



LATAM Airlines Corporate Update

March 2023

Sustainability Award
Bronze Class 2022

S&P Global

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Use of Non-GAAP Financial Metrics and Other Key Financial Metrics

This Presentation includes certain non-IFRS financial measures such as EBIT (which consists of earnings for the period before income taxes and financial costs and financial income), EBITDA (which consists of earnings for the period before income taxes and financial costs and financial income, plus depreciation and amortization expense) and EBITDAR (which consists of earnings for the period before income taxes and financial costs and financial income, plus depreciation and amortization expenses and rentals expenses). In addition EBIT margin which is calculated by dividing EBIT by total operating revenue) These non-IFRS measures are an addition to, and not substitute for or superior to, measures of financial performance prepared in accordance with an IFRS alternative to net income or any other measures derived in accordance with IFRS. LATAM believes that these non-IFRS measures of financial results provide useful supplemental information to investors about LATAM. LATAM’s non-IFRS measures may not be directly comparable to similarly titled measures of other companies.



LATAM: Latin America's leading airline group and global player

Leading airline group in Latin America and the world



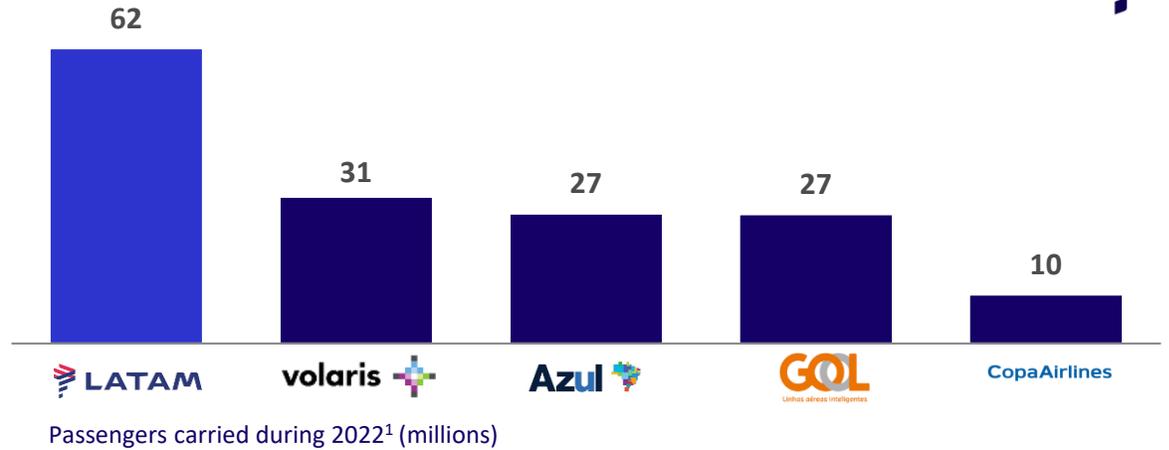
62 million passengers carried in 2022



Largest regional market share in number of passengers carried



Only Long-Haul & Regional carriers based in Latin America



Leading cargo network in Latin America

Key Business Unit Highlights²:



25 Countries & 154 Destinations



+901k Tonnes Transported (LTM)



~56.5% Load Factor



~\$1.7bn Revenues (LTM)



Cargo business fits seamlessly within LATAM's overall network

Leading Frequent Flyer Program in South America



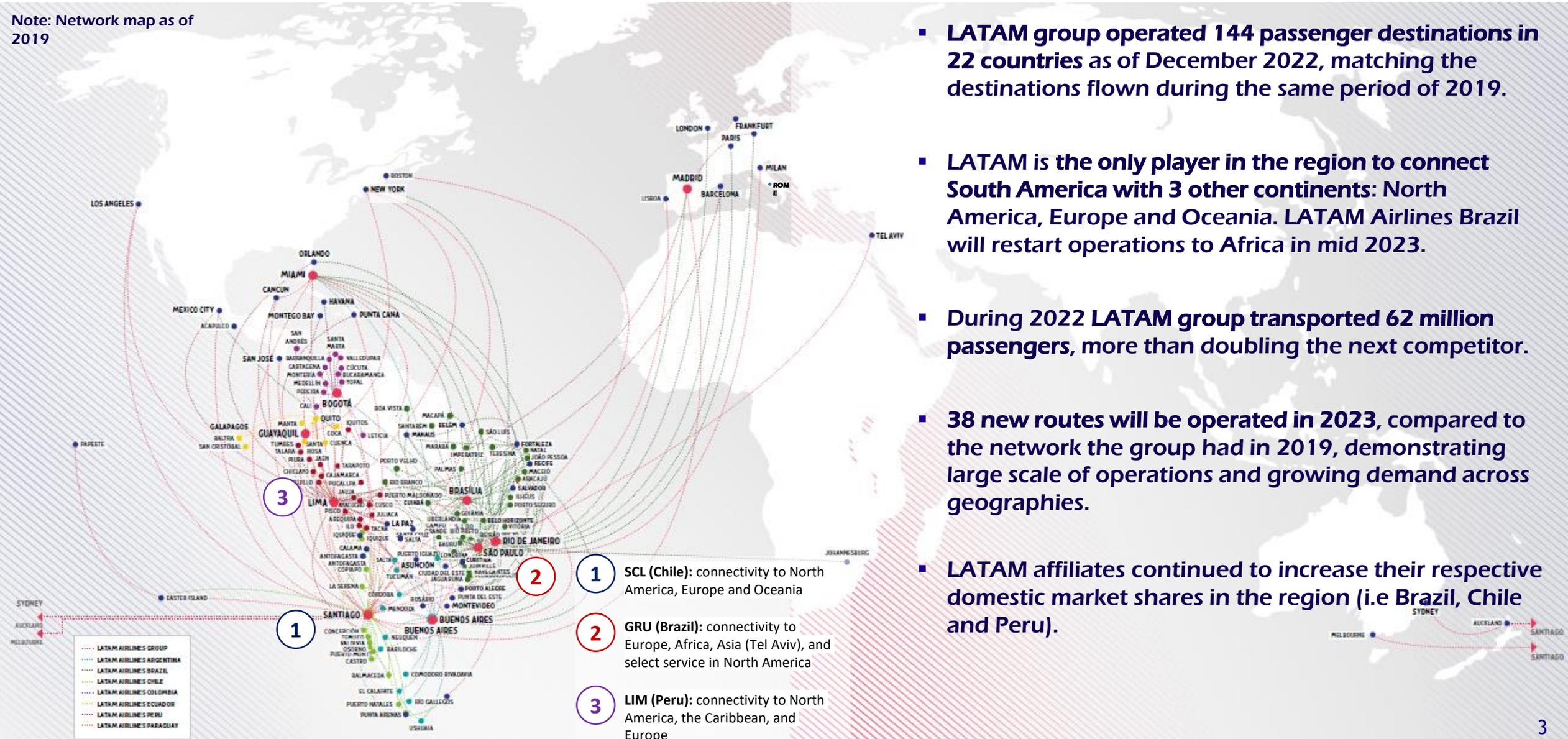
Over 42 million members in 2022 (7th largest in the world²)

