

## LATAM Airlines Group reports preliminary monthly statistics for December 2016

**Santiago, Chile, January 09, 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 December 2016 compared to December 2015.

System passenger traffic increased by 1.9 while capacity increased by 0.6%. As a result, the Company's load factor for the month increased 1.1 points to 83.6%. 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.

	December			Year to Date Ended December		
	2016	2015	% Change	2016	2015	% Change
<b>LATAM AIRLINES PASSENGER OPERATIONS</b>						
<b>REVENUE PASSENGER KILOMETERS (millions)</b>						
<b>SYSTEM</b>	<b>9,895</b>	<b>9,710</b>	<b>1.9%</b>	<b>113,627</b>	<b>111,510</b>	<b>1.9%</b>
DOMESTIC SSC (1)	1,697	1,607	5.6%	19,294	17,858	8.0%
DOMESTIC BRAZIL (2)	2,690	2,909	-7.5%	30,941	34,648	-10.7%
INTERNATIONAL (3)	5,508	5,195	6.0%	63,393	59,003	7.4%
<b>AVAILABLE SEAT KILOMETERS (millions)</b>						
<b>SYSTEM</b>	<b>11,829</b>	<b>11,756</b>	<b>0.6%</b>	<b>134,968</b>	<b>134,167</b>	<b>0.6%</b>
DOMESTIC SSC (1)	2,120	1,967	7.8%	23,847	22,073	8.0%
DOMESTIC BRAZIL (2)	3,213	3,551	-9.5%	37,579	42,478	-11.5%
INTERNATIONAL (3)	6,495	6,237	4.1%	73,542	69,616	5.6%
<b>PASSENGER LOAD FACTOR</b>						
<b>SYSTEM</b>	<b>83.6%</b>	<b>82.6%</b>	<b>1.1 pp</b>	<b>84.2%</b>	<b>83.1%</b>	<b>1.1 pp</b>
DOMESTIC SSC (1)	80.0%	81.7%	-1.6 pp	80.9%	80.9%	0.0 pp
DOMESTIC BRAZIL (2)	83.7%	81.9%	1.8 pp	82.3%	81.6%	0.8 pp
INTERNATIONAL (3)	84.8%	83.3%	1.5 pp	86.2%	84.8%	1.4 pp
<b>PASSENGERS BOARDED (thousands)</b>						
<b>SYSTEM</b>	<b>5,771</b>	<b>5,800</b>	<b>-0.5%</b>	<b>66,960</b>	<b>67,835</b>	<b>-1.3%</b>
DOMESTIC SSC (1)	1,936	1,896	2.1%	22,829	21,540	6.0%
DOMESTIC BRAZIL (2)	2,524	2,666	-5.3%	29,024	32,139	-9.7%
INTERNATIONAL (3)	1,312	1,238	5.9%	15,107	14,156	6.7%
<b>LATAM AIRLINES CARGO OPERATIONS</b>						
<b>REVENUE TON KILOMETERS (Cargo) (millions)</b>						
<b>SYSTEM</b>	<b>321</b>	<b>328</b>	<b>-2.1%</b>	<b>3,466</b>	<b>3,797</b>	<b>-8.7%</b>
<b>AVAILABLE TON KILOMETERS (Cargo) (millions)</b>						
<b>SYSTEM</b>	<b>573</b>	<b>606</b>	<b>-5.4%</b>	<b>6,704</b>	<b>7,083</b>	<b>-5.3%</b>
<b>CARGO LOAD FACTOR</b>						
<b>SYSTEM</b>	<b>56.0%</b>	<b>54.1%</b>	<b>1.9 pp</b>	<b>51.7%</b>	<b>53.6%</b>	<b>-1.9 pp</b>

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#### **About LATAM Airlines Group S.A.**

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 140 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 more than 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 brand that has been adopted by the airline members of LATAM Airlines Group, and has started to implement the LATAM and LATAM Airlines brand to its customer contact points and aircraft, as part of a gradual roll-out that will last until 2019.

Each airline will continue to operate under their current brands and identities. For any inquiry of LAN or TAM, please visit [www.latam.com](http://www.latam.com). Further information at [www.latamairlinesgroup.net](http://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.