



LAN AIRLINES MONTHLY STATISTICS REPORT FOR MAY 2006

Santiago, Chile, June 9, 2006 – 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 2006.

System passenger traffic for May increased 3.3% as capacity rose 6.3%. As a result, the Company’s load factor decreased 1.9 points to 65.7%. International passenger traffic accounted for approximately 88% of total passenger traffic.

International passenger traffic for May rose 3.4% as capacity increased 6.6%. Accordingly, the international passenger load factor for the month decreased 2.1 points to 67.1%. Long-haul capacity grew as an increase in operations to the South Pacific and Europe was partially offset by a reduction in operations to the United States and the Caribbean. Short-haul capacity grew mainly due to an expansion in regional operations and in the Argentine domestic market.

Domestic passenger traffic in Chile increased 2.3% as capacity rose 4.4%. As a consequence, the domestic load factor for the month decreased 1.1 points to 57.0%.

Cargo traffic increased 6.0% as capacity rose 5.8%. As a consequence, load-factor increased 0.2 points to 66.7%. Cargo traffic grew mainly as the expansion of imports into the region was partially offset by the continued weakness of other exports out of Chile and Brazil.

In May, 84.4% of the Company’s total flights left on time, based on a fifteen-minute standard (all departures leaving within fifteen minutes of the scheduled departure time are considered as “on-time”). This represented a 4.6 point decrease compared to same month of 2005.

* * * * *

About LAN

LAN Airlines is one of the leading airlines in Latin America. “LAN” makes reference to the consolidate entity that includes LAN Airlines, LAN Express, LAN Peru, LAN Ecuador, and LAN Argentina, as well as LAN Cargo and its affiliates. Through its own operations and code-share arrangements, the LAN Alliance serves 15 destinations in Chile, eleven destinations in Peru, nine 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 67 passenger aircraft and nine dedicated freighters.

LAN Airlines is a member of **oneworld** (TM), the world’s leading quality alliance. It has bilateral commercial agreements with **oneworld** partners American Airlines, British Airways, Iberia and Qantas and also with Alaska Airlines, AeroMexico, Mexicana, and TAM. 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 May Operating Statistics

	May			Year to date Ended May		
	2006	2005	% Change	2006	2005	% Change
REVENUE PASSENGER KILOMETERS (millions)						
SYSTEM	1,328	1,286	3.3%	7,509	7,147	5.1%
DOMESTIC	163	159	2.3%	1,056	1,054	0.2%
INTERNATIONAL	1,166	1,127	3.4%	6,454	6,094	5.9%
AVAILABLE SEAT KILOMETERS (millions)						
SYSTEM	2,022	1,902	6.3%	10,427	9,777	6.7%
DOMESTIC	285	273	4.4%	1,652	1,591	3.9%
INTERNATIONAL	1,737	1,629	6.6%	8,775	8,186	7.2%
PASSENGER LOAD FACTOR						
SYSTEM	65.7%	67.6%	-1.9 pp	72.0%	73.1%	-1.1 pp
DOMESTIC	57.0%	58.1%	-1.1 pp	63.9%	66.2%	-2.4 pp
INTERNATIONAL	67.1%	69.2%	-2.1 pp	73.5%	74.4%	-0.9 pp
REVENUE TON KILOMETERS (Cargo) (millions)						
SYSTEM	208.1	196.3	6.0%	1,057.6	977.3	8.2%
DOMESTIC	2.5	2.8	-11.0%	12.4	12.9	-4.2%
INTERNATIONAL	205.6	193.5	6.3%	1,045.3	964.4	8.4%
AVAILABLE TON KILOMETERS (Cargo) (millions)						
SYSTEM	312.0	295.0	5.8%	1,619.7	1,482.1	9.3%
DOMESTIC	6.6	6.6	-0.5%	38.1	42.7	-10.9%
INTERNATIONAL	305.4	288.3	5.9%	1,581.7	1,439.4	9.9%
CARGO LOAD FACTOR						
SYSTEM	66.7%	66.6%	0.2 pp	65.3%	65.9%	-0.6 pp
DOMESTIC	37.9%	42.3%	-4.5 pp	32.5%	30.2%	2.3 pp
INTERNATIONAL	67.3%	67.1%	0.2 pp	66.1%	67.0%	-0.9 pp
PASSENGERS BOARDED (thousands)						
SYSTEM	617	587	5.0%	3,379	3,155	7.1%
DOMESTIC	173	173	-0.1%	1,027	1,036	-0.8%
INTERNATIONAL	444	414	7.2%	2,352	2,119	11.0%
PUNCTUALITY RATES (Based on 15 Minute Standard)						
SYSTEM	84.4%	89.0%	-4.6 pp	88.9%	88.4%	0.5 pp
DOMESTIC	85.8%	88.2%	-2.4 pp	90.0%	89.1%	0.9 pp
INTERNATIONAL	84.1%	90.4%	-6.3 pp	88.2%	87.1%	1.1 pp