1. Data as of December 2022, Financial Statements and Traffic Releases; 2. Management estimate
Source: Financial Statements December 2022

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



Note: Network map as of 2019



- LATAM group operated 144 passenger destinations in 22 countries as of December 2022, matching the destinations flown during the same period of 2019.
- LATAM is the only player in the region to connect South America with 3 other continents: North America, Europe and Oceania. LATAM Airlines Brazil will restart operations to Africa in mid 2023.
- During 2022 LATAM group transported 62 million passengers, more than doubling the next competitor.
- 38 new routes will be operated in 2023, compared to the network the group had in 2019, demonstrating large scale of operations and growing demand across geographies.
- LATAM affiliates continued to increase their respective domestic market shares in the region (i.e Brazil, Chile and Peru).

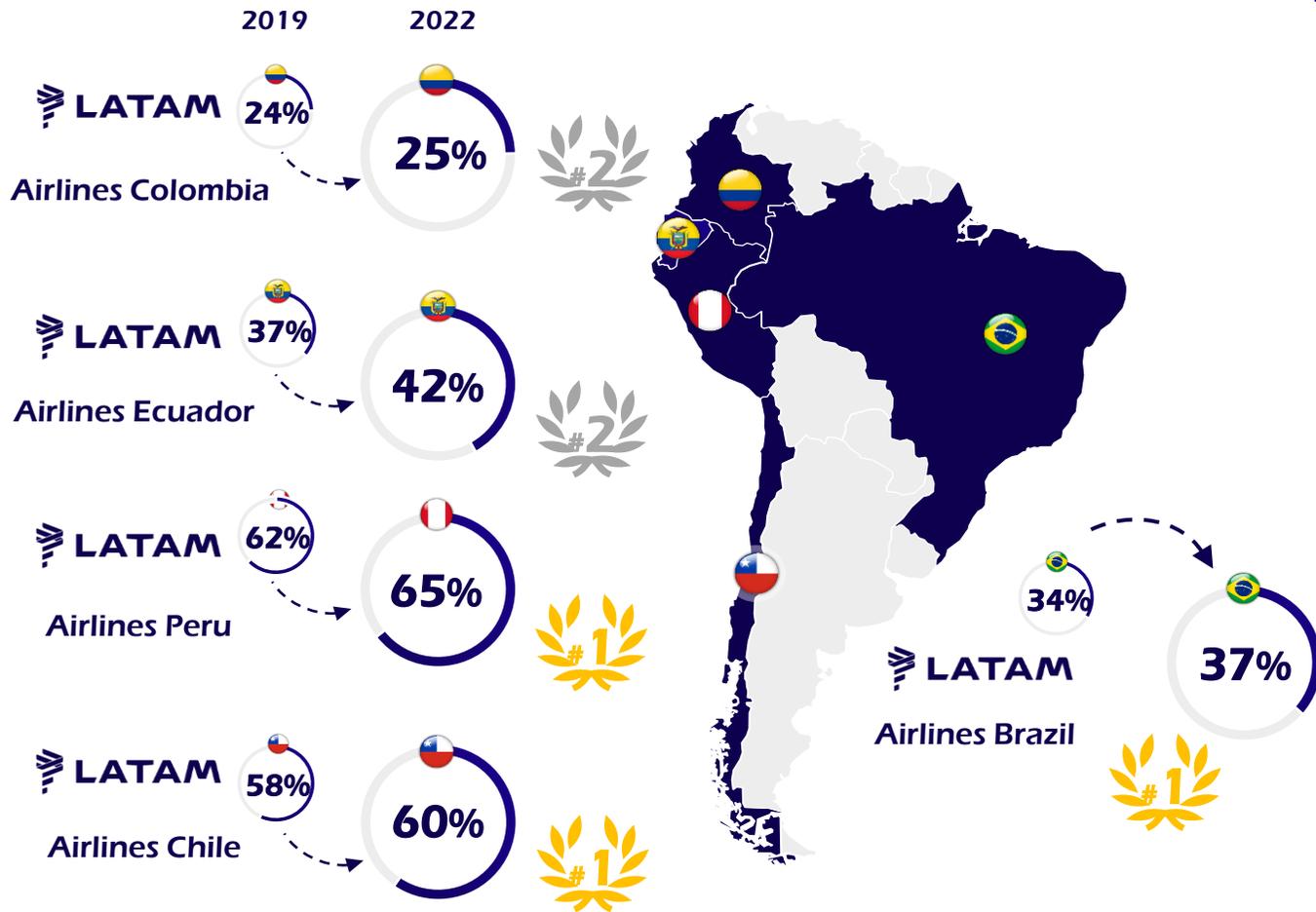
- 1 SCL (Chile): connectivity to North America, Europe and Oceania
- 2 GRU (Brazil): connectivity to Europe, Africa, Asia (Tel Aviv), and select service in North America
- 3 LIM (Peru): connectivity to North America, the Caribbean, and Europe

