

LAN AIRLINES MONTHLY STATISTICS REPORT FOR DECEMBER 2010

Santiago, Chile, January 10, 2011 – LAN Airlines S.A. and its subsidiaries, (“LAN” or “the Company”) (NYSE: LFL/ IPSA: LAN), one of the leading airlines in Latin America, today reported its preliminary monthly traffic statistics and punctuality indicators for December 2010.

During December, system passenger traffic increased 13.7% as capacity rose 8.8%. As a result, the Company’s load factor for the month increased 3.4 points to 80.1%. International passenger traffic accounted for approximately 71% of total passenger traffic.

Domestic passenger traffic in Chile, Argentina, Peru and Ecuador rose 10.7% as capacity increased 5.1%. As a consequence, the domestic load factor for the month increased 4.0 points to 78.8%.

International passenger traffic grew 15.0%, while capacity increased 10.5%. Accordingly, the international passenger load factor for the month increased 3.1 points to 80.6%. During December, international capacity expansion was mainly driven by an increase in operations on routes to the United States, as well as certain regional routes.

During December, cargo traffic increased 9.9%. This increase was mainly due to the growth of Latin American import markets, especially driven by Brazil, where in June 2010, LAN Cargo launched domestic cargo operations to Recife and Fortaleza through its affiliate ABSA. In line with higher demand, capacity grew 12.3%, driven by the delivery of one new B767 freighter in November 2010. As a result, the cargo load factor decreased 1.6 points to 72.0%.

During December, 81.5% 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 decrease of 4.7 points compared to December 2009.

About LAN

LAN Airlines is one of the leading passenger and cargo airlines in Latin America. The company and its affiliates serve over 70 destinations around the world through an extensive network that offers full connectivity within Latin America, while also linking the region with North America, Europe and the South Pacific, as well as 70 additional international destinations through its various alliances. LAN Airlines and its affiliates have a leading position in their respective domestic markets of Chile and Peru as well as an important presence in the Argentinean and Ecuadorian domestic markets.

Currently, LAN Airlines and its affiliates operate one of the most modern fleets in the world, with 94 passenger aircraft, and its cargo subsidiary, LAN CARGO and its respective cargo affiliates, have a fleet of 13 dedicated freighters. The Company has one of the youngest fleets in the world, which has meant greater efficiency and a significant reduction in CO2 emissions, reflecting its strong commitment to environmental protection.

LAN is one of the few Investment Grade airlines in the world (BBB). The company’s world class quality standards enabled its membership in oneworld™, the global alliance which LAN has been a member of for over 10 years that encompasses the best airlines in the world. For more information please visit www.lan.com or www.oneworldalliance.com

CONTACTS IN CHILE

LAN Airlines S.A.
Investor Relations
investor.relations@lan.com
Tel: (56-2) 565-8785

CONTACTS IN NEW YORK

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

PRELIMINARY DECEMBER OPERATING STATISTICS

	December			Year to date Ended December		
	2010	2009	% Change	2010	2009	% Change
PASSENGER						
REVENUE PASSENGER KILOMETERS (millions)						
SYSTEM	3,062	2,693	13.7%	33,148	29,836	11.1%
DOMESTIC	901	814	10.7%	9,921	8,974	10.6%
INTERNATIONAL	2,160	1,879	15.0%	23,226	20,862	11.3%
AVAILABLE SEAT KILOMETERS (millions)						
SYSTEM	3,823	3,512	8.8%	42,355	38,777	9.2%
DOMESTIC	1,143	1,087	5.1%	12,772	11,979	6.6%
INTERNATIONAL	2,680	2,425	10.5%	29,583	26,798	10.4%
PASSENGER LOAD FACTOR						
SYSTEM	80.1%	76.7%	3.4 pp	78.3%	76.9%	1.3 pp
DOMESTIC	78.8%	74.9%	4.0 pp	77.7%	74.9%	2.8 pp
INTERNATIONAL	80.6%	77.5%	3.1 pp	78.5%	77.8%	0.7 pp
PASSENGERS BOARDED (thousands)						
SYSTEM	1,578	1,374	14.8%	17,293	15,406	12.2%
DOMESTIC	988	856	15.4%	10,991	9,731	12.9%
INTERNATIONAL	590	518	13.8%	6,302	5,675	11.1%
CARGO						
REVENUE TON KILOMETERS (Cargo) (millions)						
SYSTEM	305.0	277.5	9.9%	3,238.8	2,623.3	23.5%
AVAILABLE TON KILOMETERS (Cargo) (millions)						
SYSTEM	423.8	377.3	12.3%	4,620.2	3,835.0	20.5%
CARGO LOAD FACTOR						
SYSTEM	72.0%	73.5%	-1.6 pp	70.1%	68.4%	1.7 pp
PUNCTUALITY RATES (Based on 15 Minute Standard)						
SYSTEM	81.5%	86.2%	-4.7 pp	84.4%	90.6%	-6.3 pp
DOMESTIC	84.0%	90.6%	-6.7 pp	87.3%	91.7%	-4.4 pp
INTERNATIONAL	77.9%	79.9%	-1.9 pp	84.4%	89.1%	-4.7 pp

Note: Domestic passenger statistics include domestic operations in Chile, Peru, Argentina and Ecuador.