over 39 million members in 2021 (7th largest in the world)

- ✓ **BEST AIRLINE IN SOUTH AMERICA 2022** – Skytrax (3rd consecutive year) & World Travel Awards (7th consecutive year)



- ✓ **MOST SUSTAINABLE AIRLINE IN THE REGION (AND 4TH IN THE WORLD) S&P** Corporate Sustainability Assessment

- ✓ **RECOGNIZED AS THE MOST PUNCTUAL GROUP OF AIRLINES IN THE WORLD** (2018, 2019 and 2021 by Official Airline Guide in Mega Airlines category)

- ✓ **RECORD LEVELS OF CLIENT SATISFACTION** – +16 points vs pre-pandemic in Net Promoter Score (NPS)

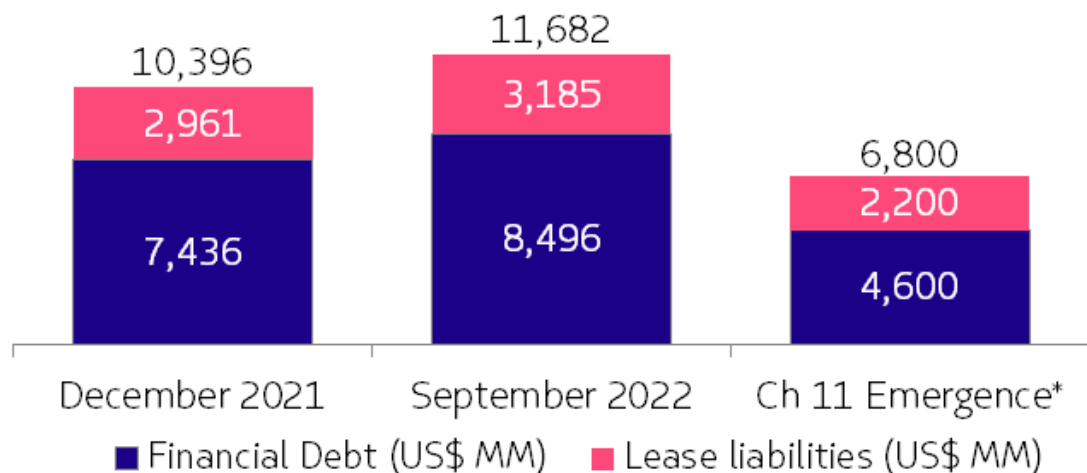
- ✓ **KEY STRATEGIC INVESTMENTES** in its product offering with cabin retrofits, cargo freighter fleet expansion, fleet renovation and digital transformation.

- ✓ **APPROVAL OF THE LATAM-DELTA JOINT VENTURE AGREEMENT** allows passengers to access more than 300 destinations between US/Canada and South America. This will deepen the level of cooperation in the JV approved markets with expanded route offerings, allowing LATAM and Delta to coordinate capacity and pricing and share corporate accounts.