LATAM group has recovered its network and increased its domestic affiliates market shares in the region



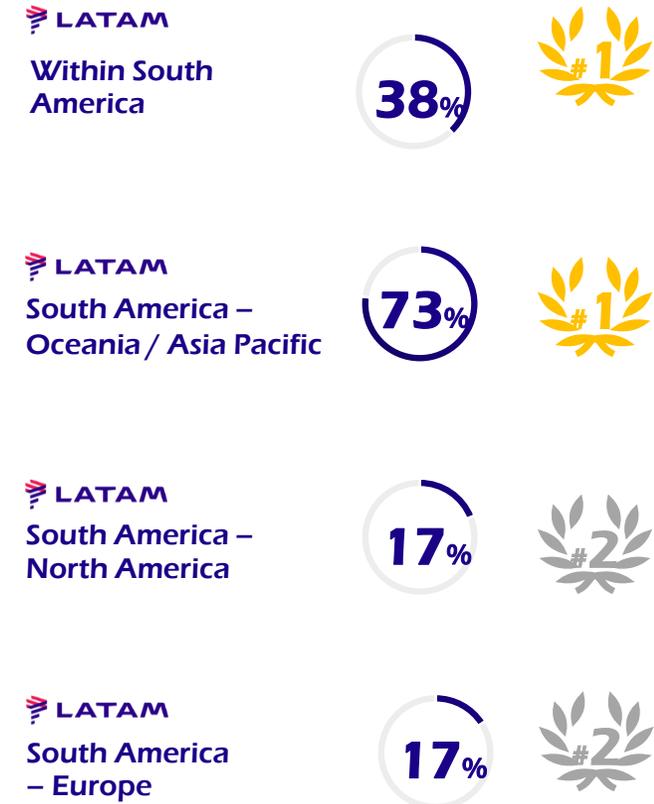
Domestic Affiliate Market Share¹

2019 vs 2022



International Capacity Share²

ASK December 2022



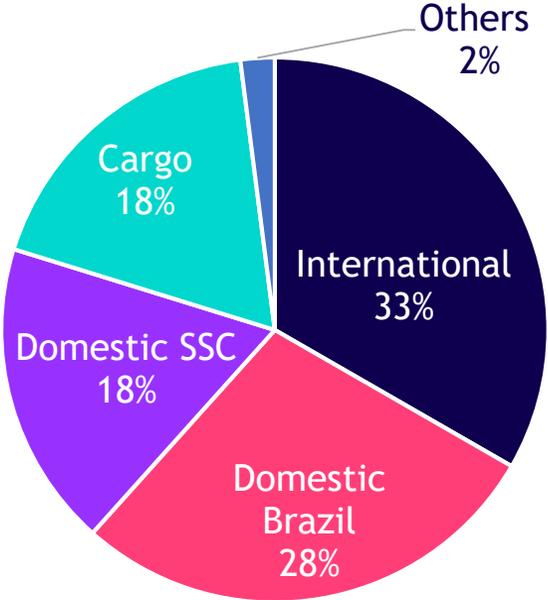
1. Market shares for full year 2019 and 2022.

Source: ANAC Brazil's website (RPKs), JAC Chile's website (RPKs), DGAC Peru's website (number of passengers carried), Diio.net for Colombia and Ecuador (ASKs).

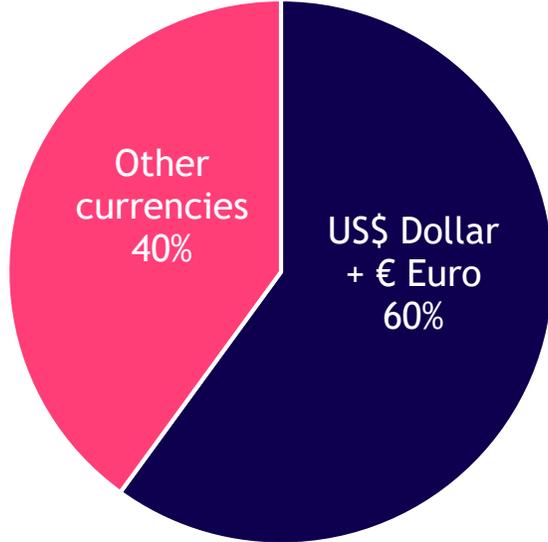


LATAM group has a diversified revenue structure and benefits from US Dollar and Euro revenues

