

LATAM Airlines Group reports preliminary monthly statistics for August 2015

Santiago, Chile, September 8, 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 August 2015 compared to August 2014.

System passenger traffic increased by 3.4% while capacity increased by 4.0%. As a result, the Company's load factor for the month decreased 0.5 points to 84.0%. International passenger traffic accounted for approximately 54% 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 4.4%, while capacity increased by 6.6%. As a consequence, the domestic passenger load factor decreased 1.7 points to 81.0%.

Domestic passenger traffic in Brazil decreased 2.8%, while capacity decreased by 3.4%. As a consequence, the domestic Brazil passenger load factor increased 0.5 points to 81.2%.

International passenger traffic increased by 6.9%, while capacity increased by 8.2%. Accordingly, the international passenger load factor for the month decreased 1.0 points to 86.6%. 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 August, especially in Brazil domestic and international markets. As a result, cargo traffic for LATAM Airlines Group decreased 12.9% in August, and the cargo load factor decreased 7.9 points to 51.1%. Cargo capacity, as measured in ATK, grew 0.6% as a result of increased availability in the belly of passenger aircraft offset by a reduced freighter operation.

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.

LATAM Airlines Group announced that LATAM is the new brand for LAN Airlines, TAM Airlines and Affiliates. LATAM Airlines Group is currently working on the gradual roll-out of the new corporate brand image. The first changes will be visible starting in the first half of 2016.

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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	August			Year to Date Ended August		
	2015	2014	% Change	2015	2014	% Change

LATAM AIRLINES PASSENGER OPERATIONS

REVENUE PASSENGER KILOMETERS (millions)

SYSTEM	9,658	9,342	3.4%	73,696	71,619	2.9%
DOMESTIC SSC (1)	1,533	1,469	4.4%	11,614	11,042	5.2%
DOMESTIC BRAZIL (2)	2,915	3,000	-2.8%	23,470	23,295	0.8%
INTERNATIONAL (3)	5,210	4,873	6.9%	38,612	37,282	3.6%

AVAILABLE SEAT KILOMETERS (millions)

SYSTEM	11,496	11,052	4.0%	88,803	86,189	3.0%
DOMESTIC SSC (1)	1,892	1,775	6.6%	14,383	13,773	4.4%
DOMESTIC BRAZIL (2)	3,589	3,717	-3.4%	28,810	28,605	0.7%
INTERNATIONAL (3)	6,015	5,561	8.2%	45,610	43,811	4.1%

PASSENGER LOAD FACTOR

SYSTEM	84.0%	84.5%	-0.5 pp	83.0%	83.1%	-0.1 pp
DOMESTIC SSC (1)	81.0%	82.8%	-1.7 pp	80.8%	80.2%	0.6 pp
DOMESTIC BRAZIL (2)	81.2%	80.7%	0.5 pp	81.5%	81.4%	0.0 pp
INTERNATIONAL (3)	86.6%	87.6%	-1.0 pp	84.7%	85.1%	-0.4 pp

PASSENGERS BOARDED (thousands)

SYSTEM	5,823	5,874	-0.9%	45,114	44,452	1.5%
DOMESTIC SSC (1)	1,891	1,843	2.6%	14,021	13,457	4.2%
DOMESTIC BRAZIL (2)	2,696	2,849	-5.4%	21,767	21,937	-0.8%
INTERNATIONAL (3)	1,236	1,181	4.6%	9,326	9,059	2.9%

LATAM AIRLINES CARGO OPERATIONS

REVENUE TON KILOMETERS (Cargo) (millions)

SYSTEM	299	344	-12.9%	2,490	2,812	-11.4%
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AVAILABLE TON KILOMETERS (Cargo) (millions)

SYSTEM	586	582	0.6%	4,694	4,776	-1.7%
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CARGO LOAD FACTOR

SYSTEM	51.1%	59.0%	-7.9 pp	53.1%	58.9%	-5.8 pp
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