

LATAM Airlines Group reports preliminary monthly statistics for June 2015

Santiago, Chile, July 9, 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 June 2015 compared to June 2014.

System passenger traffic increased by 1.9% while capacity increased by 2.3%. As a result, the Company's load factor for the month decreased 0.4 points to 81.5%. 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 5.4%, while capacity increased by 2.5%. As a consequence, the domestic passenger load factor increased 2.2 points to 78.3%.

Domestic passenger traffic in Brazil remained flat, while capacity increased by 3.4%. As a consequence, the domestic Brazil passenger load factor decreased 2.7 points to 78.1%.

International passenger traffic increased by 2.0%, while capacity increased by 1.6%. Accordingly, the international passenger load factor for the month increased 0.4 points to 84.6%. 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 June, especially in Brazil domestic and international markets. As a result, cargo traffic for LATAM Airlines Group decreased 9.9% in June, and the cargo load factor decreased 4.4 points to 52.5%. We continue to adjust cargo capacity through a reduced freighter operation, which resulted in a decline of 2.3% of cargo ATKs in June.

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 transports services to about 135 destinations in 24 countries and cargo services to about 144 destinations in 26 countries, with a fleet of 316 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 <u>www.lan.com</u> or <u>www.tam.com.br</u>, respectively. Further information at <u>www.latamairlinesgroup.net</u>

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.



		lune			Year to Date Ended June						
	2015	2014	% Change	2015	2014	% Change					
LATAM AIRLINES PASSENGER OPERATIONS											
REVENUE PASSENGER KILOMETERS (millions)											
SYSTEM	8,558	8,403	1.9%	53,875	52,748	2.1%					
DOMESTIC SSC (1)	1,238	1,174	5.4%	8,465	8,069	4.9%					
DOMESTIC BRAZIL (2)	2,675	2,676	0.0%	17,215	17,143	0.4%					
INTERNATIONAL (3)	4,646	4,553	2.0%	28,195	27,535	2.4%					
AVAILABLE SEAT KILOMETERS (millions)											
SYSTEM	10,498	10,261	2.3%	65,201	63,888	2.1%					
DOMESTIC SSC (1)	1,580	1,542	2.5%	10,540	10,138	4.0%					
DOMESTIC BRAZIL (2)	3,426	3,313	3.4%	21,180	21,128	0.2%					
INTERNATIONAL (3)	5,492	5,406	1.6%	33,480	32,621	2.6%					
PASSENGER LOAD FACTOR											
SYSTEM	81.5%	81.9%	-0.4 pp	82.6%	82.6%	0.1 рр					
DOMESTIC SSC (1)	78.3%	76.1%	2.2 pp	80.3%	79.6%	0.7 pp					
DOMESTIC BRAZIL (2)	78.1%	80.8%	-2.7 pp	81.3%	81.1%	0.1 pp					
INTERNATIONAL (3)	84.6%	84.2%	0.4 pp	84.2%	84.4%	-0.2 pp					
PASSENGERS BOARDED (thousands)											
SYSTEM	5,177	5,068	2.2%	33,037	32,649	1.2%					
DOMESTIC SSC (1)	1,605	1,535	4.5%	10,165	9,758	4.2%					
DOMESTIC BRAZIL (2)	2,485	2,450	1.4%	16,026	16,197	-1.1%					
INTERNATIONAL (3)	1,087	1,083	0.4%	6,846	6,695	2.3%					
LATAM AIRLINES CARGO OPERATIONS											
REVENUE TON KILOMETERS (Cargo) (millions)											
SYSTEM	294	326	-9.9%	1,888	2,122	-11.0%					
AVAILABLE TON KILOMETERS (Cargo) (millions)											
SYSTEM	559	573	-2.3%	3,507	3,591	-2.3%					

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CARGO LOAD FACTOR						
SYSTEM	52.5%	56.9%	-4.4 pp	53.8%	59.1%	-5.3 pp