



**LATAM Airlines Group S.A**  
**SECURITIES REGISTRY N° 306**

Santiago, April 3<sup>rd</sup> 2019

Mr.  
Joaquín Cortez Huerta  
Superintendent  
Financial Market Commission  
1449 Av. Libertador Bernardo O'Higgins  
Present

**Re: Material fact report**

Dear Mr. Superintendent:

In accordance with the provisions of Article 9 and 10 of the Securities Market Law and General Rule No. 30, duly authorized by the Board of Directors in extraordinary session dated July 8, 2016, the following material fact regarding LATAM Airlines Group S.A. ("LATAM" or the "Society"), Securities Registration No. 306, reports the following:

Dated today LATAM Airlines Brazil, an affiliate of LATAM Airlines Group S.A., announced that it has been approached by Elliott Associates L.P., Elliott International L.P., and Manchester Securities Corporation (jointly "Elliott"), the largest debt holders of Oceanair Linhas Aéreas S.A. and AVB Holding S.A. (jointly "Avianca Brasil"), and has agreed to bid for at least one independent productive unit ("IPU") [*unidade produtiva isolada* UPI] of its respective assets (including but not limited to certain contracts, operating certificates, permits, and slots), of Elliot's restructuring proposal in upcoming auctions for a minimum amount of US\$70 million. As part of the proposed restructuring, and subject to compliance with certain conditions, LATAM Airlines Brazil has committed to extend to Avianca Brasil, directly and indirectly, up to US\$13 million of debtor-in-possession loans to finance, in part, working capital in support of the ongoing operations, amount that will be reimbursed to LATAM Airlines Brazil if the restructuring proposal is successful.

With this date, the reservation of the communication that was sent as Reserved Material Fact on March 26, 2019, whose content is consolidated in the agreements referred to in this communication, is lifted.

It is hereby stated that at this date it is not possible to determine the financial effects that the matters reported may have on the assets, liabilities or results of the Society or the date on which the adjudication of the aforementioned productive unit could materialize, which, in any case, is subject to any and all required governmental and antitrust approvals being granted in a timely manner.

LATAM will keep your Commission duly informed of any relevant development that may occur in relation to the facts it reveals.



Sincerely,

**Juan Carlos Menció**  
**Vice President of Legal Affairs**  
**LATAM Airlines Group S.A.**