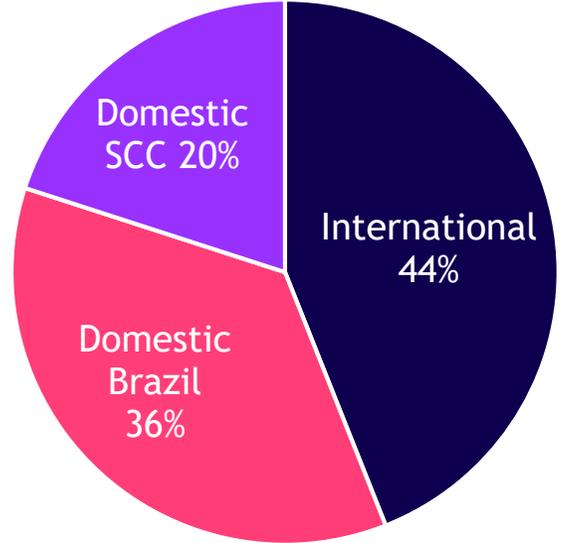
LATAM Revenues by business unit
(Full year 2022)



LATAM Revenues by currency
(Full year 2022)



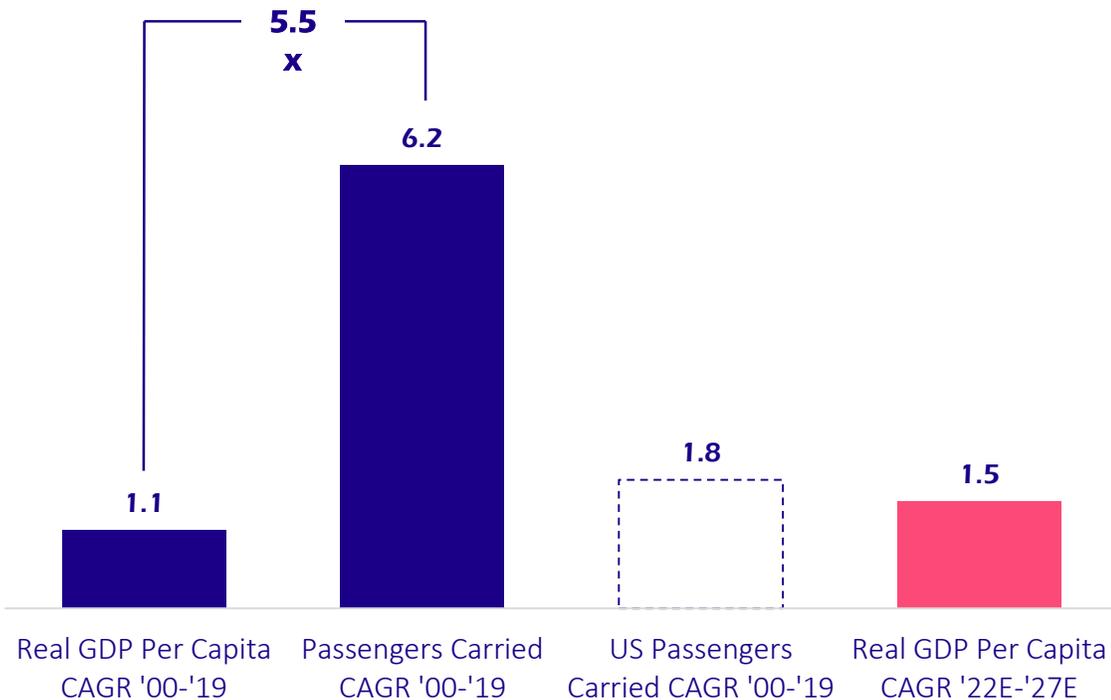
LATAM Passenger capacity breakdown
(ASKs Full year 2022)



Latin America air travel market has significant growth opportunities and untapped potential

