NEWS RELEASE

LATAM announces reorganization to ensure long-term sustainability

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LATAM Airlines Group S.A. and its affiliates in Chile, Peru, Colombia, Ecuador and the United States have filed for voluntary protection under the U.S. Chapter 11 financial reorganization process. LATAM's affiliates in Argentina, Brazil and Paraguay are not included in the filing

The group will transform its business to maintain a leading position in Latin American aviation in the post COVID-19 era

Cueto Group and Qatar Airways commit $900 million in additional financing

LATAM Airlines Group and its affiliates will continue flying with no impact on passenger or cargo operations, reservations, vouchers or LATAM Pass miles

Santiago, Chile, May 26, 2020 – LATAM Airlines Group S.A. ("LATAM") (NYSE: LTM; SP IPSA: LTM) and its affiliates in Chile, Peru, Colombia, Ecuador and the United States today initiated a voluntary reorganization and restructuring of their debt under Chapter 11 protection in the United States with the support of the Cueto and Amaro families and Qatar Airways, two of the largest shareholders of LATAM. In light of the effects of COVID-19 on the worldwide aviation industry, this reorganization process provides LATAM with an opportunity to work with the group's creditors and other stakeholders to reduce its debt, access new sources of financing and continue operating, while enabling the group to transform its business to this new reality.

The Chapter 11 financial reorganization process is a proven legal framework under which LATAM and said affiliates will have the opportunity to resize their operations to the new demand environment and reorganize their balance

sheets, enabling them to emerge more agile, resilient and sustainable. LATAM and its affiliates will continue flying as conditions permit throughout the process.

“LATAM entered the COVID-19 pandemic as a healthy and profitable airline group, yet exceptional circumstanceshave led to a collapse in global demand and has not only brought aviation to a virtual standstill, but it has also changed the industry for the foreseeable future,” said Roberto Alvo, Chief Executive Officer of LATAM. “We have implemented a series of difficult measures to mitigate the impact of this unprecedented industry disruption, but ultimately this path represents the best option to lay the right foundation for the future of our airline group. We are looking ahead to a post-COVID-19 future and are focused on transforming our group to adapt to a new and evolving way of flying, with the health and safety of our passengers and employees being paramount.”

The group has secured the financial support of shareholders, including the Cueto and Amaro families, which have lasting ties to LATAM, and Qatar Airways, to provide up to $900 million in debtor-in-possession (DIP) financing. These partners have a profound understanding of the industry, the group and its operational challenges. Their support demonstrates a belief in LATAM and its affiliates and their long-term sustainability. To the extent permitted by law, the group would welcome other shareholders interested in participating in this process to provide additional financing. In addition, as of the filing, the group had approximately USD$1.3 billion in cash on hand.

LATAM and its affiliates are also in discussions with their respective governments of Chile, Brazil, Colombia and Peru to assist in sourcing additional financing, protect jobs where possible and minimize disruption to its operations. LATAM and its affiliates would like to thank its shareholders, employees, creditors and the communities it serves for their support to help secure the group’s long-term future. The group is confident that this process will bring together these diverse stakeholders to build a new LATAM that is better placed to succeed for years to come.

“Faced with the biggest crisis in the history of aviation, the Board has approved this path forward having analyzed all the available alternatives to ensure the sustainability of the group. As we have adapted to new realities in the past, we are confident that LATAM will be able to succeed in the post-COVID-19 context and continue to serve Latin America, connecting the region with the world,” said Ignacio Cueto, Chairman of LATAM’s Board of Directors.

The group is continuing to adapt and respond to the COVID-19 pandemic and is actively preparing to welcome customers back once travel prohibitions are lifted and demand increases, guaranteeing the highest safety standards for passengers and crew for which LATAM is highly recognized.

Continuing to serve Latin America

LATAM group is committed to preserving business continuity as it reorganizes – especially with respect to employees, customers, suppliers, commercial partners and local communities.

- LATAM Airlines Group S.A. and its affiliates will continue to operate passenger and cargo flights, subject to demand and travel restrictions.
- All current and future tickets, travel vouchers and frequent flyer miles and benefits, as well as flexibility policies, will be honored.
- The group's employees will continue to be paid and receive benefits as provided in their employment agreements.
- Suppliers will be paid in a timely fashion for goods and services delivered from May 26, 2020 forward and throughout this process.
- Travel agencies and other commercial partners will experience no disruption in their interactions with the LATAM group.

