

LAN AIRLINES REPORTS NET INCOME OF US\$106.2 MILLION FOR THE THIRD QUARTER OF 2010

Santiago, Chile, October 26, 2010 – LAN Airlines S.A. (NYSE: LFL), one of Latin America's leading passenger and cargo airlines, announced today its consolidated financial results for the third quarter ended September 30, 2010. "LAN" or "the Company" makes reference to the consolidated entity, which includes passenger and cargo airlines in Latin America. All figures were prepared in accordance with International Financial Reporting Standards (IFRS) and are expressed in U.S. Dollars.

HIGHLIGHTS

- LAN reported net income of US\$106.2 million in the third quarter 2010, an increase of 103.9% compared to the third quarter 2009, marked by a strong recovery and growth in both the cargo and passenger businesses.
- Operating income reached US\$156.6 million in the third quarter 2010, which represents a 69.5% increase compared to US\$92.4 million in the third quarter 2009. Operating margin reached 13.6%, an increase of 3.5 points compared to 10.1% in the same period of 2009.
- Total revenues in the third quarter 2010 reached US\$1,152.3 million compared to US\$917.5 million in the third quarter 2009 due to a 19.7% increase in passenger revenues and a 49.4% increase in cargo revenues. Passenger and cargo revenues accounted for 69.4% and 28.0% of total revenues, respectively, during the third quarter 2010.
- On August 13, 2010, LAN and TAM announced that they entered into a non-binding MOU, outlining their intentions to combine their holdings under a single parent entity to be known as LATAM Airlines Group. On October 20, 2010, LAN and TAM announced that TAM's subsidiaries submitted the final transaction structure for the approval of the Brazilian National Civil Aviation Agency (ANAC).
- On October 18, 2010, a ceremony was held to celebrate the one hundredth aircraft incorporated into LAN's fleet. During the third quarter 2010, the Company received a total of 5 Airbus A320 passenger aircraft.
- The expansion of LAN's passenger operations during the third quarter 2010 was driven by the launch of various regional and long-haul routes. LAN and its affiliates successfully started operating the following routes: Lima – San Francisco, Santiago – Paris (via Madrid), Lima – Brasilia and Guayaquil – Galapagos.

MANAGEMENT COMMENTS ON THIRD QUARTER 2010 RESULTS

LAN reported net income of US\$106.2 million in the third quarter 2010, driven by a strong recovery in both cargo and passenger operations. Net income increased 103.9% compared to third quarter 2009. Operating income for the quarter increased 69.5%, reaching US\$156.6 million, with a 13.6% operating margin. Operating income in third quarter 2009 included a US\$14.4 million realized fuel hedging loss, while for the third quarter 2010, operating income included a US\$4.6 million realized fuel hedging loss.

During the third quarter 2010, LAN's consolidated revenues increased 25.6% compared to the third quarter 2009. Passenger revenues increased 19.7% during the quarter, driven by continued traffic growth and a 4.8% recovery in yields. Passenger traffic growth during the quarter reached 14.2%, while load factors reached 78.9%, 1.9 points higher than the same period in 2009. Total passenger capacity as measured in ASKs grew 11.5%, with capacity increases focused mainly on long-haul routes to Europe and the United States and regional routes. Such capacity growth is a direct result of the new routes that LAN and its affiliates successfully

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started operating during the quarter, such as Lima – San Francisco and Santiago – Paris (via Madrid) in the long-haul business, and Lima – Brasília and Guayaquil – Galapagos in the regional and domestic operations.

Revenues per ASK (RASK) increased 7.4%, driven by higher load factors, as well as an increase in yields compared to the third quarter 2009. Passenger yields increased mainly as a result of a recovery in the demand environment.

During the third quarter 2010, cargo revenues increased 49.4%, reflecting a strong recovery and growth in LAN Cargo's traffic, with RTK growth of 19.0%. Cargo capacity during the quarter grew 19.1%, allowing LAN Cargo to reach a 68.7% load factor, stable compared to third quarter 2009. Yields showed a 25.6% improvement compared to the third quarter 2009, leading to a 25.5% increase in unit revenue.

