

LATAM Airlines Group reports preliminary monthly statistics for July 2016

Santiago, Chile, August 08, 2016– LATAM Airlines Group S.A. and its subsidiaries, ("LATAM Airlines Group" or "the Company") (NYSE: LFL / IPSA: LAN), the leading airline group in Latin America, today reported its preliminary monthly traffic statistics for July 2016 compared to July 2015.

System passenger traffic increased by 2.5% while capacity increased by 0.2%. As a result, the Company's load factor for the month increased 2.0 points to 85.9%. International passenger traffic accounted for approximately 55% of the month's total passenger traffic.

The following table summarizes traffic figures for the month and year-to-date breakdown by LATAM's main business units.

| 2016 2 OPERATIO TERS (mill 10,417 1,734 2,953 5,731 5 (million 12,125 2,150 3,428 | lions) 10,164 1,617 3,339 5,208 s) | % Change 2.5% 7.3% -11.6% 10.0% | 2016 65,877 10,943 18,395 36,539 | 2015 64,038 10,081 20,555 | % Change 2.9% 8.5% |
|---|---|---|---|--|---|
| TERS (mil 10,417 1,734 2,953 5,731 5 (million 12,125 2,150 | lions) 10,164 1,617 3,339 5,208 s) | 7.3% -11.6% | 10,943 18,395 | 10,081 | |
| 10,417 1,734 2,953 5,731 S (million 12,125 2,150 | 10,164 1,617 3,339 5,208 | 7.3% -11.6% | 10,943 18,395 | 10,081 | |
| 1,734 2,953 5,731 S (million 12,125 2,150 | 1,617 3,339 5,208 | 7.3% -11.6% | 10,943 18,395 | 10,081 | |
| 2,953 5,731 S (million 12,125 2,150 | 3,339 5,208 s) | -11.6% | 18,395 | - | 8.5% |
| 5,731 5 (million 12,125 2,150 | 5,208 s) | | , | 20,555 | |
| S (million 12,125 2,150 | s) | 10.0% | 36,539 | | -10.5% |
| 12,125 2,150 | | | , | 33,403 | 9.4% |
| 2,150 | 40.404 | | | | |
| • | 12,106 | 0.2% | 78,409 | 77,307 | 1.4% |
| 3 128 | 1,951 | 10.2% | 13,457 | 12,491 | 7.7% |
| J,420 | 4,041 | -15.2% | 22,288 | 25,221 | -11.6% |
| 6,547 | 6,115 | 7.1% | 42,664 | 39,595 | 7.8% |
| | | | | | |
| 85.9% | 84.0% | 2.0 pp | 84.0% | 82.8% | 1.2 p |
| 80.6% | 82.9% | -2.2 pp | 81.3% | 80.7% | 0.6 p |
| 86.1% | 82.6% | 3.5 pp | 82.5% | 81.5% | 1.0 p |
| 87.5% | 85.2% | 2.4 pp | 85.6% | 84.4% | 1.3 pj |
| sands) | | | | | |
| 6,179 | 6,254 | -1.2% | 38,770 | 39,291 | -1.3% |
| 2,071 | 1,965 | 5.4% | 12,958 | 12,129 | 6.8% |
| 2,732 | 3,045 | -10.3% | 17,113 | 19,071 | -10.3% |
| 1,376 | 1,244 | 10.6% | 8,700 | 8,090 | 7.5% |
| RATIONS | | | | | |
| Cargo) (m | illions) | | | | |
| 274 | 303 | -9.5% | 1,945 | 2,191 | -11.2% |
| (Cargo) (| millions) | | | | |
| 562 | 601 | -6.4% | 3,902 | 4,108 | -5.0% |
| | | | | | |
| | | | | | |
| | sands) 6,179 2,071 2,732 1,376 RATIONS Cargo) (m 274 (Cargo) (m | sands) 6,179 6,254 2,071 1,965 2,732 3,045 1,376 1,244 RATIONS Cargo) (millions) 274 303 (Cargo) (millions) | sands) 6,179 6,254 -1.2% 2,071 1,965 5.4% 2,732 3,045 -10.3% 1,376 1,244 10.6% RATIONS Cargo) (millions) 274 303 -9.5% (Cargo) (millions) | sands) 6,179 6,254 -1.2% 38,770 2,071 1,965 5.4% 12,958 2,732 3,045 -10.3% 17,113 1,376 1,244 10.6% 8,700 RATIONS Cargo) (millions) 274 303 -9.5% 1,945 (Cargo) (millions) | sands) 6,179 6,254 -1.2% 38,770 39,291 2,071 1,965 5.4% 12,958 12,129 2,732 3,045 -10.3% 17,113 19,071 1,376 1,244 10.6% 8,700 8,090 RATIONS Cargo) (millions) 274 303 -9.5% 1,945 2,191 (Cargo) (millions) |



About LATAM Airlines Group S.A.

LATAM Airlines Group S.A. is the new name given to LAN Airlines S.A. as a result of its association with TAM S.A. LATAM Airlines Group S.A. now includes LATAM Airlines Group (before LAN Airlines) and its affiliates in Peru, Argentina, Colombia and Ecuador, and LATAM Cargo and its affiliates, as well as TAM S.A. and its subsidiaries TAM Linhas Aereas S.A. (LATAM Airlines Brasil), including its business units TAM Transportes Aereos del Mercosur S.A., (LATAM Airlines Paraguay) and Multiplus S.A. This association creates one of the largest airline groups in the world in terms of network connections, providing passenger transport services to about 138 destinations in 25 countries and cargo services to about 140 destinations in 29 countries, with a fleet of 323 aircraft. In total, LATAM Airlines Group S.A. has approximately 50.000 employees and its shares are traded in Santiago, as well as on the New York Stock Exchange, in the form of ADRs.

LATAM is the new brand that has been adopted by the airline members of LATAM Airlines Group. The group has started to implement the LATAM brand to its customer contact points and aircraft, and will continue implementing LATAM in its products and services as part of a gradual roll-out that will last approximately three years

Each airline will continue to operate under their current brands and identities. For any inquiry of LAN or TAM, please visit <u>www.latam.com</u>, respectively. Further information at <u>www.latamairlinesgroup.net</u>

Notes

- (1) Domestic SSC = Domestic passenger operations in Spanish speaking countries carried by LAN. Passenger statistics include domestic operations in Chile, Peru, Argentina, Ecuador and Colombia.
- (2) Domestic Brazil = Domestic passenger operations of TAM in Brazil.
- (3) International = International passenger operations of LAN and TAM.