



— LATAM AIRLINES GROUP —

Third quarter 2013 Results Presentation

November, 2013

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LATAM Airlines Group: Highlights 3Q 2013

(US\$ Thousands)	3Q13	3Q12	% Change (YoY)
Total Revenues	3.360.678	3.338.983	0,6%
Passenger Revenues	2.833.605	2.811.233	0,8%
Cargo Revenues	436.362	448.014	-2,6%
Total Operating Expenses	-3.105.194	-3.233.599	-4,0%
Operating Income	255.484	105.384	142,4%
Operating Margin	7,6%	3,2%	4,4 pp
Net Income	52.093	-49.185	n.m.
EBITDAR*	621.355	477.986	30,0%
EBITDAR Margin	18,5%	14,3%	4,2 pp

Third Quarter 2013:

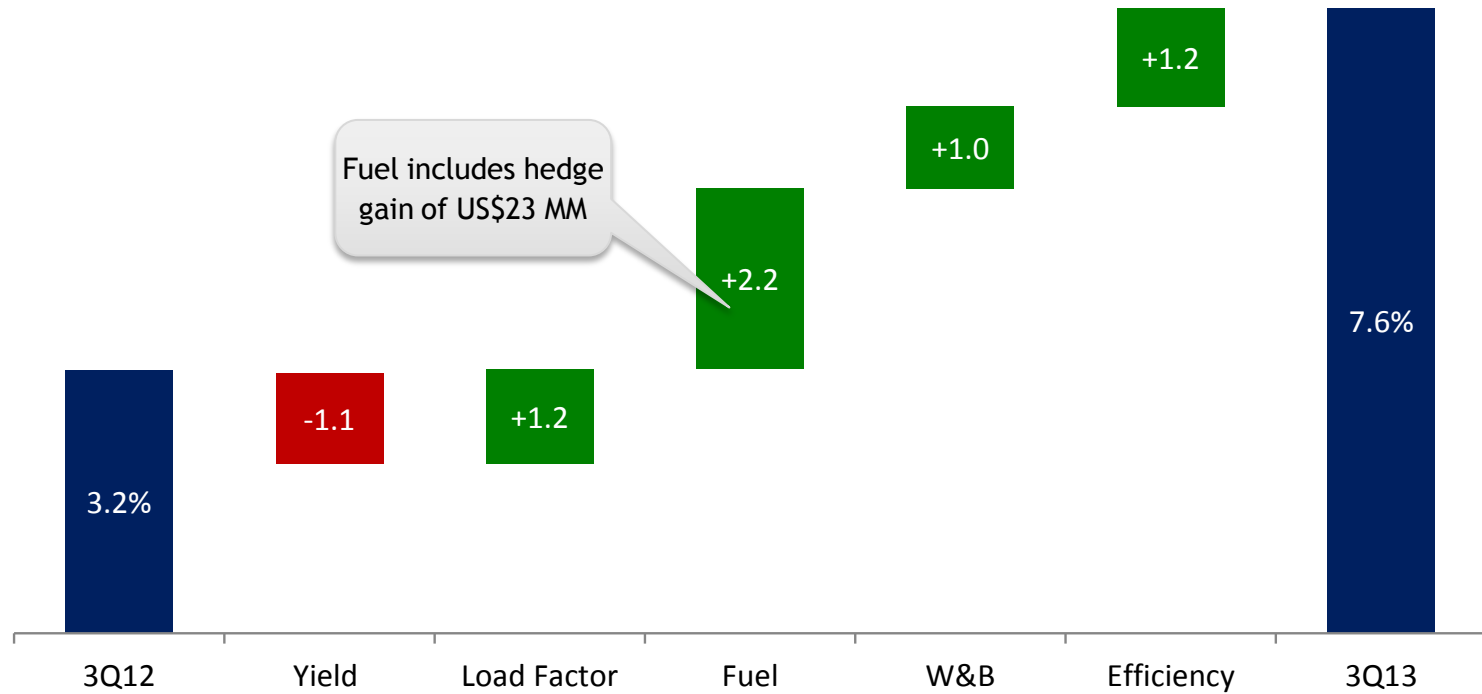
- US\$ 15.5 mm one-time severance costs resulting from headcount reductions in TAM during the quarter.
- US\$ 9.6 mm increase in wages for personnel in positions deemed to be high-risk according to existing Brazilian regulations.
- US\$ 22.0 mm non operating one time provision related to CADE ruling for cargo in Brazil