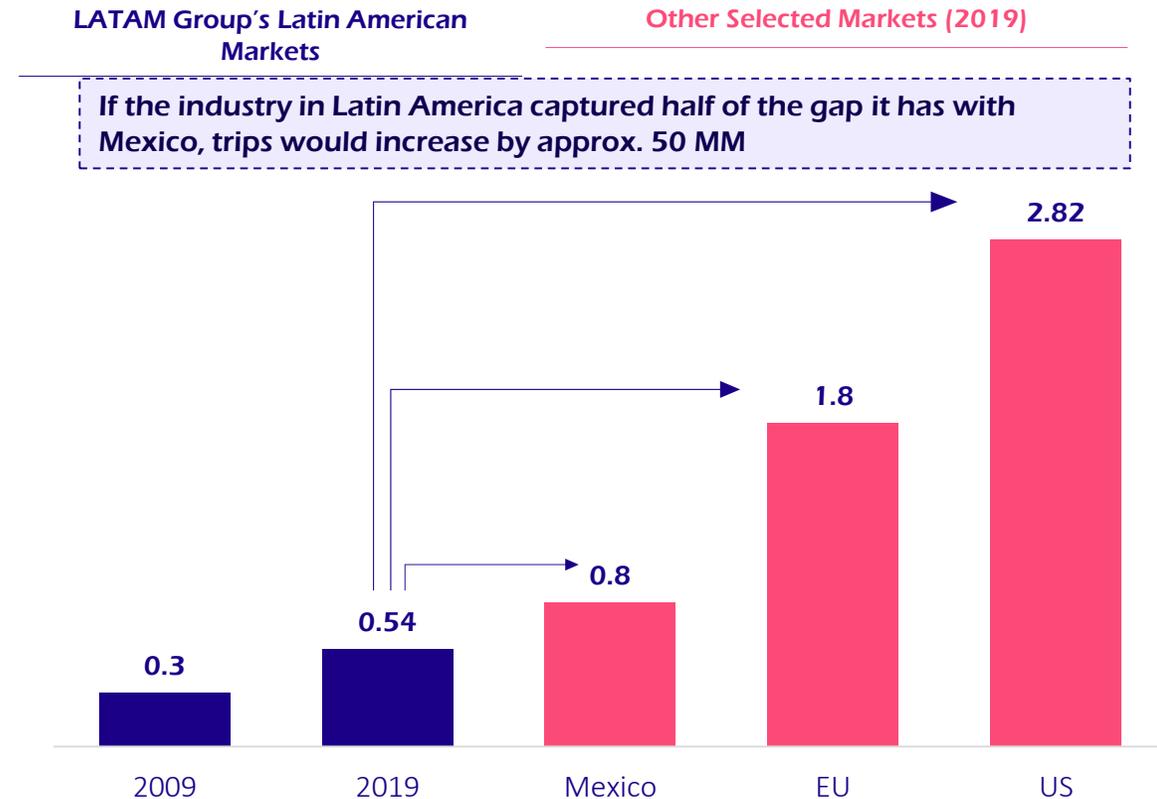


Real GDP Per Capita vs. Passengers Carried in Latin America



- **Passenger growth in Latin America & Caribbean outperformed real GDP per capita growth between 2000 and 2019.**

Passengers Carried per Capita



- **Trips per capita have been increasing in South America throughout the last decade. However, there's still an important gap to cover vs other more penetrated markets.**

LATAM offers an unparalleled value proposition in the region



Leading Frequent Flyer Program

- 42+ million members
- Largest FFP in South America
- 7th largest FFP in the world

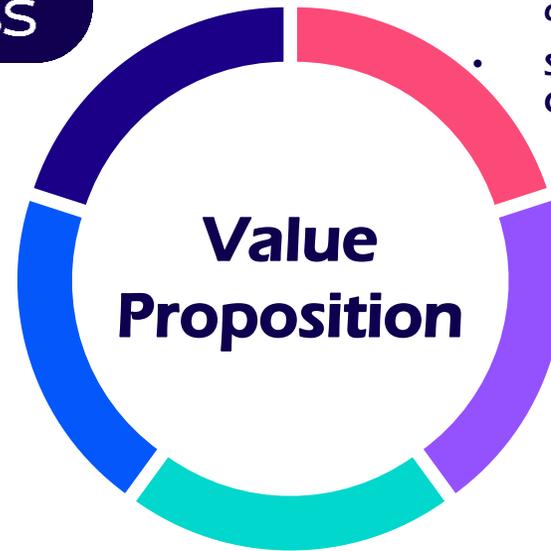


Expansive Network

- Passenger and cargo operations operating in 25 countries and 154 destinations
- JVA with Delta will allow the clients to access more than 300 destinations
- Starting in July of 2023 two new flights, Los Angeles – Sao Paulo and Orlando – Bogota, will start operating under the JVA.

Renovated Fleet & Cabin Segmentation

- Incorporation of 15 Airbus A320-Neo family (more fuel efficient) during 2023 and 86 through 2029
- Premium cabin in all flights
- Cabin densification, renovation and standarization



Digitalization

- New website launch promoting ancillaries and streamlining passenger services + digitalization of airport services like automatic check-in and bag drop
- In first half of 2023, all narrow-body aircraft operating in Brazil will have Wi-Fi connectivity onboard
- Increased penetration of digital sales channels and closure of certain city-ticket offices

Commercial Agreements

- LATAM provides a wide range of commercial agreements with airlines all around the world
- Iberia, Swiss Airlines, British Airways, Qantas, Japan Airlines, are just some of the international agreements



World Travel Awards 2022

- South America's Leading Airline Brand
- South America's Leading Airline



Skytrax World Airline Awards 2022

- Best Airline in South America



APEX Passenger Choice Awards 2022

- Best Seat Comfort in South America
- Best Food & Beverage in South America

LATAM was recognized as the most sustainable airline in the Americas



Climate Change

- ✓ **Goal: Carbon neutral by 2050**
- ✓ **Goal: Committed to not exceed total 2019 emissions and offsetting 50% of domestic emissions by 2030**
- ✓ **Commitment to reach 5% of sustainable aviation fuel (SAF) as of 2030.**
 - Fuel efficiency program
 - Conservation of over 575,000 hectares in Colombian wetlands in CO2Bio project



Circular Economy

- ✓ **Goal: Adapt business to circular economy model, becoming a group with zero waste landfills by 2027**
 - LATAM reached a 77% reduction in single use plastics during 2022
 - Program “Recicla tu viaje”, “Recicla tu uniforme” and reutilization of aeronautical equipment



Shared Value

- ✓ **Solidarity Plane Program**
 - Use of LATAM aircrafts to support communities in health, environmental and natural disaster related issues

MOST SUSTAINABLE AIRLINE IN THE AMERICAS AND EUROPE (AND 5TH IN THE WORLD)
S&P Corporate Sustainability Assessment

