

FOR IMMEDIATE RELEASE



LAN AIRLINES MONTHLY STATISTICS REPORT FOR AUGUST 2005

Santiago, Chile, September 12, 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 August 2005.

System passenger traffic for August increased 12.7% as capacity rose of 11.5%. As a result, the Company’s load factor increased 0.9 points to 76.1%.

International passenger traffic for August increased 14.8% while capacity increased 12.8%. Accordingly, the international passenger load factor for the month increased 1.3 points to 77.5%. 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 August, domestic passenger traffic in Chile increased 0.1% as capacity grew 4.0%. Domestic load factor for the month decreased 2.6 points to 67.1% as reduced capacity in August 2004 caused a strong comparison base.

Cargo traffic, as measured in RTKs, decreased 2.1% while capacity increased 6.8%. Consequently, cargo load factor decreased 5.7 points to 62.5%. Cargo traffic decreased due to weak import demand to Brazil and reduced export volumes due to high energy costs and stronger local currencies.

In August, 79.2% 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 4.1-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.

CONTACTS IN CHILE

Alejandro de la Fuente – Chief Financial Officer
Andrés Bianchi – Head of Investor Relations
andres.bianchi@lan.com
Tel: (56-2) 565-3944/3947

CONTACTS IN NEW YORK

Maria Barona/Melanie Carpenter
lan@i-advize.com
i-advize Corporate Communications, Inc.
Tel: (212) 406-3690

Preliminary August Operating Statistics

	August			Year to date Ended August		
	2005	2004	% Change	2005	2004	% Change
REVENUE PASSENGER KILOMETERS (millions)						
SYSTEM	1,527	1,354	12.7%	11,615	9,866	17.7%
DOMESTIC	188	188	0.1%	1,596	1,629	-2.0%
INTERNATIONAL	1,339	1,167	14.8%	10,019	8,238	21.6%
AVAILABLE SEAT KILOMETERS (millions)						
SYSTEM	2,007	1,801	11.5%	15,719	13,715	14.6%
DOMESTIC	280	269	4.0%	2,420	2,512	-3.7%
INTERNATIONAL	1,727	1,531	12.8%	13,299	11,203	18.7%
PASSENGER LOAD FACTOR						
SYSTEM	76.1%	75.2%	0.9 pp	73.9%	71.9%	2.0 pp
DOMESTIC	67.1%	69.7%	-2.6 pp	65.9%	64.8%	1.1 pp
INTERNATIONAL	77.5%	76.2%	1.3 pp	75.3%	73.5%	1.8 pp
REVENUE TON KILOMETERS (Cargo) (millions)						
SYSTEM	186.3	190.2	-2.1%	1,540.8	1,425.8	8.1%
DOMESTIC	2.6	2.9	-12.2%	21.8	21.4	1.6%
INTERNATIONAL	183.7	187.3	-1.9%	1,519.0	1,404.4	8.2%
AVAILABLE TON KILOMETERS (Cargo) (millions)						
SYSTEM	297.9	279.0	6.8%	2,360.3	2,083.7	13.3%
DOMESTIC	6.4	6.7	-4.5%	63.5	60.8	4.4%
INTERNATIONAL	291.5	272.3	7.1%	2,296.8	2,022.9	13.5%
CARGO LOAD FACTOR						
SYSTEM	62.5%	68.2%	-5.7 pp	65.3%	68.4%	-3.1 pp
DOMESTIC	40.3%	43.9%	-3.5 pp	34.3%	35.2%	-1.0 pp
INTERNATIONAL	63.0%	68.8%	-5.8 pp	66.1%	69.4%	-3.3 pp
PASSENGERS BOARDED (thousands)						
SYSTEM	715	606	18.0%	5,214	4,156	25.5%
DOMESTIC	195	193	1.3%	1,603	1,593	0.6%
INTERNATIONAL	520	413	25.8%	3,610	2,563	40.9%
PUNCTUALITY RATES (Based on 15 Minute Standard)						
SYSTEM	79.2%	75.1%	4.1 pp	85.1%	84.5%	0.6 pp
DOMESTIC	79.8%	86.4%	-6.6 pp	86.0%	89.2%	-3.3 pp
INTERNATIONAL	78.8%	65.9%	12.9 pp	84.5%	78.8%	5.6 pp

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