Revenue growth in the cargo business reflects the Company's ability to exploit the recovery in global cargo flows, as well the continued development of key strategic initiatives. Active capacity management, coupled with new revenue management tools, enabled LAN Cargo to benefit from the continued growth of import markets to Latin America. The expansion of operations to Europe utilizing the new, efficient, Boeing 777-200 freighter fleet has strengthened the Company's competitive position and further diversified its revenue base. Additionally, through its Brazilian affiliate ABSA, the Company continues to strengthen domestic cargo operations in Brazil. Furthermore, the Company continues to successfully optimize capacity in the bellies of passenger aircraft, maximizing the synergies of the Company's integrated passenger and cargo operation.

Operating expenses increased 20.7% compared to the third quarter 2009, while costs per ATK (including net financial expenses) increased 5.3%. Excluding fuel, unit costs also increased 5.3%, mainly due to higher wages and salaries, as a result of the appreciation of local currencies and higher costs related to ACMI leases. Higher fuel prices generated US\$23.3 million in increased fuel costs in the quarter, including the net impact of fuel hedges. Through a combination of collars and swaps, LAN has hedged approximately 56% of the Company's estimated fuel consumption for the fourth quarter of 2010 and 27% for 2011.

LAN continues to maintain a solid financial position, with ample liquidity and a solid financial structure, as reflected by the Company's BBB Investment Grade international credit rating (Fitch). LAN is one of the few airlines in the world with an Investment Grade rating. At the end of the quarter, LAN reported US\$586.8 million in cash and cash equivalents representing 13.7% of revenues for the last twelve months. Additionally, the Company has no short-term debt, while its long-term debt is mainly related to aircraft financing and has 12 to 15 year repayment profiles with competitive interest rates. The Company has limited exposure to foreign exchange rate fluctuations as approximately 80% of revenues are U.S. dollar denominated.

LAN's strong operating results during the quarter are evidence of a global recovery, as well as continued growth opportunities in both cargo and passenger markets. LAN is well-positioned to take advantage of these opportunities based on the strategic actions undertaken throughout 2009, which have enhanced LAN's leadership position in both passenger and cargo markets in Latin America. Based on LAN's diversified, solid and flexible business model, as well as the Company's consistent track record and solid balance sheet, LAN is continuously improving the Company's long-term strategic position by addressing opportunities, strengthening its market presence and increasing competitiveness.

EBITDAR CALCULATION ⁽¹⁾

The following is a calculation of LAN's EBITDA (earnings before interest, taxes, depreciation and amortization) and EBITDAR (earnings before interest, taxes, depreciation, amortization and aircraft rentals), which the Company considers useful indicators of operating performance.

EBITDAR (US\$ millions)	3Q10	3Q09	% Chg.	Sep 10	Sep 09	% Chg.
Revenues	1,152.3	917.5	25.6%	3,220.9	2,584.8	24.6%
Operating Expenses	-995.7	-825.1	20.7%	-2,808.7	-2,339.4	20.1%
Operating Income	156.6	92.4	69.5%	412.1	245.4	68.0%
Depreciation and Amortization	83.2	78.8	5.6%	249.4	225.6	10.6%
EBITDA	239.8	171.2	40.1%	661.6	471.0	40.5%
EBITDA Margin	20.8%	18.7%	2.2 pp.	20.5%	18.2%	2.3 pp.
Aircraft Rentals	24.2	24.1	0.2%	71.6	60.2	19.1%
EBITDAR	264.0	195.3	35.1%	733.2	531.1	38.0%
EBITDAR Margin	22.9%	21.3%	1.6 pp.	22.8%	20.5%	2.2 pp.

(1) EBITDA and EBITDAR are not accounting measures and should not be considered in isolation nor as a substitute for net income prepared in accordance with International Financial Reporting Standards (IFRS) as a measure of operating performance. Furthermore, these calculations may not be comparable to similarly titled measures used by other companies.