The right option to strengthen the group

The LATAM group has shared its journey with the people of Latin America, thriving in times of growth and pulling together to overcome times of adversity, and like many, LATAM and its affiliates began 2020 with hopes of progress that COVID-19 has brought to a virtual standstill. In 2019, the group launched 26 new routes and transported a record 74 million passengers, 5.4 million more than in 2018. The group's plans for 2020 included further enhancing its passenger experience through cabin transformations and strengthening its strategic partnerships to further connect Latin America with the world. While the group will change through the Chapter 11 process, its culture, commitment to customers, shared history and Latin American identity will not.

After careful consideration, LATAM is confident that the Chapter 11 reorganization process is the best path forward to achieve the group's objectives and meet its obligations while comprehensively managing its fleet and addressing its debts, most of which are held in the United States. Importantly, this process is markedly different from the concept of "quiebra", "bancarrota", or liquidation. LATAM intends to rely on specific relief that will allow it to pay its employees, meet benefit obligations, pay critical suppliers and conduct other day-to-day business operations as the group works with the court and creditors to resolve its case. With Chapter 11 protection, the group's management team will remain in place and will continue to lead LATAM through the reorganization and transformation process.

These unique provisions of the Chapter 11 reorganization process will enable the group to minimize disruptions to the business and protect the interests of stakeholders while it restructures its balance sheet to emerge as a more agile, resilient and sustainable airline group.

While most of LATAM's affiliates are included in the reorganization process, several entities are not, due to the nature of their debt structure and current financial status. A full list of filing entities is available at cases.primeclerk.com/LATAM. The list below summarizes the inclusion of these entities in the Chapter 11 financial

reorganization and other proceedings.

Material filing entities:

- Chile: LATAM Airlines Group S.A. and certain other entities incorporated in Chile are included in the Chapter 11 filing and will also file recognition proceedings in Chilean Courts in order to ensure that the Chapter 11 process is given full credit and effect, providing even greater protection to LATAM's businesses.
- Colombia: LATAM Airlines Colombia and other entities incorporated in Colombia are included in the Chapter 11 filing and will also file recognition proceedings in the Superintendencia de Sociedades in order to ensure that the Chapter 11 process is given full credit and effect, providing even greater protection to LATAM's businesses.
- Peru: LATAM Airlines Perú and other entities incorporated in Peru are included in the Chapter 11 filing and are also filing a "Preventative Reorganization Process" with INDECOPI in order to ensure to these businesses are further protected from adverse actions of creditors.
- Ecuador: LATAM Airlines Ecuador is included in the Chapter 11 filing.
- United States: All of the Group's operating entities, other than special purpose vehicles, in the United States are included in the Chapter 11 filing.

Non-filing entities

- Argentina, Brazil and Paraguay: LATAM's affiliates in Argentina, Brazil and Paraguayare not included in the Chapter 11 filing. LATAM's affiliates in Brazil are in discussions with the Brazilian government about the next steps and financial support for their Brazilian operations.

Importantly, whether included in the filing or not, all of the companies in the group will continue to operate as travel restrictions and demand permit.

Additional Information

LATAM Airlines Group and its affiliates understand that their employees around the world, their families, their suppliers and customers will have many questions. While LATAM may not have all the answers at this point, the group will be guided by transparency in all its interactions. The group has created a dedicated website: **www.LATAMreorganizacion.com**, where stakeholders can find additional key information about what this announcement means for them.

LATAM has also established a hotline for Chapter 11-related inquiries, which can be accessed at (929) 955-3449 or (877) 606-3609 in the U.S. and Canada. International toll-free numbers will be available on **www.LATAMreorganizacion.com** in the coming days. It also has a dedicated email for inquiries related to the

reorganization at **lataminfo@primeclerk.com**.

LATAM is advised in this process by Cleary Gottlieb Steen & Hamilton LLP and Claro & Cia. as legal advisors, FTI Consulting as financial advisor and PJT Partners as investment banker.

Forward Looking Statements

This report contains forward-looking statements. Such statements may include words such as “may” “will,” “expect,” “intend,” “anticipate,” “estimate,” “project,” “believe” or other similar expressions. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. These statements are based on LATAM’s current plans, estimates and projections and, therefore, you should not place undue reliance on them. Forward-looking statements involve inherent known and unknown risks, uncertainties and other factors, many of which are outside of LATAM’s control and difficult to predict. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. These factors and uncertainties include in particular those described in the documents we have filed with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them, whether in light of new information, future events or otherwise.

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