Third Quarter 2012

- US\$ 70,4 mm tax provision related to the publication of the law increasing the Chilean corporate income tax rate

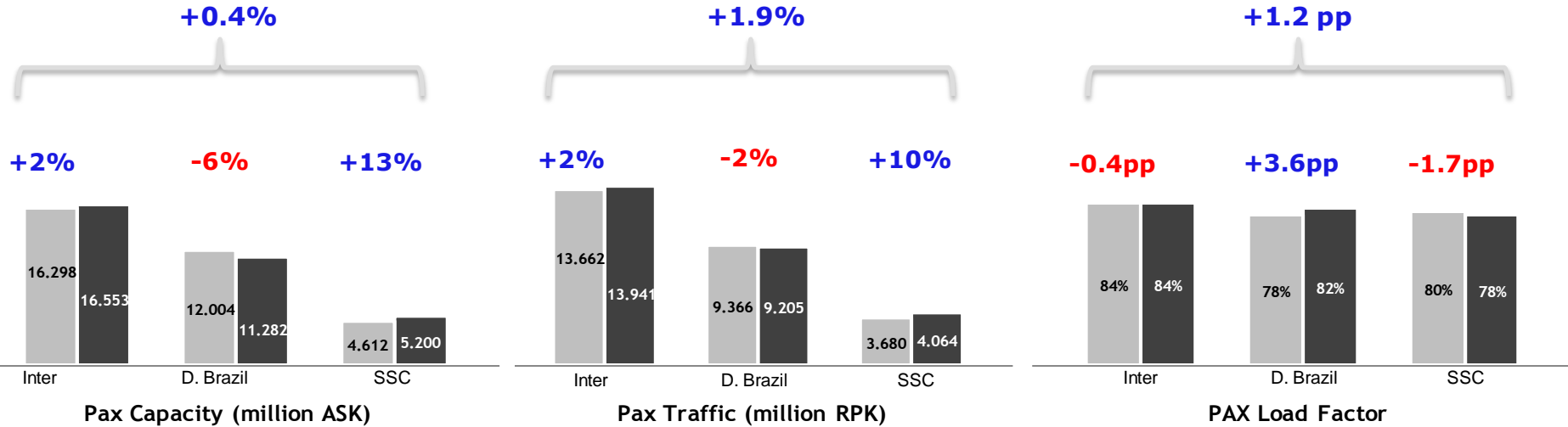
* EBITDAR = Operating income + depreciation & amortization + aircraft rentals

LATAM Airlines Group Operating Margin Analysis



2.03	—————	Brazilian real [US\$]	—————>	2.29	12.9%
3.59	—————	Fuel Price Ex-Hedge[US\$]	—————>	3.44	-4.2%
105	—————	Op. Margin [US\$MM]	—————>	255	

