

FOR IMMEDIATE RELEASE



LAN AIRLINES MONTHLY STATISTICS REPORT FOR JULY 2005

Santiago, Chile, August 9, 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 July 2005.

System passenger traffic for July increased 16.9% as capacity rose of 13.8%. As a result, the Company’s load factor increased 2.1 points to 78.9%.

International passenger traffic for July increased 20.1%, while capacity increased 17.2%. Accordingly, the international passenger load factor for the month increased 2.0 points to 80.5%. Traffic increased mainly due to positive performance on routes to the United States, Europe and the South Pacific, advances on intra-Latin American markets, and growth in Peruvian domestic routes.

In July, domestic passenger traffic in Chile decreased 1.2% as capacity was reduced 2.9%. As a consequence, the domestic load factor for the month increased 1.2 points to 69.3%. Domestic capacity decreased, mainly due to itinerary adjustments.

Cargo traffic was flat year-over-year, while capacity grew 8.2%. As a consequence, load-factors decreased 5.2 points to 63.6%. Load-factors fell due to lower - than - expected traffic on southbound routes to Mexico and Brazil, and weaker than anticipated northbound demand

In July, 77.2% 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 5.3-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 July Operating Statistics

	July			Year to date Ended July		
	2005	2004	% Change	2005	2004	% Change
REVENUE PASSENGER KILOMETERS (millions)						
SYSTEM	1,644	1,407	16.9%	10,080	8,512	18.4%
DOMESTIC	207	210	-1.2%	1,409	1,441	-2.2%
INTERNATIONAL	1,437	1,197	20.1%	8,671	7,071	22.6%
AVAILABLE SEAT KILOMETERS (millions)						
SYSTEM	2,085	1,832	13.8%	13,709	11,914	15.1%
DOMESTIC	299	308	-2.9%	2,140	2,243	-4.6%
INTERNATIONAL	1,786	1,525	17.2%	11,569	9,672	19.6%
PASSENGER LOAD FACTOR						
SYSTEM	78.9%	76.8%	2.1 pp pts	73.5%	71.4%	2.1 pp pts
DOMESTIC	69.3%	68.1%	1.2 pp pts	65.8%	64.3%	1.6 pp pts
INTERNATIONAL	80.5%	78.5%	2.0 pp pts	75.0%	73.1%	1.8 pp pts
REVENUE TON KILOMETERS (Cargo) (millions)						
SYSTEM	188.7	188.6	0.0%	1,351.9	1,235.6	9.4%
DOMESTIC	3.2	2.8	10.8%	19.1	18.5	3.2%
INTERNATIONAL	185.6	185.8	-0.1%	1,332.8	1,217.1	9.5%
AVAILABLE TON KILOMETERS (Cargo) (millions)						
SYSTEM	296.6	274.2	8.2%	2,061.5	1,804.7	14.2%
DOMESTIC	7.9	7.6	4.3%	56.8	54.1	4.9%
INTERNATIONAL	288.7	266.6	8.3%	2,004.8	1,750.6	14.5%
CARGO LOAD FACTOR						
SYSTEM	63.6%	68.8%	-5.2 pp pts	65.6%	68.5%	-2.9 pp pts
DOMESTIC	39.7%	37.4%	2.3 pp pts	33.6%	34.2%	-0.6 pp pts
INTERNATIONAL	64.3%	69.7%	-5.4 pp pts	66.5%	69.5%	-3.0 pp pts
PASSENGERS BOARDED (thousands)						
SYSTEM	750	613	22.4%	4,493	3,550	26.6%
DOMESTIC	208	210	-0.6%	1,407	1,400	0.4%
INTERNATIONAL	542	403	34.5%	3,086	2,149	43.6%
PUNCTUALITY RATES (Based on 15 Minute Standard)						
SYSTEM	77.2%	71.9%	5.3 pp pts	85.3%	85.4%	-0.1 pp pts
DOMESTIC	78.6%	77.2%	1.4 pp pts	86.8%	89.6%	-2.8 pp pts
INTERNATIONAL	76.1%	67.0%	9.1 pp pts	84.1%	80.9%	3.2 pp pts

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