

LATAM Airlines Group reports preliminary monthly statistics for July 2015

Santiago, Chile, August 11, 2015– LATAM Airlines Group S.A. and its subsidiaries, ("LATAM Airlines Group" or "the Company") (NYSE: LFL / IPSA: LAN / Bovespa: LATM33), the leading airline group in Latin America, today reported its preliminary monthly traffic statistics for July 2015 compared to July 2014.

System passenger traffic increased by 6.7% while capacity increased by 7.6%. As a result, the Company's load factor for the month decreased 0.8 points to 84.0%. International passenger traffic accounted for approximately 51% of the month's total passenger traffic.

Domestic passenger traffic in LATAM Airlines Group's Spanish speaking operations (Chile, Argentina, Peru, Ecuador and Colombia) rose 7.5%, while capacity increased by 4.9%. As a consequence, the domestic passenger load factor increased 2.0 points to 82.9%.

Domestic passenger traffic in Brazil rose 5.9%, while capacity increased by 7.5%, resulting in a load factor decrease of 1.2 points to 82.6%. The 7.5% capacity increase over July 2014 is affected by the World Cup soccer tournament which took place in Brazil last year. Passenger capacity in Brazil is flat with respect to July 2013.

International passenger traffic increased by 6.9%, while capacity increased by 8.6%. Accordingly, the international passenger load factor for the month decreased 1.4 points to 85.2%. International traffic includes international operations of both LAN and TAM on regional and long haul routes.

Cargo traffic continues to be weak during the month of July, especially in Brazil domestic and international markets. As a result, cargo traffic for LATAM Airlines Group decreased 12.6% in July, and the cargo load factor decreased 7.0 points to 50.4%. We continue to adjust cargo capacity through a reduced freighter operation, which resulted in a decline of 0.4% of cargo ATKs in July.

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 LAN Airlines and its affiliates in Peru, Argentina, Colombia and Ecuador, and LAN Cargo and its affiliates, as well as TAM S.A. and its subsidiaries TAM Linhas Aereas S.A., including its business units TAM Transportes Aereos del Mercosur S.A., (TAM 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 24 countries and cargo services to about 144 destinations in 26 countries, with a fleet of 318 aircraft. In total, LATAM Airlines Group S.A. has approximately 53,000 employees and its shares are traded in Santiago, as well as on the New York Stock Exchange, in the form of ADRs, and Sao Paulo Stock Exchange, in the form of BDRs.

Each airline will continue to operate under their current brands and identities. For any inquiry of LAN or TAM, please visit www.lan.com or www.tam.com.br, respectively. 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.

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	2015	July 2014	% Change	2015	Year to Date Ended July 2014	% Change
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LATAM AIRLINES PASSENGER OPERATIONS

REVENUE PASSENGER KILOMETERS (millions)

SYSTEM	10,164	9,529	6.7%	64,038	62,277	2.8%
DOMESTIC SSC (1)	1,617	1,504	7.5%	10,081	9,573	5.3%
DOMESTIC BRAZIL (2)	3,339	3,152	5.9%	20,555	20,295	1.3%
INTERNATIONAL (3)	5,208	4,874	6.9%	33,403	32,409	3.1%

AVAILABLE SEAT KILOMETERS (millions)

SYSTEM	12,106	11,249	7.6%	77,307	75,136	2.9%
DOMESTIC SSC (1)	1,951	1,859	4.9%	12,491	11,998	4.1%
DOMESTIC BRAZIL (2)	4,041	3,760	7.5%	25,221	24,888	1.3%
INTERNATIONAL (3)	6,115	5,629	8.6%	39,595	38,250	3.5%

PASSENGER LOAD FACTOR

SYSTEM	84.0%	84.7%	-0.8 pp	82.8%	82.9%	0.0 pp
DOMESTIC SSC (1)	82.9%	80.9%	2.0 pp	80.7%	79.8%	0.9 pp
DOMESTIC BRAZIL (2)	82.6%	83.8%	-1.2 pp	81.5%	81.5%	0.0 pp
INTERNATIONAL (3)	85.2%	86.6%	-1.4 pp	84.4%	84.7%	-0.4 pp

PASSENGERS BOARDED (thousands)

SYSTEM	6,254	5,929	5.5%	39,291	38,578	1.8%
DOMESTIC SSC (1)	1,965	1,856	5.9%	12,129	11,613	4.4%
DOMESTIC BRAZIL (2)	3,045	2,891	5.3%	19,071	19,087	-0.1%
INTERNATIONAL (3)	1,244	1,182	5.2%	8,090	7,878	2.7%

LATAM AIRLINES CARGO OPERATIONS

REVENUE TON KILOMETERS (Cargo) (millions)

SYSTEM	303	346	-12.6%	2,191	2,468	-11.2%
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AVAILABLE TON KILOMETERS (Cargo) (millions)

SYSTEM	601	603	-0.4%	4,108	4,194	-2.0%
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CARGO LOAD FACTOR

SYSTEM	50.4%	57.4%	-7.0 pp	53.3%	58.9%	-5.5 pp
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