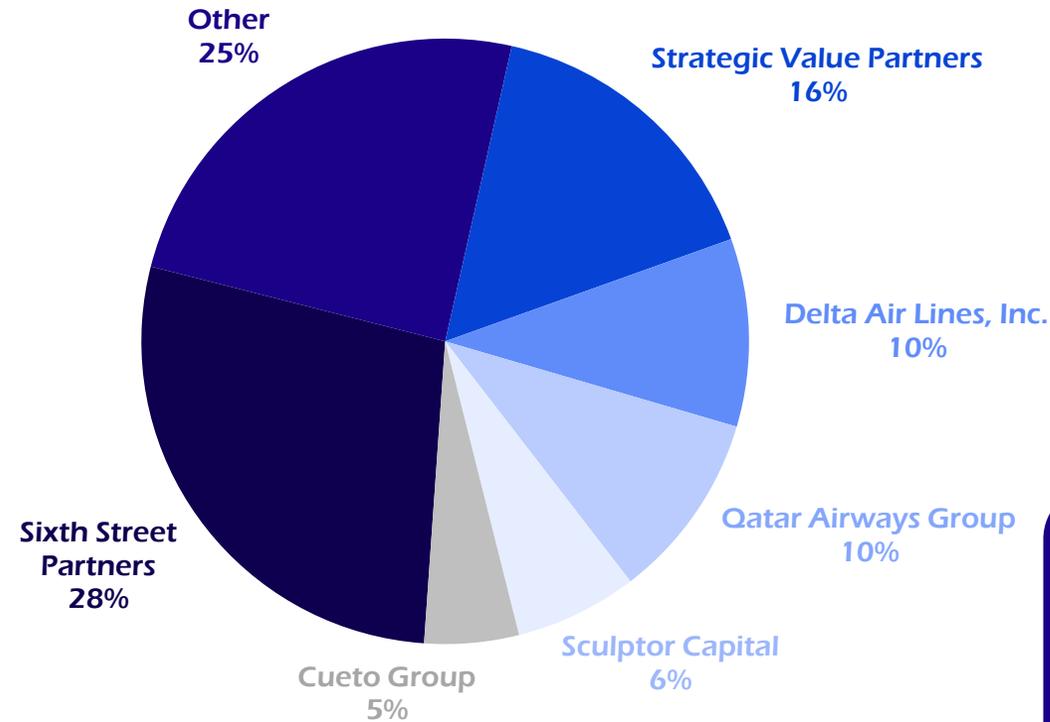
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BRONZE CATEGORY
Sustainability Yearbook 2022



LATAM's Plan of Reorganization considered a capital increase of US\$10.3 billion, which resulted in a change in the shareholder structure

Ownership Structure as of 02-28-2023



Shares Suscribed and Paid

605,232,148,264

Statutory Capital

606,407,693,000

- LATAM has a strategic partnership with Delta Air Lines & equity partnership with Qatar Airways and both airlines have board representation
- The new ownership structure is a representation of the strong and loyal support from our shareholders

LATAM group emerged from Chapter 11 with a stronger capital structure and closed the year with US\$2.3 billion in liquidity



Gross Debt (US\$ billion)

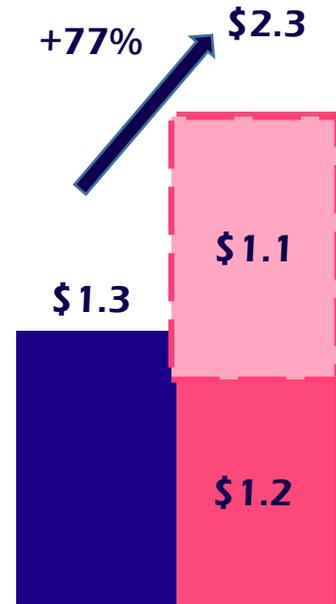
US\$ 3.9 billion reduction vs pre-Chapter 11



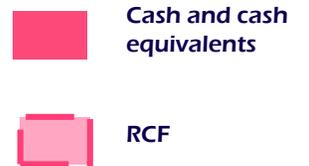
At filing 2022

Liquidity (US\$ billion)

US\$ 1 billion increase vs pre-Chapter 11



At filing 2022



LATAM reported 24.3% of liquidity as % of revenues in 2022.

LATAM closed 2022 with a leverage of 4.2x.

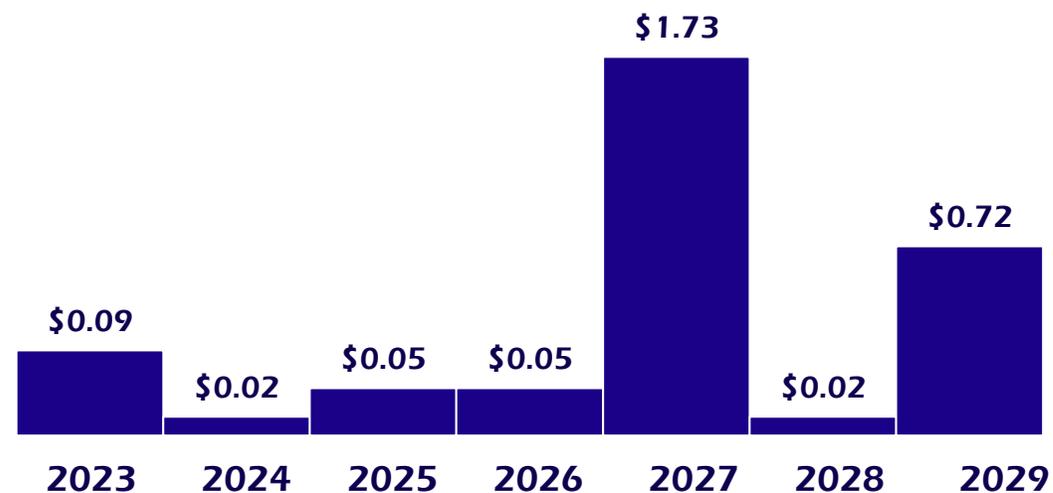
LATAM group has a simplified debt structure and has no significant non-fleet debt maturities in the next four years