RECENT EVENTS**Agreement with TAM**

On August 13, 2010, LAN and TAM announced that they entered into a non-binding MOU, outlining their intentions to combine their holdings under a single parent entity to be known as LATAM Airlines Group. The combination would create a new Latin American airline group that would provide passenger services to more than 115 destinations in 23 countries, while providing cargo services throughout Latin America and across much of the globe. The airlines' group, with over 40,000 employees, would operate a fleet of more than 220 aircraft and have more than 200 aircraft scheduled for future delivery, driving growth and increased employment across the region. In 2009, these carriers reported combined revenues of US \$8.5 billion, transported more than 45 million passengers and carried combined cargo of 832,000 tons.

The combination is expected to generate annual synergies of approximately US \$400 million. These synergies are expected to come broadly in equal proportion from alignment of the passenger networks, growth in the cargo network (both internationally and in Brazil), and reduced costs. Management expects that it would be able to implement approximately one third of the synergies within the first year following the close of the transaction and all synergies by the end of the third year.

Each of the airlines in the group would continue to operate under existing operating certificates and brands. Within the group, TAM would continue to operate as a Brazilian company with its own structure. The current holdings of LAN Airlines S.A. would operate as an independent business unit within the group (and be referred to as LAN Airlines). Each airline within the group would maintain its current headquarters and governance structure. The controlling shareholders of LAN and TAM have agreed to a governance model to jointly manage strategic decisions relating to the alignment of the activities of LATAM group holdings.

The all-stock transaction would consolidate the economic interests of LAN and TAM under a single parent entity, while satisfying the foreign ownership and control requirements of each country where they operate. In connection with the transaction, LAN Airlines S.A. would be renamed LATAM Airlines Group S.A. (LATAM) and would serve as a parent company that will align activities for all group holdings. TAM shareholders would be offered 0.90 shares of common stock of LATAM for each share of TAM. LATAM would retain its listing in the Santiago stock exchange and its ADR listing on The New York Stock Exchange and plans to list its shares, via BDRs, in the Bovespa in Brazil.

On October 20, 2010, LAN and TAM announced that TAM's subsidiaries submitted the final transaction structure for the approval of the Brazilian National Civil Aviation Agency (ANAC).

Fleet Plan

On October 18, 2010, a ceremony was held to celebrate the one hundredth aircraft incorporated into LAN's fleet. During the third quarter 2010, the Company received a total of 5 Airbus A320 passenger aircraft. In addition, during the first half of 2010, LAN received 1 Boeing 767-300 passenger aircraft. For the fourth quarter 2010, the Company expects the delivery of 5 Airbus A320 passenger aircraft and 1 Boeing 767F freighter aircraft.

During 2011, LAN expects to receive 18 Airbus A320 family aircraft to operate domestic and regional routes, as well as 3 Boeing 767-300 and the first 2 Boeing 787-8 Dreamliners for long-haul routes. During 2011, the Company's fleet plan also includes the sale of 5 Airbus A318 aircraft. Regarding the cargo fleet, during 2011, the Company expects the delivery of 2 Boeing 767F freighter aircraft.

LAN's estimated fleet plan and associated capital expenditures are shown in the table below.

	2010	2011	2012	2013
PASSENGER FLEET				
A321/A320/A319/A318	63	76	84	94
B767-300 ER	28	31	31	31
B787	-	2	7	12
A340-300	5	5	5	5
TOTAL PASSENGER FLEET	96	114	127	142
CARGO FLEET				
767-300 F	10	12	12	14
777-200 F	2	2	3	3
TOTAL CARGO FLEET	12	14	15	17
TOTAL FLEET	108	128	142	159
Total Fleet Capex (US\$ millions)	424	1,145	1,152	1,315

OUTLOOK

Considering current market conditions, the Company maintains its expectations for passenger ASK growth of approximately 10% in 2010 and between 15% and 17% for 2011, mainly driven by the net delivery of 18 passenger aircraft. LAN Cargo currently expects approximately 20% growth in cargo capacity for 2010, mainly driven by higher utilization of the freighter fleet, especially the 2 Boeing 777-200 freighters received in the first half 2009. For 2011, LAN Cargo expects between 13% and 15% growth in capacity, mainly driven by the delivery between December 2010 and February 2011 of 3 Boeing 767F freighters.

