

LATAM Airlines Group reports preliminary monthly statistics for January 2017

Santiago, Chile, February 08, 2017– 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 January 2017 compared to January 2016.

System passenger traffic increased by 1.4 while capacity increased by 0.8%. As a result, the Company's load factor for the month increased 0.5 points to 86.1%. International passenger traffic accounted for approximately 57% 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.

| | 2017 | January 2016 | % Change | 2017 | 2016 | % Change |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| LATAM AIRLINES PASSENGER OPERATIONS | | | | | | |
| REVENUE PASSENGER KILOMETERS (millions) | | | | | | |
| SYSTEM | 10,748 | 10,603 | 1.4% | 10,748 | 10,603 | 1.4% |
| DOMESTIC SSC (1) | 1,815 | 1,795 | 1.1% | 1,815 | 1,795 | 1.1% |
| DOMESTIC BRAZIL (2) | 2,816 | 3,143 | -10.4% | 2,816 | 3,143 | -10.4% |
| INTERNATIONAL (3) | 6,117 | 5,665 | 8.0% | 6,117 | 5,665 | 8.0% |
| AVAILABLE SEAT KILOMETERS (millions) | | | | | | |
| SYSTEM | 12,478 | 12,383 | 0.8% | 12,478 | 12,383 | 0.8% |
| DOMESTIC SSC (1) | 2,186 | 2,115 | 3.4% | 2,186 | 2,115 | 3.4% |
| DOMESTIC BRAZIL (2) | 3,309 | 3,725 | -11.2% | 3,309 | 3,725 | -11.2% |
| INTERNATIONAL (3) | 6,983 | 6,542 | 6.7% | 6,983 | 6,542 | 6.7% |
| PASSENGER LOAD FACTOR | | | | | | |
| SYSTEM | 86.1% | 85.6% | 0.5 pp | 86.1% | 85.6% | 0.5 pp |
| DOMESTIC SSC (1) | 83.0% | 84.8% | -1.8 pp | 83.0% | 84.8% | -1.8 pp |
| DOMESTIC BRAZIL (2) | 85.1% | 84.4% | 0.8 pp | 85.1% | 84.4% | 0.8 pp |
| INTERNATIONAL (3) | 87.6% | 86.6% | 1.0 pp | 87.6% | 86.6% | 1.0 pp |
| PASSENGERS BOARDED (thousands) | | | | | | |
| SYSTEM | 6,068 | 6,189 | -2.0% | 6,068 | 6,189 | -2.0% |
| DOMESTIC SSC (1) | 1,996 | 2,019 | -1.1% | 1,996 | 2,019 | -1.1% |
| DOMESTIC BRAZIL (2) | 2,595 | 2,805 | -7.5% | 2,595 | 2,805 | -7.5% |
| INTERNATIONAL (3) | 1,478 | 1,365 | 8.3% | 1,478 | 1,365 | 8.3% |
| LATAM AIRLINES CARGO OPERATIONS | | | | | | |
| REVENUE TON KILOMETERS (Cargo) (millions) | | | | | | |
| SYSTEM | 281 | 288 | -2.4% | 281 | 288 | -2.4% |
| AVAILABLE TON KILOMETERS (Cargo) (millions) | | | | | | |
| SYSTEM | 542 | 576 | -5.9% | 542 | 576 | -5.9% |
| CARGO LOAD FACTOR | | | | | | |
| SYSTEM | 51.8% | 49.9% | 1.9 pp | 51.8% | 49.9% | 1.9 pp |

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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, operating more than 1,400 flights per day and transporting 67 million passengers per year.

Employing over 46,000 people worldwide, the company 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.

LATAM Airlines Group has one of the youngest and most modern fleets in the world. Its 334 aircraft average an age of less than seven years and feature the latest variants including the Boeing 787, Airbus A350, A321 and A320neo.

No other airline group offers more flights and destinations within the same region. The LATAM PASS and LATAM FIDELIDADE loyalty programs have more than 24 million members worldwide.

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 physical spaces such as airports and sales offices with 43 aircraft now featuring the new LATAM livery to date. The group continues to implement the LATAM brand 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 two worldwide to be part of the Dow Jones Sustainability 'World' Index. In 2016, it was recognized by the index for sustainable practices, based on economic, social and environmental criteria, for the third 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

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.