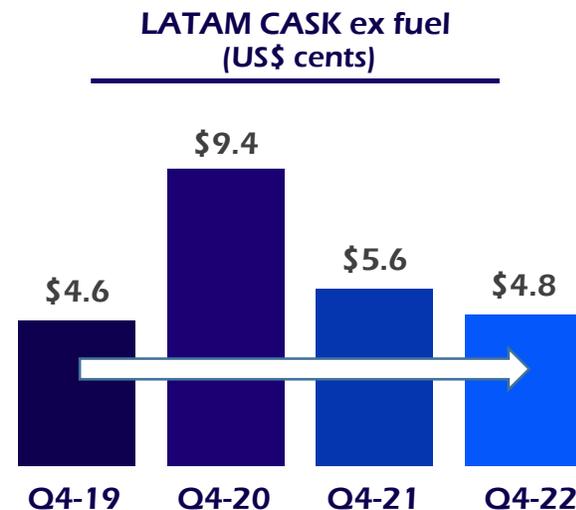
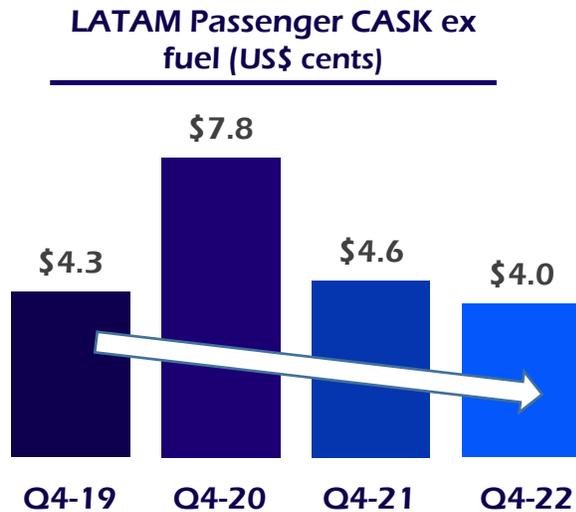
Financial Debt Composition (US\$ million)

Term Loan B	\$1,100
2027 Secured Notes	\$450
2029 Secured Notes	\$700
Spare Engine Facility	\$275
Chilean Bond in UF	\$157
Financial leases	\$1,530
Others	\$160
Total	\$4,371

Non-Fleet Debt maturity Profile (US\$ billion)



LATAM's cost structure is more efficient after Chapter 11, exemplified by 4Q22 Passenger CASK ex fuel of 4.0 cents



- **Over US\$1 billion in cost savings initiatives implemented in 2020 and 2021 which included:**
 - Business simplification
 - Rightsized and more efficient fleet
 - Improved vendor and supplier contracts
- **In the fourth quarter 2022, LATAM group reported a Passenger CASK ex fuel of 4.0 cents, 6% less than 2019, offsetting the region's high inflation in recent years.**
- **Fleet cash cost reduced by over 40% versus 2019 levels and estimating a total fleet cost (operating + finance leased aircraft) of approx. US\$800 million for 2023.**

Source: Financial Statements December 2022 and Bloomberg.

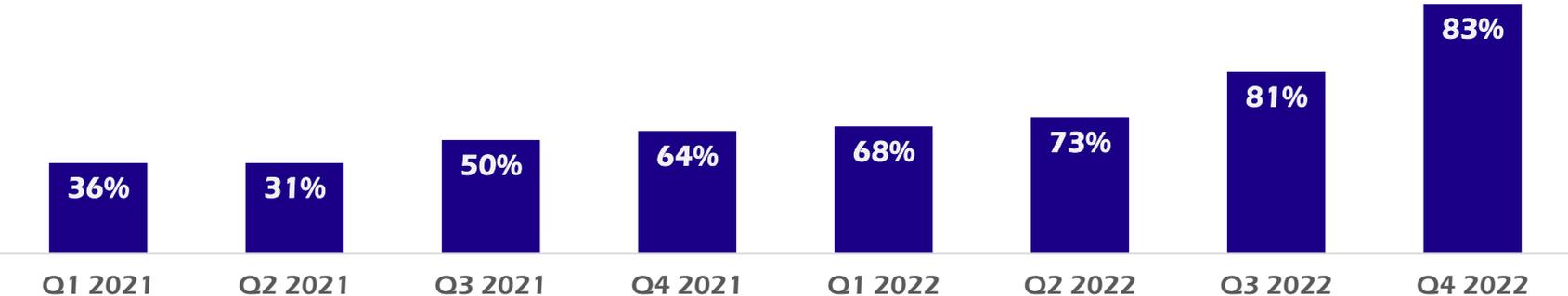
Note: The selected US Carriers are American Airlines, Delta, United and Southwest airlines.

Passenger CASK ex fuel excludes cargo costs associated with belly and freighter operations, variable Aircraft Rental expenses (non-cash P&L effect) and CPI expenses

