

LATAM AIRLINES GROUP ANNOUNCES PRELIMINARY GUIDANCE FOR 2018

Santiago, Chile, January 4, 2017– LATAM Airlines Group S.A. and its subsidiaries, ("LATAM Airlines Group" or "the Company") (NYSE: LTM / IPSA: LTM), the leading airline group in Latin America, today reports its preliminary guidance for 2018.

Having reviewed its operational projections for 2018, the Company is estimating an operating margin for the full year 2018 in the range of 7.5% to 9.5%.

LATAM will review its guidance on a quarterly basis to incorporate any important changes in macroeconomic variables or operating performance.

Guidance		2017E	2018E
ASK Growth	International	4%	6% - 8%
	Brazil Domestic	(4%)	2% - 4%
	Spanish Speaking Countries Domestic	0%	6% - 8%
	TOTAL	1%	5% - 7%
ATK Growth		(7%)	1% - 3%
Operating Margin		6.0% - 8.0%	7.5% - 9.5%
Assumptions			
Average exchange rate (BRL/USD)			3.31
Jet Fuel Price (US\$/bbl)			73

Note: ASK and ATK growths for 2017 include the projection for December 2017.

Note on 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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About LATAM Airlines Group S.A.

LATAM Airlines Group is Latin America's leading airline group with one of the largest route networks in the world, offering air services to around 140 destinations in 25 countries, and is present in six domestic markets in Latin America: Argentina, Brazil, Chile, Colombia, Ecuador and Peru, in addition to its international operations in Latin America, Europe, the United States, the Caribbean, Oceania and Africa.

The company is employing over 42,000 people worldwide, operating more than 1,300 flights per day and transporting 67 million passengers per year.

LATAM Airlines Group has one of the youngest and most modern fleets in the world. Its 317 aircraft average an age of approximately seven years and feature the latest variants, including the Boeing 787, Airbus A350, A321 and A320neo.

LATAM Airlines Group (formerly LAN Airlines) comprises subsidiaries in Peru, Argentina, Colombia and Ecuador as well as LATAM CARGO and its subsidiaries; in addition to TAM S.A and its subsidiaries, TAM Linhas Aéreas S.A. (LATAM Airlines Brasil) and its business units TAM Transportes Aéreos Del Mercosur S.A. (LATAM Airlines Paraguay) and Multiplus S.A.

LATAM is the brand adopted by LATAM Airlines Group member airlines, and is being rolled-out in its products and services as part of a gradual integration plan.

LATAM Airlines Group is the only airlines group in Latin America and one of three worldwide to be part of the Dow Jones Sustainability 'World' Index. In 2017, it was recognized by the index for sustainable practices, based on economic, social and environmental criteria, for the fourth consecutive year.

LATAM Airlines Group shares are traded on the Santiago Stock Exchange, and the New York Stock Exchange in the form of ADRs.

For any commercial or brand related query, visit www.latam.com. Further financial information is available via www.latamairlinesgroup.net.