CONSOLIDATED THIRD QUARTER 2010 RESULTS

Net income in the third quarter 2010 amounted to US\$106.2 million compared to US\$52.1 million in the same period 2009. **Net margin** for the quarter increased from 5.7% in 2009 to 9.2% in 2010.

Operating income amounted to US\$156.6 million in the third quarter 2010 compared to US\$92.4 million in the third quarter 2009. **Operating margin** in the quarter increased from 10.1% in 2009 to 13.6% in 2010.

Total operating revenues increased 25.6% compared to the third quarter 2009, reaching US\$1,152.3 million. This reflected a:

- 19.7% increase in **passenger revenues** to US\$799.7 million,
- 49.4% increase in **cargo revenues** to US\$322.6 million, and a
- 10.4% decrease in **other revenues** to US\$30.0 million.

Passenger and cargo revenues accounted for 69.4% and 28.0% of total revenues for the quarter, respectively.

Passenger revenues increased 19.7%, driven by 14.2% growth in traffic and a 4.8% increase in yields. Load factors increased from 77.1% to 78.9%, as the growth in traffic outpaced the 11.5% increase in capacity. Overall, revenues per ASK increased 7.4%. Traffic grew as a result of a 14.4% increase in domestic traffic

(including domestic operations of LAN and its affiliates in Chile, Argentina, Peru and Ecuador), and a 14.1% increase in international traffic. International traffic accounted for 70.5% of total passenger traffic during the quarter. Yields increased 4.8% due to higher fares as a result of a stronger demand environment.

Cargo revenues increased 49.4% in the quarter, driven by a 19.0% increase in cargo traffic and a 25.6% increase in yields, reflecting a strong recovery and growth in global cargo markets, as well as better revenue management practices. Capacity increased 19.1% during the quarter. As a consequence, load factors remained stable at 68.7%. Revenues per ATK increased 25.5% compared to the third quarter 2009.

Other revenues decreased 10.4%, mainly driven by a decrease in revenues from aircraft leases to third parties and a decrease in revenues from maintenance services.

Total operating expenses increased 20.7% during the quarter and unit (ATK) costs increased 5.3% compared to third quarter 2009. Higher jet fuel prices during the quarter led to approximately US\$23.3 million in higher fuel costs (net of fuel hedges). Excluding fuel, unit costs also increased 5.3% mainly due to higher wages and salaries, as a result of the appreciation of local currencies and higher costs related to ACMI leases. Changes in operating expenses were mainly due to the following:

- **Wages and benefits** increased 25.2%, driven mainly by the impact of the appreciation of domestic currencies in Latin America, coupled with an increase in average headcount during the quarter, in-line with the expansion in the Company's operations.
- **Fuel costs** increased 21.4%, mainly driven by a 13.7% increase in prices, coupled with an 11.8% increase in consumption. In addition, the Company recognized a US\$4.6 million fuel hedge loss, compared to a US\$14.4 million fuel hedge loss in the third quarter of 2009.
- **Commissions to agents** increased 25.9% due to a 27.0% increase in traffic revenues (passenger and cargo), with no variation in average commissions.
- **Depreciation and amortization** increased 5.6%, mainly due to the incorporation of 3 new Boeing 767 aircraft between November 2009 and February 2010 and 3 new Airbus A320 aircraft between July and September 2010.
- **Other rental and landing fees** increased 27.5%, mainly due to increased costs of aeronautical rates and handling costs, in-line with the expansion in the Company's operations during the quarter, as well as increased costs from ACMI leases.
- **Passenger service** expenses increased 33.3%, driven by a 15.2% increase in the number of passengers transported, as well as higher compensation paid to passengers during the quarter.
- **Aircraft rentals** increased 0.2%, showing no variation when compared to the third quarter 2009.
- **Maintenance expenses** decreased 4.2% due to lower maintenance payments to third parties.
- **Other operating expenses** increased 23.5% due to higher advertising and marketing expenses, higher employee travel expenses and higher sales costs.

