

LATAM Airlines Group reports preliminary monthly statistics for October 2016

Santiago, Chile, November 14, 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 October 2016 compared to October 2015.

System passenger traffic decreased by 0.2 while capacity decreased by 1.7%. As a result, the Company's load factor for the month increased 1.2 points to 85.6%. International passenger traffic accounted for approximately 56% 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	October 2015	% Change	Yead to Date Ended October 2016	2015	% Change
LATAM AIRLINES PASSENGER OPERATIONS						
REVENUE PASSENGER KILOMETERS (millions)						
SYSTEM	9,676	9,701	-0.2%	94,431	92,548	2.0%
DOMESTIC SSC (1)	1,723	1,602	7.6%	15,874	14,649	8.4%
DOMESTIC BRAZIL (2)	2,502	2,834	-11.7%	25,793	29,040	-11.2%
INTERNATIONAL (3)	5,451	5,265	3.5%	52,763	48,860	8.0%
AVAILABLE SEAT KILOMETERS (millions)						
SYSTEM	11,298	11,494	-1.7%	112,111	111,217	0.8%
DOMESTIC SSC (1)	2,110	1,980	6.6%	19,622	18,152	8.1%
DOMESTIC BRAZIL (2)	3,036	3,451	-12.0%	31,420	35,608	-11.8%
INTERNATIONAL (3)	6,153	6,063	1.5%	61,068	57,456	6.3%
PASSENGER LOAD FACTOR						
SYSTEM	85.6%	84.4%	1.2 pp	84.2%	83.2%	1.0 pp
DOMESTIC SSC (1)	81.7%	80.9%	0.8 pp	80.9%	80.7%	0.2 pp
DOMESTIC BRAZIL (2)	82.4%	82.1%	0.3 pp	82.1%	81.6%	0.5 pp
INTERNATIONAL (3)	88.6%	86.8%	1.8 pp	86.4%	85.0%	1.4 pp
PASSENGERS BOARDED (thousands)						
SYSTEM	5,729	5,829	-1.7%	55,626	56,437	-1.4%
DOMESTIC SSC (1)	2,042	1,952	4.6%	18,889	17,728	6.5%
DOMESTIC BRAZIL (2)	2,392	2,640	-9.4%	24,170	26,967	-10.4%
INTERNATIONAL (3)	1,295	1,237	4.7%	12,568	11,742	7.0%
LATAM AIRLINES CARGO OPERATIONS						
REVENUE TON KILOMETERS (Cargo) (millions)						
SYSTEM	328	333	-1.7%	2,823	3,129	-9.8%
AVAILABLE TON KILOMETERS (Cargo) (millions)						
SYSTEM	570	607	-6.1%	5,571	5,879	-5.2%
CARGO LOAD FACTOR						
SYSTEM	57.5%	54.9%	2.5 pp	50.7%	53.2%	-2.6 pp

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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 335 aircraft. In total, LATAM Airlines Group S.A. has approximately 47,000 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 and LATAM Airlines 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 www.latam.com. Further information at www.latamairlinesgroup.net

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.