

PRESS RELEASE

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FOR RELEASE: Jan. 14, 2016

AMERICAN AIRLINES AND LATAM AIRLINES GROUP ANNOUNCE PLANS FOR A JOINT BUSINESS

Customers gain better access to more destinations in North and South America

FORT WORTH, Texas - American Airlines (NASDAQ: AAL) and LATAM Airlines Group are applying for regulatory approval to enter into a joint business (JB) to better serve their customers. The JB, which is subject to securing regulatory approvals, will offer American and LATAM customers an expanded network with coordinated schedules providing seamless travel on the airlines' flights between the United States and Canada and six South American countries – Brazil, Chile, Colombia, Paraguay, Peru and Uruguay.

If approved, the JB will enhance the existing strategic partnership between American and LATAM allowing closer commercial cooperation that will provide significant benefits for consumers. These include:

- Expanded network offerings, with access to more routes, frequencies and destinations
- More competitive fares
- Increased choices for customers
- Seamless connectivity

The airlines plan to file for antitrust immunity from the U.S. Department of Transportation and appropriate local authorities in South America. LATAM and American launched their first codeshare in 1999 and became oneworld partners when LAN Chile joined the alliance in 2000.

“When great airlines can work together, customers win with more choices for when and how they travel,” said Doug Parker, chairman and CEO of American Airlines. “Customers will gain seamless access to more frequent and convenient schedule options than either carrier could offer individually. In the eight countries covered by this new joint business agreement, customers will have access to nearly 330 destinations, including 100 more South American destinations than American’s network serves today.”

Enrique Cueto, CEO of LATAM Airlines Group added, “We’re bringing the United States, Canada and South America closer together than ever before, by providing both American and LATAM customers even greater benefits. This is a positive step in offering them the best connecting network in North and South America and it increases the possibility of adding new destinations to our networks in the future.”

Through the proposed joint business, American will provide LATAM customers greater access to cities in the U.S. and Canada via American’s key hubs in Miami, New York, Dallas/Fort Worth

and Los Angeles. LATAM's hubs in Sao Paulo, Santiago, Brasilia, Lima and Bogota will give American customers enhanced network connectivity to cities in South America. In addition, it is anticipated that if approved, this JB will create opportunities for new direct service to currently underserved destinations and additional frequencies on existing routes.

About American Airlines Group

American Airlines and American Eagle offer an average of nearly 6,700 flights per day to nearly 350 destinations in more than 50 countries. American has hubs in Charlotte, Chicago, Dallas/Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix, and Washington, D.C. American is a founding member of the **oneworld** alliance, whose members and members-elect serve nearly 1,000 destinations with 14,250 daily flights to 150 countries. Shares of American Airlines Group Inc. trade on Nasdaq under the ticker symbol AAL. In 2015, its stock joined the S&P 500 index. Connect with American on Twitter [@AmericanAir](https://twitter.com/AmericanAir) and at [Facebook.com/AmericanAirlines](https://www.facebook.com/AmericanAirlines).

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