LATAM Airlines Group Passenger Operations - Revenue increased 0.8%

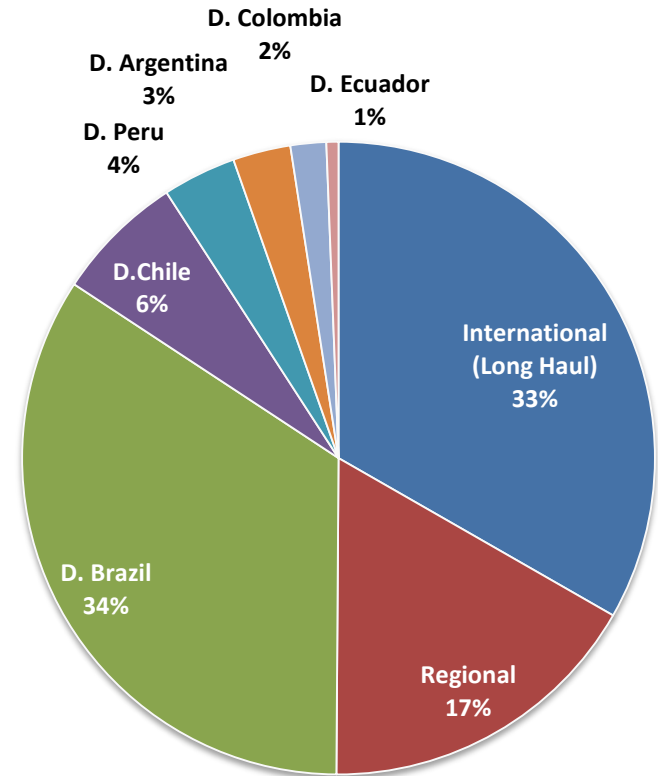


■ 3Q12 ■ 3Q13

LATAM Airlines Group: Diversified passenger capacity growth

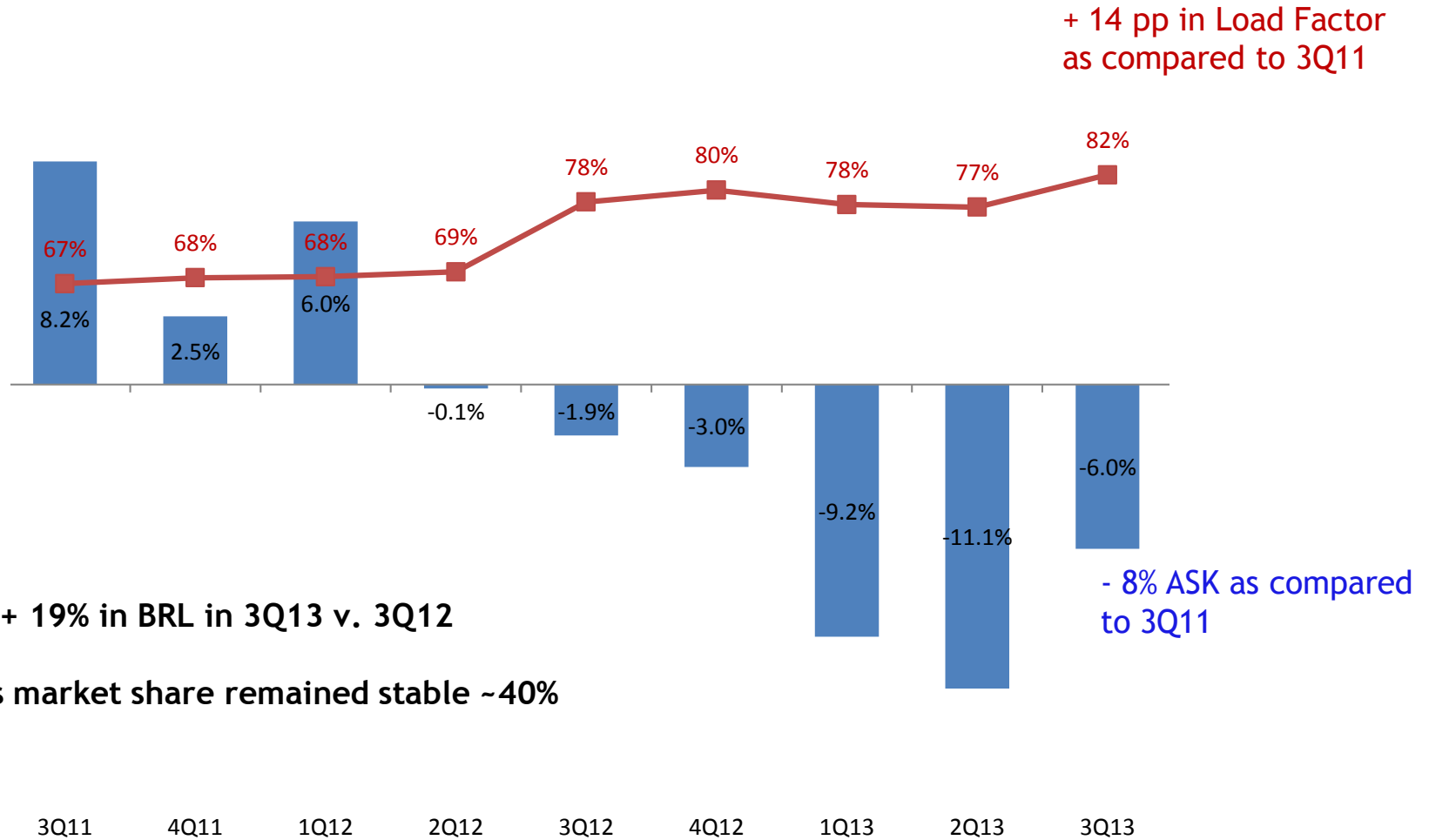


ASK 3Q 2013



<u>Growth in ASK (3Q13 vs. 3Q12)</u>	<u>0.4%</u>
International (Long Haul & Regional)	1.6%
Brazil Domestic	-6.0%
Chile Domestic	13.4%
Peru Domestic	18.2%
Argentina Domestic	4.0%
Colombia Domestic	9.1%
Ecuador Domestic	35.4%

Domestic Brazil: Successful turnaround



International: Rationalization of international passenger operations



Reducing capacity on certain long haul routes from Brazil, especially from Rio de Janeiro to Europe