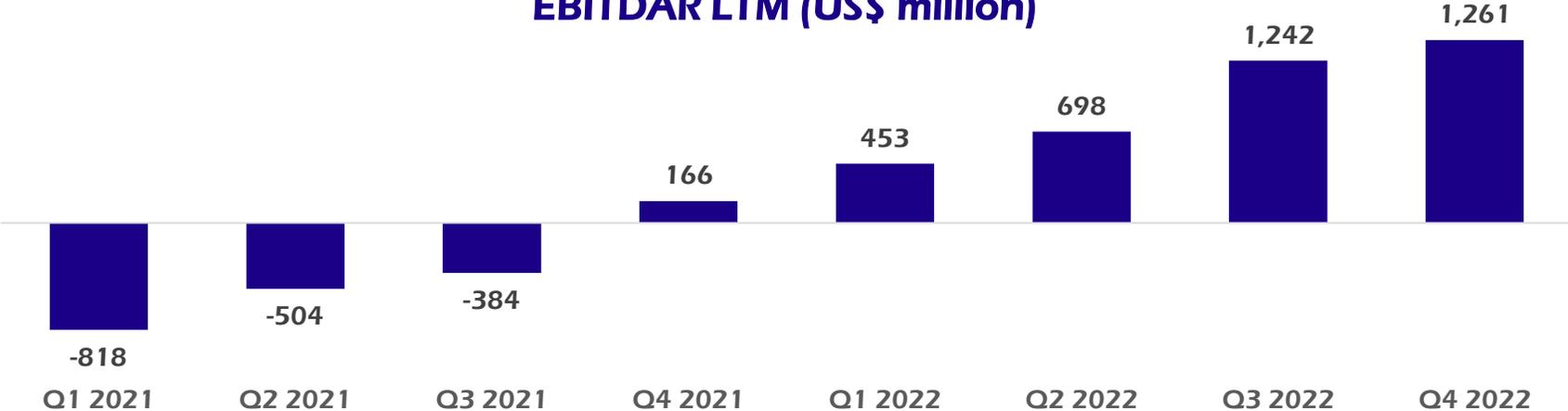


LATAM group has seen a sustained improvement in both its capacity and financial results

Capacity (ASK) vs 2019 levels (%)



EBITDAR LTM (US\$ million)



Fourth quarter 2022 operational highlights of LATAM group



	4Q22 Capacity Breakdown	Capacity (ASK/ATK) as a % of 2019	Traffic (RPK/RTK) as a % of 2019	Load Factor	RASK / RATK (US\$cent) (% vs 2019)
Consolidated		83%	82%	81% (-1.5 pp)	7.2 (+11.1%)
International (Long Haul & Regional)	 43%	75%	75%	83% (-0.4 pp)	6.7 (+18.6%)
Domestic Brazil	 36%	98%	91%	79% (-5.9 pp)	7.2 (+7.9%)
SSC Domestic	 21%	81%	85%	81% (+3.2 pp)	8.1 (+31.2%)
Cargo		106%	97%	55% (-1.7 pp)	24.1 (+41.2%)

**BRL
+29%**

Fourth quarter 2022 financial highlights of LATAM group

In Millions of US Dollars



	4 th quarter 2022	Change (%) vs 2021	Change (%) vs 2019
Revenues	2,744	37.5%	-4.4%
Passenger	2,291	55.3%	-7.5%
Cargo	420	-9.6%	50.0%
Adjusted EBIT	220	29.3%	-37.3%
Adjusted EBIT Margin	8.0%	-0.5 p.p.	-4.2 p.p.
Adjusted EBITDAR	520	7.8%	-29.8%
ASKs (millions)	31,971	31.0%	-16.8%
Fuel Price (without hedge) (US\$ per gallon)	3.79	51.5%	66.7%

2023 Guidance shows continued capacity growth and leverage reduction



Guidance		2023E
ASK Growth vs 2022 (billion)	International	37 - 40%
	Brazil Domestic	8 - 11%
	Spanish Speaking Countries Domestic	8 - 11%
	TOTAL	20 - 24%
ATK Growth vs 2022 (billion)		20 - 23%
Revenues (US\$ billion)		11 - 11.5
CASK ex fuel (US\$ cents)		4.6 - 4.7
Passenger CASK ex fuel ¹ (US\$ cents)		4.0 - 4.1
EBIT Margin		5 - 7%
Adjusted EBIT Margin ²		6 - 8%
Adjusted EBITDAR ² (US\$ billion)		2.0 - 2.2
Liquidity ³ (US\$ billion)		2.3 - 2.4
Financial Net Debt ⁴ (US\$ billion)		6.1 - 6.2
Net Debt/Adjusted EBITDAR (x)		2.9x - 3.1x

Assumptions

Average exchange rate (BRL/USD)

Consistent with current market prices

Jet fuel price (US\$/bbl)

Footnotes:

1) Passenger CASK ex fuel excludes cargo costs associated with belly and freighter operations and variable Aircraft Rental expenses (non-cash P&L effect).

2) Adjusted EBIT Margin and Adjusted EBITDAR exclude non-recurring items and variable Aircraft Rental expenses (non-cash P&L effect).

3) Liquidity is defined as Cash and Cash Equivalents and undrawn, committed revolving credit facilities.

4) Financial Net Debt includes operating leases liabilities, financial leases and other financial debt excluding associated guarantees, net of Cash and Cash Equivalents.

LATAM ended 2022 stronger and more competitive



- 1 Value Proposition** LATAM group has an integrated and diversified business model that combines passenger and cargo, domestic with international travel, point of sale distribution, and the largest frequent flyer program in the region
- 2 Market Leaders** The group's domestic affiliates have leading market shares in Brazil, Chile, and Peru, and in all markets have increased versus 2019.
- 3 Cost Structure** Optimized cost structure with significant cost saving initiatives implemented: Passenger CASK ex fuel of 4.0 cents, 6% lower compared to 2019.
- 4 Capital Structure** Ended the year with US\$2.3 billion in liquidity and leverage of 4.2x, forecasting 2023 end of year leverage of approximately 3.0x.
- 5 Outperforming Projections** Adjusted EBIT Margin of 8% in the fourth quarter 2022, which was better than previously projected in the Updated Business Plan.



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