

**LATAM AIRLINES GROUP S.A. ANNOUNCES RESULTS OF THE EARLY TENDER OF 9.50% SENIOR GUARANTEED NOTES DUE 2020 OF TAM CAPITAL 2 INC. IN RELATION TO CASH TENDER OFFER AND CONSENT SOLICITATION**

**Santiago, Chile, June 5, 2015** - LATAM Airlines Group S.A., ("LATAM Airlines Group" or the "Company") (NYSE: LFL / IPSA: LAN / Bovespa: LATM33), TAM Capital 2 Inc. (the "Issuer") and Citigroup Global Markets Inc. (the "Offeror" and the "Dealer Manager") today announced the results of the early tenders (the "Early Tender Offer Results") under the previously announced offer by the Offeror to purchase for cash (the "Tender Offer") and consent solicitation by the Issuer (the "Consent Solicitation") for the Issuer's 9.50% Senior Guaranteed Notes due 2020 (the "Notes").

As of 5:00 P.M., New York City time, on June 4, 2015 (the "Early Tender Date" or the "Withdrawal Deadline", as applicable), holders of approximately \$195,938,000 in principal amount, or 65.31%, of the outstanding Notes, not including those owned by the Issuer or any of its affiliates, had validly tendered (and not validly withdrawn) Notes to the Offeror in the Tender Offer and had validly delivered (and not validly revoked) consents in the Consent Solicitation. As a result, the Issuer will execute a supplemental indenture giving effect to the Majority Consent Amendments (as defined in the offer to purchase and consent solicitation statement dated May 21, 2015 (the "Tender Offer and Consent Solicitation Statement")). In accordance with the terms and conditions of the Tender Offer and the Consent Solicitation, withdrawal rights with respect to the Notes have expired. Accordingly, Notes tendered in the past or future may not be withdrawn.

The Tender Offer is subject to the satisfaction of certain conditions set forth in the Tender Offer and Consent Solicitation Statement and the related letter of transmittal and consent (the "Letter of Transmittal"). In particular, the Tender Offer is subject to the Financing Condition and the Participation Condition (each as defined in the Tender Offer and Consent Solicitation Statement).

Holders that validly tendered prior to the Early Tender Date, and whose Notes were accepted, will receive total consideration of \$1,053.00 per \$1,000 principal amount of purchased Notes, which includes an early tender premium of \$30.00 per \$1,000 principal amount of Notes, plus accrued and unpaid interest up to, but not including the early settlement date, which is expected to be on June 8, 2015 (the "Early Settlement Date").

Holders that validly tender after the Early Tender Date, but prior to the expiration of the Tender Offer, and whose Notes are accepted, will receive the tender offer consideration of \$1,023.00 per \$1,000 principal amount of Notes, plus accrued and unpaid interest up to, but not including, the final settlement date, which is expected to be within four business days following June 18, 2015. Holders of the Notes that tender after the Early Tender Date will not receive an early tender premium.

The Issuer currently intends to issue a notice of redemption pursuant to the redemption provision of the Indenture (as defined in the Tender Offer and Consent Solicitation Statement) to redeem any Notes that remain outstanding following the Early Settlement Date at a cash redemption price per \$1,000 principal amount of the Notes equal to \$1,047.50, plus accrued and unpaid interest to the redemption date. However, the Issuer is under no obligation to do so, and may elect not to do so on that date, or at all. This Statement does not constitute a notice of redemption under the redemption provision of the Indenture.

The Information Agent and Tender Agent for the Tender Offer and Consent Solicitation is Global Bondholder Services Corporation. To contact the Information Agent and Tender Agent, banks

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**INVESTOR RELATIONS CONTACT INFORMATION**

LATAM Airlines Group S.A.  
Investor Relations  
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[www.latamairlinesgroup.net](http://www.latamairlinesgroup.net)

and brokers may call +1-212-430-3774, and others may call U.S. toll-free: 866-470-3900. The Information Agent and Tender Agent's email is [contact@gbsc-usa.com](mailto:contact@gbsc-usa.com).

Any questions or requests for assistance may be directed to the Dealer Manager at its respective telephone numbers set forth below or, if by any Holder, to such Holder's broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer and Consent Solicitation.

The Sole Dealer Manager for the Tender Offer is:

Citigroup Global Markets Inc.  
390 Greenwich Street  
1st Floor  
New York, New York 10013  
Attention: Liability Group Management  
U.S. Toll-Free: (800) 558-3745  
Collect: (212) 723-6106

This notice does not constitute or form part of any offer or invitation to purchase, or any solicitation of any offer to sell, the Notes or any other securities in the United States or any other country, nor shall it or any part of it, or the fact of its release, form the basis of, or be relied on or in connection with, any contract therefor. This notice is also not a solicitation of any Consent to the Proposed Amendments. The Tender Offer and Consent Solicitation are made only by and pursuant to the terms of the Tender Offer and Consent Solicitation Statement and the related Letter of Transmittal and the information in this notice is qualified by reference to the Tender Offer and Consent Solicitation Statement and the related Letter of Transmittal. None of the Offeror, the Issuer, LATAM Airlines Group or the Information Agent and Tender Agent makes any recommendations as to whether holders should tender their Notes pursuant to the Tender Offer and deliver their Consents pursuant to the Consent Solicitation.

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This notice to the market does not represent an offer to sell securities or a solicitation to buy securities in the United States or in any other country. The New Offering was not and will not be registered under the U.S. Securities Act of 1933 ("Securities Act"), as amended. Consequently, the notes issued in the New Offering are prohibited from being offered or sold in the United States or to U.S. citizens without the applicable registration or exemption from registration required under the Securities Act.

This notice to the market is released for disclosure purposes only, in accordance with applicable legislation. It does not constitute marketing material, and should not be interpreted as advertising an offer to sell or soliciting any offer to buy securities issued by the Issuer, the Guarantors and LATAM Airlines Group. This notice to the market is not for distribution in or into or to any person located or resident in the United States, its territories and possessions, any state of the United States or the District of Columbia or in any jurisdiction where it is unlawful to release, publish or distribute this announcement.

#### **Forward-Looking Statements**

This notice includes and references "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may relate to, among other things, LATAM's business strategy, goals and expectations concerning its market position, future operations, margins and profitability.

Although the Issuer and LATAM Airlines Group believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect.

The matters discussed in these forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results and trends to differ materially from those made, projected, or implied in or by the forward-looking statements depending on a variety of uncertainties or other factors.

The Issuer and LATAM Airlines Group undertake no obligation to update any of its forward-looking statements.

#### **About LATAM Airlines Group S.A.**



— LATAM AIRLINES GROUP —

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 LAN Airlines and its affiliates in Peru, Argentina, Colombia and Ecuador, and LAN Cargo and its affiliates, as well as TAM S.A. and its subsidiaries TAM Linhas Aereas S.A., including its business units TAM Transportes Aereos del Mercosur S.A., (TAM 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 135 destinations in 24 countries and cargo services to about 144 destinations in 26 countries, with a fleet of 314 aircraft. In total, LATAM Airlines Group S.A. has approximately 53,000 employees and its shares are traded in Santiago, as well as on the New York Stock Exchange, in the form of ADRs, and Sao Paulo Stock Exchange, in the form of BDRs.