Strengthening Sao Paulo Hub at Guarulhos Airport



Grounding oldest Airbus A330 aircraft

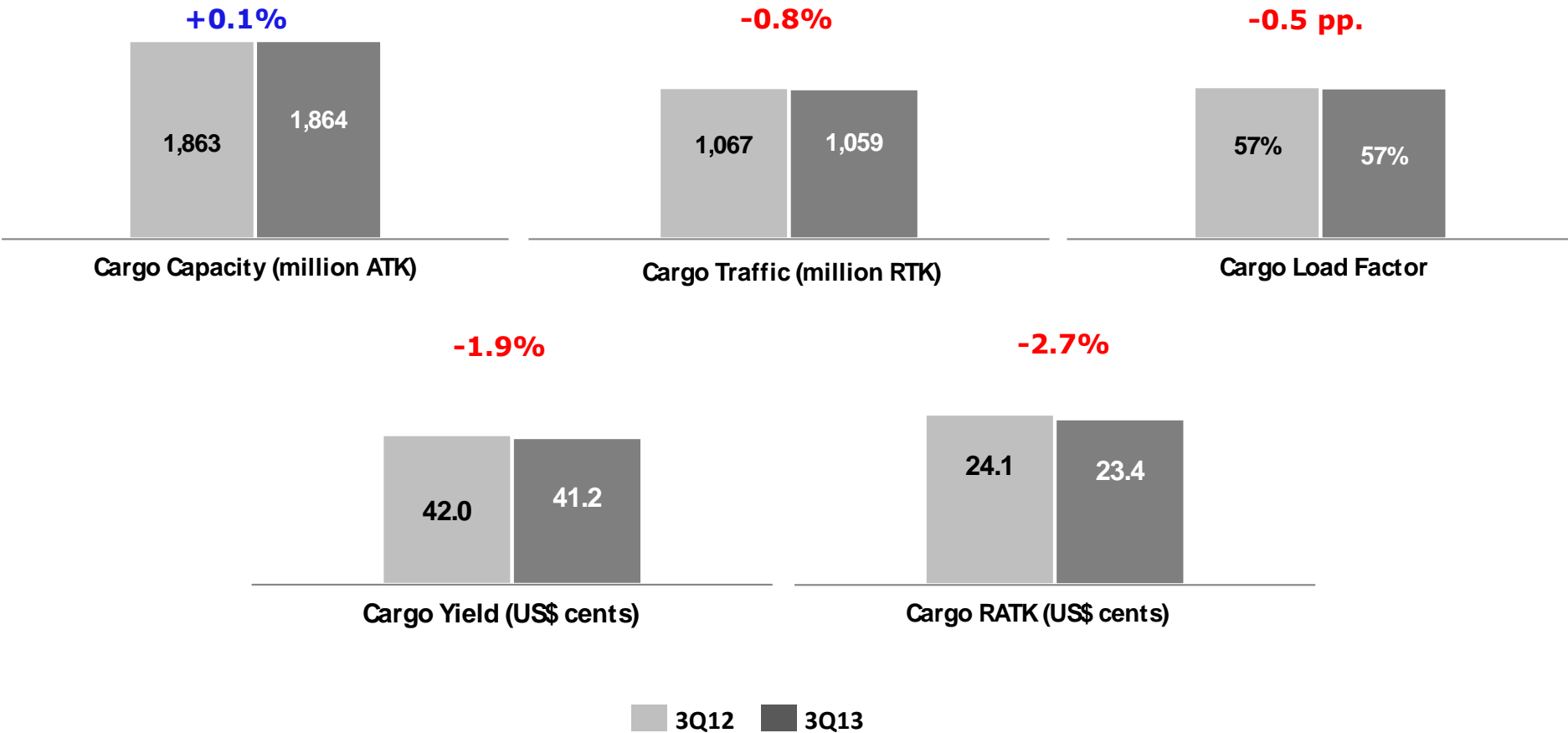


Operating Boeing 767s on TAM's long haul routes = lower CASK



Starting August 15, 2013, TAM is marketing its code share agreements with American Airlines

LATAM Airlines Group Cargo Operations - Revenue decreases 2.6%



Merger Synergies on track



Cargo Operations

- Integration of international cargo operations
- Implementation of new connection process in GRU and GIG

Passenger Operations

- Enhanced connectivity through route optimization, cross selling and code shares intra LATAM's companies and partners.
- Sharing of best practices
- Alignment of fare combinability and commercial policies

Cost Synergies

- Renegotiations of fuel contracts have been completed in all airports
- Joint negotiation of contracts with different suppliers
- Exchange of best practices within the company
- Reduction of duplicate functions in the commercial structure
- Standardization of the company's product

During the first 9 months of 2013 the Company has realized:

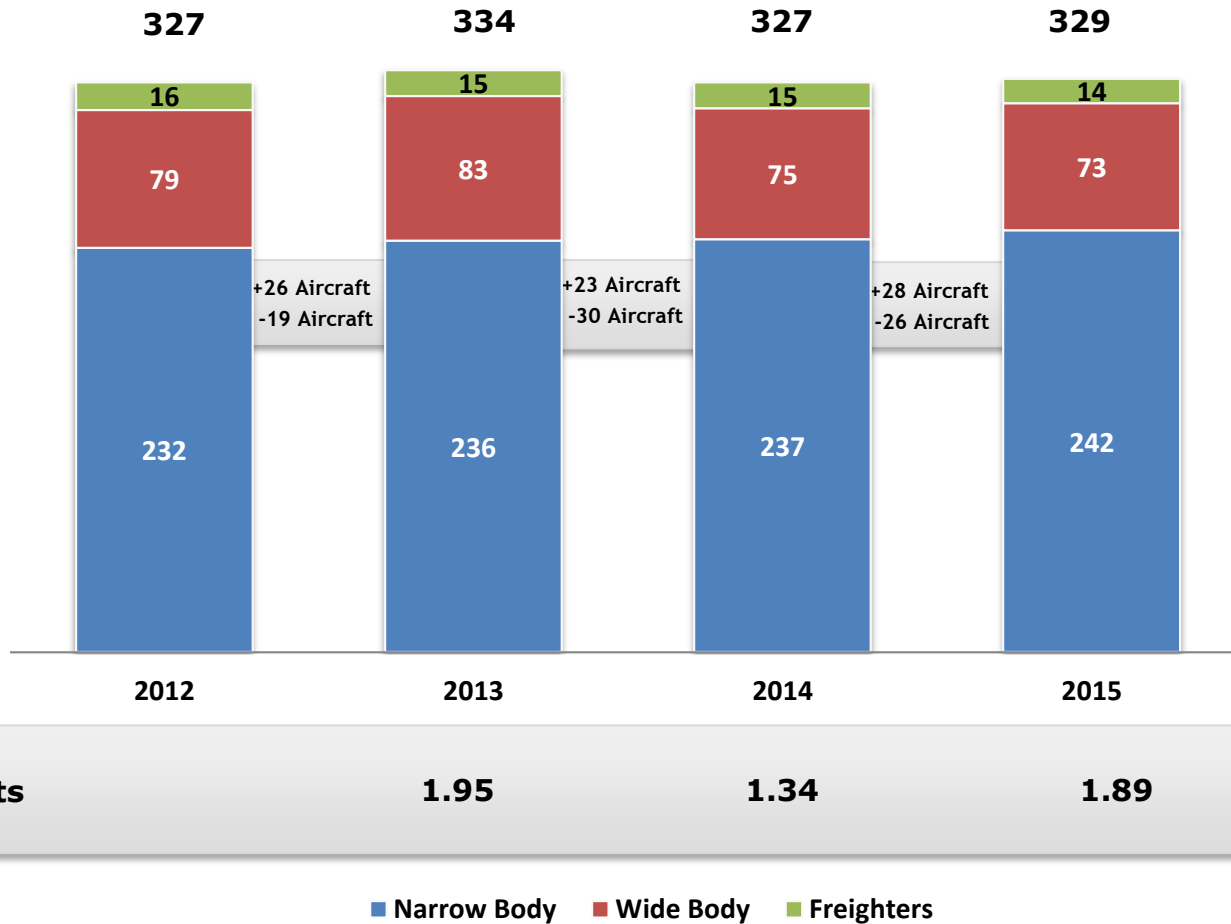
- US\$ 215 million in synergies

2013 Guidance

		2013
ASK Growth (Passenger)	Total Network	0% / 2%
	International (Long Haul & Regional)	2% / 4%
	Brazil Domestic	-7% / -9%
	SSC Domestic	12% / 14%
ATK Growth (Cargo)		0% / 2%
Synergies (EBITDA)	(FY 2013)	US\$ 250-300mm
Operating Margin	(FY 2013)	~5% +/- 0.2pp
Average Exchange rate (BRL/USD)	(4Q13)	2,28
Jet Fuel Price (US\$ per barrel)	(4Q13)	122

