

FOR IMMEDIATE RELEASE



LAN AIRLINES MONTHLY STATISTICS REPORT FOR MAY 2005

Santiago, Chile, June 10, 2005 – LAN Airlines S.A. and its related companies, (“LAN” or “the Company”) (NYSE: LFL / IPSA: LAN) one of the leading airline groups in Latin America, reported its preliminary monthly and accumulated traffic statistics and punctuality indicators for May 2005.

System passenger traffic for May increased 18.9% as capacity rose of 13.7%. As a result, the Company’s load factor increased 3.0 points to 67.7%.

International passenger traffic for May increased 22.3% while capacity increased 16.8%. Accordingly, the international passenger load factor for the month increased 3.1 point to 69.1%. Traffic increased due to improved demand, increased capacity on long-haul routes, positive performance on the new regional routes launched in 2004, and growth in Peru.

Domestic passenger traffic for May decreased 0.4% as capacity was reduced 1.8%. As a consequence, the domestic load factor for the month increased 0.8 points to 59.0%. Domestic capacity decreased mainly as aircraft were reallocated into international service to better match supply and demand.

Cargo traffic, as measured in RTKs, improved 4.0% while capacity increased 11.1%. Consequently, the cargo load factor decreased 4.6 points to 66.8%. Capacity growth outpaced traffic growth mainly due to limited growth on southbound traffic and weaker than expected northbound demand out of Latin America.

In May, 88.7% of the Company’s total flights left on time, based on a fifteen-minute standard (all departures leaving within fifteen minutes of scheduled departure time are considered as “on-time”). This represented a 3.4-point increase compared to same month of 2004.

About LAN

LAN Airlines (“LAN”) is one of the leading airlines groups in Latin America. The LAN Alliance includes LAN Airlines, LAN Peru, LAN Ecuador, and LAN Argentina. Through its own operations and code-share arrangements, the LAN Alliance serves 15 destinations in Chile, eleven destinations in Peru, seven destinations in Argentina, two in Ecuador, 20 destinations in other Latin American countries, 25 in North America, ten destinations in Europe and four in the South Pacific. Currently, the LAN Alliance operates 56 passenger aircraft and seven dedicated freighters.

LAN is a member of **oneworld** (TM), the most international of the global airline alliances. It has bilateral commercial agreements with **oneworld** partners American Airlines, British Airways, Iberia and Qantas and also with Alaska Airlines, AeroMexico, Mexicana, TAM and Lufthansa Cargo. For more information visit www.lan.com or www.oneworldalliance.com.

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Preliminary May Operating Statistics

	May			Year to date Ended May		
	2005	2004	% Change	2005	2004	% Change
REVENUE PASSENGER KILOMETERS (millions)						
SYSTEM	1,288	1,083	18.9%	7,149	6,037	18.4%
DOMESTIC	161	162	-0.4%	1,056	1,079	-2.1%
INTERNATIONAL	1,127	921	22.3%	6,093	4,958	22.9%
AVAILABLE SEAT KILOMETERS (millions)						
SYSTEM	1,903	1,674	13.7%	9,778	8,488	15.2%
DOMESTIC	273	278	-1.8%	1,591	1,680	-5.3%
INTERNATIONAL	1,630	1,395	16.8%	8,187	6,808	20.3%
PASSENGER LOAD FACTOR						
SYSTEM	67.7%	64.7%	3.0 pp	73.1%	71.1%	2.0 pp
DOMESTIC	59.0%	58.2%	0.8 pp	66.4%	64.2%	2.2 pp
INTERNATIONAL	69.1%	66.0%	3.1 pp	74.4%	72.8%	1.6 pp
REVENUE TON KILOMETERS (Cargo) (millions)						
SYSTEM	195.2	187.6	4.0%	976.1	867.2	12.6%
DOMESTIC	2.8	2.7	3.0%	12.9	13.0	-0.5%
INTERNATIONAL	192.4	184.9	4.0%	963.2	854.3	12.7%
AVAILABLE TON KILOMETERS (Cargo) (millions)						
SYSTEM	292.2	262.9	11.1%	1,479.3	1,277.5	15.8%
DOMESTIC	6.6	7.0	-4.9%	42.7	40.1	6.5%
INTERNATIONAL	285.5	255.9	11.6%	1,436.6	1,237.4	16.1%
CARGO LOAD FACTOR						
SYSTEM	66.8%	71.4%	-4.6 pp	66.0%	67.9%	-1.9 pp
DOMESTIC	42.3%	39.1%	3.2 pp	30.2%	32.3%	-2.1 pp
INTERNATIONAL	67.4%	72.3%	-4.9 pp	67.0%	69.0%	-2.0 pp
PASSENGERS BOARDED (thousands)						
SYSTEM	583	456	28.0%	3,151	2,490	26.6%
DOMESTIC	172	170	0.8%	1,035	1,029	0.6%
INTERNATIONAL	412	286	44.2%	2,117	1,461	44.9%
PUNCTUALITY RATES (Based on 15 Minute Standard)						
SYSTEM	88.7%	85.3%	3.4 pp	88.3%	89.2%	-0.9 pp
DOMESTIC	87.3%	87.7%	-0.4 pp	89.9%	92.3%	-2.4 pp
INTERNATIONAL	89.7%	83.0%	6.6 pp	87.0%	85.3%	1.7 pp

Note: Discrepancies between totals and the sums of the amounts listed are due to rounding.