Non-operating results

- **Interest income** decreased from US\$6.3 million in third quarter 2009 to US\$5.3 million in third quarter 2010, mainly due to lower average interest rates.
- **Interest expense** increased 2.1%, as higher debt related to fleet financing was offset by a lower average interest rate.
- Under **Other income (expense)**, the Company recorded a US\$5.4 million gain mainly related to foreign exchange gains due to remittances from LAN's operations in Venezuela.

CONSOLIDATED FIRST NINE MONTHS 2010 RESULTS

Net income for the first nine months 2010 amounted to US\$255.1 million compared to US\$121.3 million in the same period 2009. **Net margin** for the period increased from 4.7% in 2009 to 7.9% in 2010.

Operating income amounted to US\$412.1 million in the first nine months 2010 compared to US\$245.4 million in the same period 2009. **Operating margin** for the period increased from 9.5% in 2009 to 12.8% in 2010.

Total operating revenues increased 24.6% compared to the first nine months 2009, reaching US\$3,220.9 million. This reflected a:

- 19.0% increase in **passenger revenues** to US\$2,221.4 million,
- 48.4% increase in **cargo revenues** to US\$910.6 million, and a
- 15.2% decrease in **other revenues** to US\$88.9 million.

Passenger and cargo revenues accounted for 69.0% and 28.3% of total revenues in the first nine months 2010, respectively.

Passenger revenues increased 19.0%, driven by 10.2% growth in traffic and an 8.0% increase in yields. Load factors increased from 76.3% in 2009 to 77.0% in 2010, as capacity increased 9.1%. Overall, revenues per ASK increased 9.1%. Traffic grew as a result of a 10.8% increase in domestic traffic (including domestic operations of LAN and its affiliates in Chile, Argentina, Peru and Ecuador), and a 9.9% increase in international traffic. Traffic growth during the first half 2010 was impacted by decreased demand as a result of the earthquake that struck Chile on February 27, 2010. International traffic accounted for 70.0% of total passenger traffic during the first nine months 2010. Yields increased 8.0% due to higher fares as a result of a stronger demand environment, as well as higher fuel surcharges.

Cargo revenues increased 48.4% in the first nine months 2010, driven by a 28.2% increase in cargo traffic and a 15.8% increase in yields, reflecting a strong recovery and growth in global cargo markets, as well as better revenue management practices. Capacity increased 23.0% during the first nine months of the year. As a consequence, load factors increased from 66.7% to 69.5%. Revenues per ATK increased 20.7% compared to the same period 2009.

Other revenues decreased 15.2%, mainly driven by a decrease in revenues from aircraft leases to third parties and a decrease in revenues from maintenance services.

Total operating expenses increased 20.1% during the first nine months 2010 and unit (ATK) costs increased 4.5% compared to the same period in 2009. Higher jet fuel prices during this period led to approximately US\$68.8 million in higher fuel costs (net of fuel hedges). Excluding fuel, unit costs increased 4.4% mainly due to higher wages and salaries as a result of the appreciation of local currencies, and higher sales costs. Changes in operating expenses were mainly due to the following:

- **Wages and benefits** increased 22.8%, driven mainly by the impact of the appreciation of domestic currencies in Latin America, coupled with an increase in average headcount during the first nine months the year, in-line with the expansion in the Company's operations.
- **Fuel costs** increased 21.2%, mainly driven by a 31.8% increase in prices, coupled with an 11.3% increase in consumption. In addition, the Company recognized a US\$5.9 million fuel hedge loss, compared to a US\$125.0 million fuel hedge loss in the first nine months 2009.
- **Commissions to agents** increased 20.5% due to a 26.3% increase in traffic revenues (passenger and cargo), partially offset by a 0.2 point reduction in average commissions. This reduction was mainly related to lower commissions in the passenger business.
- **Depreciation and amortization** increased 10.6%, mainly due to the incorporation of 3 new Boeing 767 aircraft between November 2009 and February 2010 and 3 new Airbus A320 aircraft between July and September 2010.
- **Other rental and landing fees** increased 17.5%, mainly due to increased costs of aeronautical rates and handling costs, in-line with the expansion in the Company's operations during the first nine months of the year, as well as increased costs from ACMI leases.
- **Passenger service** expenses increased 23.5%, driven by an 11.6% increase in the number of passengers transported during the first nine months of the year, as well as higher compensation paid to passengers during this period.
- **Aircraft rentals** increased 19.1%, mainly driven by an increase in the average rental cost due to the delivery of two leased Boeing 777 freighters in April and May 2009.
- **Maintenance expenses** decreased 1.7% due to lower maintenance payments to third parties.
- **Other operating expenses** increased 30.2% due to higher advertising and marketing expenses, higher employee travel expenses and higher sales costs.