LATAM's fleet plan: focus on fleet renewal

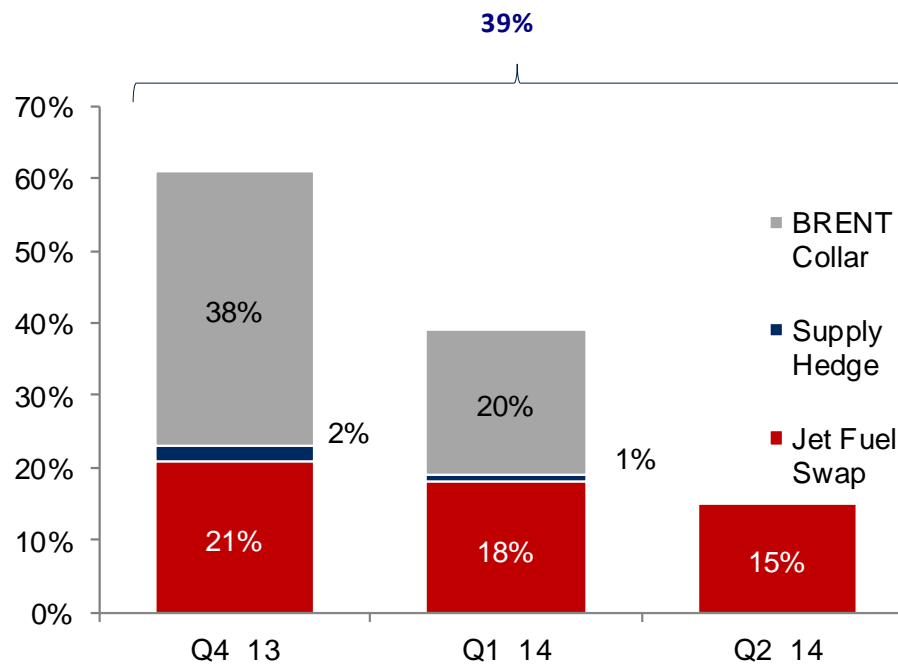
Total aircraft at the end of the year



LATAM Airlines Group fuel hedges

LATAM Fuel Hedges

(% of consumption)



LATAM HEDGE (US\$/Bbl)

	Q4 13	Q1 14	Q2 14
Brent Band 112@80	61%		
Brent Band 111@82		39%	
Brent Band 106@74			15%
	61%	39%	15%

Notes:

- values are Brent equivalents
- hedging position as of November 11, 2013