



**MATERIAL FACT**  
**LATAM Airlines Group S.A**  
**SECURITIES REGISTRY N° 306**  
Santiago, April 26<sup>th</sup> 2018

Mr.  
Joaquín Cortez Huerta  
Superintendent of Securities and Insurance  
1449 Av. Libertador Bernardo O'Higgins  
Present

**Re: Material fact report**

Dear Mr. Superintendent:

In accordance with the provisions of Circular No. 660, dated October 22, 1986, of your Commission, and duly authorized, I hereby inform you as material information that at the Ordinary Shareholders Meeting (the "Meeting") of LATAM Airlines Group S.A. ("LATAM") held today, April 26th of 2018, the shareholders of LATAM approved the distribution of Definitive Dividend No. 49, up to complete the 30% of net income for the year 2017, that is, the equivalent amount in Chilean pesos of USD 46,591,192.86 which means to distribute a dividend of USD 0,07683146734 per share, payable on Thursday, May 17, 2018, in its equivalent in Chilean pesos according to the exchange rate "observed", published in the Official Journal on the fifth business day prior to the distribution day, that is, on May 11, 2018.

The shareholders of the Company shall be entitled to receive the dividend in proportion to their respective shareholding in the share capital, according to the number of shares they have registered in the Shareholders' Register at midnight of the fifth business day prior to the distribution date. , that is, at midnight on May 11, 2018

The notice referred to in Section II of the aforementioned Circular 660 will be published on May 9, 2018, in the newspaper "La Tercera" of Santiago.

Form No. 1 is attached, which establishes the same Circular No. 660, duly completed and signed by the undersigned.

Sincerely yours,

**Juan Carlos Menció**  
**Senior Vice President of Legal Affairs**  
**LATAM Airlines Group S.A.**

## **FORM N° 1**

### **DIVIDENDS DISTRIBUTION**

1. Company identification:
  - 1.01 Tax N°: 89,862,200-2
  - 1.02 Original form date: 26.04.2018
  - 1.03 Company name: LATAM Airlines Group S.A.
  - 1.04 Securities Registration Record N° 0306
  - 1.05 Local Exchange Ticker:: Unique
  - 1.06 Código bolsa: LTM
  - 1.07 Individualization movement: 49
2. Dividend agreement and amount:
  - 2.01 Agreement date: 26.04.2018
  - 2.02 Agreement Settlement: 1
  - 2.03 Dividend amount: 46,591,192.86
  - 2.04 Currency type: US
3. Shares and shareholders with rights:
  - 3.01 Number of shares: 606,407,693
  - 3.02 Closing date: 11.05.2018
4. Characteristics of the dividend:
  - 4.01 Dividend type: 2
  - 4.02 Year ended: 31.12.2017
  - 4.03 Payment type: 1
5. Payment of the dividend in cash:
  - 5.01 Payment in cash: 0.07683146734
  - 5.02 Currency type: US
  - 5.03 Payment date: 17.05.2018

6. Distribution of the optional dividend in share: Not applicable.
7. Observations:
  - 7.01 The exchange rate used will be the “Observed Dollar” (dólar observado) published in the Official Journal of Chile (Diario Oficial) on May 11, 2018.
  - 7.02 Payment of the dividend will be made through the Banco de Crédito e Inversiones (BCI) , in any of its branches throughout the country, from Monday to Friday, from 9:00 a.m. to 2:00 p.m., for a period of 90 days counted from May 17, 2018, by check or bank account voucher, in both nominative cases. Shareholders who so request in writing will be deposited in current account or bank savings of the owner of the shares. These shareholders will be sent the voucher or notice of the respective bank deposit. Likewise, to the shareholders who so request in writing, the payment of the dividend will be sent to them by means of a nominative check, by certified mail sent to the address where the shareholder appears in the Company's records. Any request or change that a shareholder wishes to make with respect to the method of payment in accordance with the aforementioned, must be communicated until May 10, 2018. Once the aforementioned period of 90 days has elapsed since May 17, 2018, or or in the case that they have been returned by mail to DCV Registros SA, the checks will pass into the custody of the latter until they are withdrawn by the shareholders.

Representatives can stand in for the shareholders, though a notarized authorization signed by the shareholder.

The attendance to shareholders regarding any aspect of the dividend payment will be exclusively done at the offices of DCV Registros S.A., located in 770 Huérfanos, 22nd floor, Santiago, from Monday to Friday, 9:00 a 17:00 hours.
  - 7.03 The announcement referred by the Section II of the Resolution N° 660, dated October 22 of 1986, of the Superintendence of Securities and Insurance, will be published on May 9th of 2018, in “La Tercera” newspapers from Santiago
  - 7.04 The Company is publicly traded.
  - 7.05 The paid dividend is attributable to the earnings of 2017 fiscal year.
  - 7.06 The ordinary shareholder meeting of the Company agreed the distribution of a dividend corresponding to 30% of the earnings of 2017, equivalent to US\$ 46.591.192,86
  - 7.07 The tax effects from the dividend payment shall be informed accordingly to the shareholders.

The information contained in this from is exact and correct; therefore, I assume the corresponding legal responsibility.

**Ramiro Alfonsín**  
**Chief Financial Officer**  
**LATAM Airlines Group S.A.**