Non-operating results

- **Interest income** decreased from US\$13.9 million in the first nine months 2009 to US\$10.4 million in the same period 2010, mainly due to a lower average interest rates.
- **Interest expense** increased 1.0% as higher debt related to fleet financing was offset by lower average interest rates.
- Under **Other income (expense)**, the Company recorded a US\$0.7 million gain compared to a US\$1.9 million gain in the first nine months 2009, mainly as a result of foreign exchange variations. In 2010, part of the exchange gains was related to remittances from LAN's operations in Venezuela.

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 code share agreements. 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 91 passenger aircraft while LAN Cargo and its respective affiliates have a fleet of 11 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 the protection of the environment.

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™**, an alliance of leading global airlines of which LAN has been a member for 10 years. For more information please visit www.lan.com or www.oneworldalliance.com

Note on Forward-Looking Statements

This report contains forward-looking statements. Such statements may include words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe" or other similar expressions. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. These statements are based on current plans, estimates and projections, and, therefore, you should not place undue reliance on them. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. These factors and uncertainties include in particular those described in the documents we have filed with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them, whether in light of new information, future events or otherwise.

LAN Airlines S.A.
Consolidated Income Statement (in thousands of US Dollars)

	For the three month period ended September 30			For the nine month period ended September 30		
	2010	2009	% Change	2010	2009	% Change
REVENUE						
Passenger	799,700	668,011	19.7%	2,221,369	1,866,522	19.0%
Cargo	322,592	215,948	49.4%	910,555	613,385	48.4%
Other	30,038	33,533	-10.4%	88,926	104,898	-15.2%
TOTAL OPERATING REVENUE	1,152,330	917,492	25.6%	3,220,850	2,584,805	24.6%
EXPENSES						
Wages and Benefits	-203,486	-162,560	25.2%	-565,397	-460,285	22.8%
Aircraft Fuel	-294,013	-242,212	21.4%	-843,131	-695,655	21.2%
Comissions to Agents	-45,269	-35,945	25.9%	-124,850	-103,618	20.5%
Depreciation and Amortization	-83,188	-78,807	5.6%	-249,420	-225,579	10.6%
Other Rental and Landing Fees	-155,468	-121,968	27.5%	-421,901	-359,098	17.5%
Passenger Services	-30,839	-23,138	33.3%	-82,215	-66,560	23.5%
Aircraft Rentals	-24,166	-24,122	0.2%	-71,646	-60,181	19.1%
Aircraft Maintenance	-31,600	-32,978	-4.2%	-91,118	-92,650	-1.7%
Other Operating Expenses	-127,687	-103,368	23.5%	-359,029	-275,805	30.2%
TOTAL OPERATING EXPENSES	-995,716	-825,098	20.7%	-2,808,707	-2,339,431	20.1%
OPERATING INCOME	156,614	92,394	69.5%	412,143	245,374	68.0%
<i>Operating Margin</i>	13.6%	10.1%	3.5 pp	12.8%	9.5%	3.3 pp
Interest Income	5,284	6,274	-15.8%	10,390	13,853	-25.0%
Interest Expense	-38,045	-37,278	2.1%	-116,545	-115,382	1.0%
Other Income (Expense)	5,400	158	3317.7%	713	1,895	-62.4%
INCOME BEFORE TAXES AND MINORITY INTEREST	129,253	61,548	110.0%	306,701	145,740	110.4%
Income Taxes	-20,157	-9,791	105.9%	-50,227	-23,618	112.7%
INCOME BEFORE MINORITY INTEREST	109,096	51,757	110.8%	256,474	122,122	110.0%
Attributable to:						
Shareholders	106,214	52,096	103.9%	255,143	121,339	110.3%
Minority Interest	2,882	-339	-950.1%	1,331	783	70.0%
NET INCOME	106,214	52,096	103.9%	255,143	121,339	110.3%
<i>Net Margin</i>	9.2%	5.7%	3.5 pp	7.9%	4.7%	3.2 pp
Effective tax rate	16.0%	15.8%		16.4%	16.3%	
Shares outstanding	338,790,909	338,790,909		338,790,909	338,790,909	
Earnings per share (US\$)	0.31	0.15	103.9%	0.75	0.36	110.3%