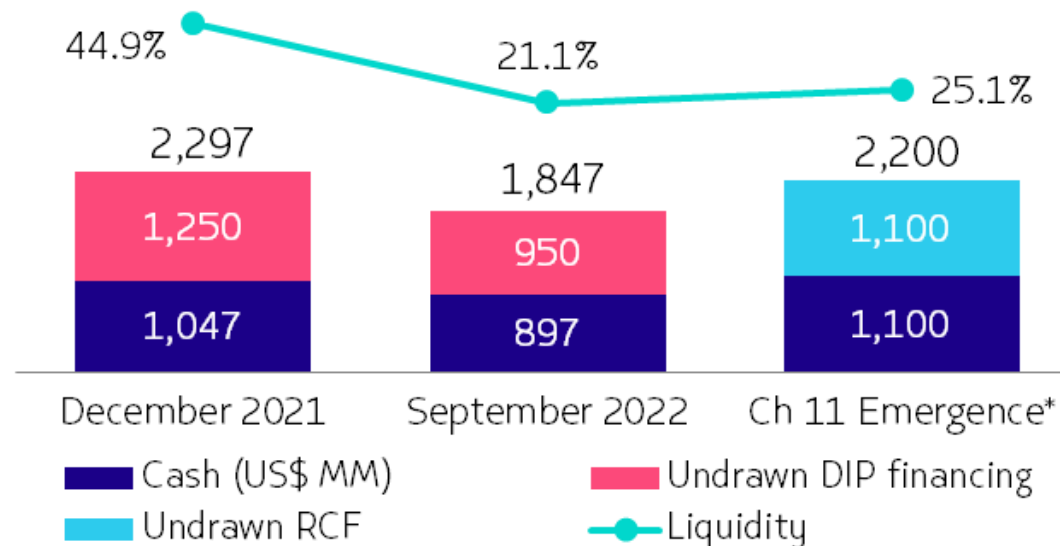
Third Quarter 2022 Credit Metrics



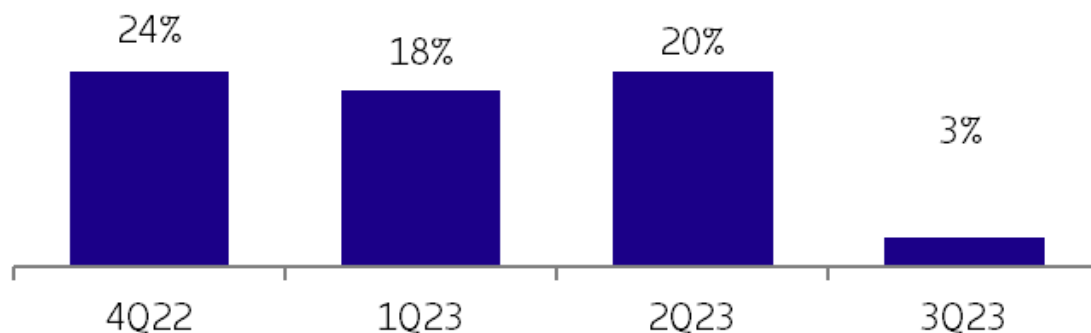
Financial Debt Position



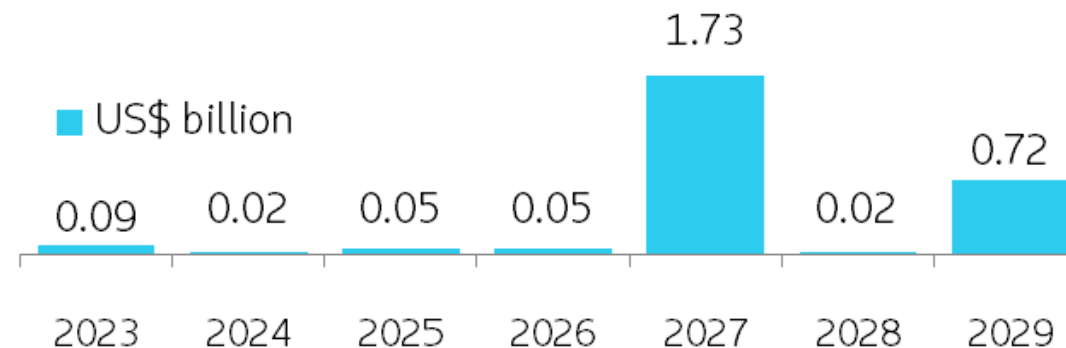
Liquidity as % of LTM revenues



Fuel Hedge (% consumption)



Pro-Forma Non-Fleet Debt Profile - Maturities



The fleet plan seeks to modernize and expand the fleet as operations continue to recover over the next few years



The fleet expansion and renovation is a fundamental part of our capital investments.

Aircraft Type	End of year fleet					
	2022	2023	2024	2025	2026	2027
Narrow-Body	234	244	223	237	234	246
Airbus A319	40					
Airbus A320	128					
Airbus A320neo	17					
Airbus A321	49					
Airbus A321neo	-					
Airbus A321XLR	-					
Wide-Body	56	56	59	59	61	61
Boeing B767	15					
Boeing B777	10					
Boeing B787-8	10					
Boeing B787-9	21					
Passenger Fleet	290	300	282	296	295	307
Freighter Aircrafts	16					
Total Fleet	306	322	301	315	314	326

Fleet Plan (2022 – 2029)

Airbus A320-Neo Family	86*
Boeing 787-9	2
Total new incoporations	88

*Airbus purchase order includes A321XLR models, also inclcudes purchase options for 13 additional A320-neo aircraft.



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