LAN Airlines S.A.
Consolidated Operational Statistics

	For the three month period ended September 30			For the nine month period ended September 30		
	2010	2009	% Change	2010	2009	% Change
System						
ATKs (millions)	2,295	1,990	15.3%	6,581	5,682	15.8%
ASKs (millions)	10,960	9,831	11.5%	31,221	28,614	9.1%
RTKs (millions)	1,575	1,351	16.6%	4,514	3,796	18.9%
RPKs (millions)	8,650	7,575	14.2%	24,052	21,825	10.2%
Overall Load Factor (based on ATKs)%	68.6%	67.9%	0.7 pp	68.6%	66.8%	1.8 pp
Break-Even Load Factor (based on ATK)%	61.0%	63.2%	-2.1 pp	61.9%	62.9%	-1.0 pp
Yield based on RTKs (US Cents)	71.3	65.4	8.9%	69.4	65.3	6.2%
Operating Revenues per ATK (US Cents)	48.9	44.4	10.1%	47.6	43.6	9.0%
Operating Costs per ATK (US Cents)	43.5	41.3	5.3%	42.9	41.1	4.5%
Fuel Gallons Consumed (millions)	128.0	114.6	11.8%	368.7	331.2	11.3%
Average Trip Length (thousands km)	1,909	1,926	-0.9%	1,920	1,945	-1.3%
Total number of employees	18,201	16,651	9.3%	18,201	16,651	9.3%
Passenger						
ASKs (millions)	10,960	9,831	11.5%	31,221	28,614	9.1%
RPKs (millions)	8,650	7,575	14.2%	24,052	21,825	10.2%
RTKs (millions)	778	682	14.2%	2,165	1,964	10.2%
Passengers Transported (thousands)	4,532	3,933	15.2%	12,526	11,223	11.6%
Load Factor (based on ASKs) %	78.9%	77.1%	1.9 pp	77.0%	76.3%	0.8 pp
Yield (based on RPKs, US Cents)	9.2	8.8	4.8%	9.2	8.6	8.0%
Yield (based on RTKs, US Cents)	102.7	98.0	4.8%	102.6	95.0	8.0%
Revenue/ASK (US cents)	7.3	6.8	7.4%	7.1	6.5	9.1%
Cargo						
ATKs (millions)	1,159	974	19.1%	3,381	2,748	23.0%
RTKs (millions)	796	669	19.0%	2,349	1,832	28.2%
Tons Transported (thousands)	194	167	16.4%	564	458	23.2%
Load Factor (based on ATKs) %	68.7%	68.7%	0.0 pp	69.5%	66.7%	2.8 pp
Yield based on RTKs (US Cents)	40.5	32.3	25.6%	38.8	33.5	15.8%
Revenue/ATK (US Cents)	27.8	22.2	25.5%	26.9	22.3	20.7%

LAN Airlines S.A.
Consolidated Balance Sheet (in thousands of US Dollars)

	As of September 30, 2010	As of September 30, 2009
Total Assets	6,186,533	5,461,093
Total Liabilities	4,973,524	4,445,016
Total Equity (*)	1,213,009	1,016,077
Total Liabilities and Shareholders equity	6,186,533	5,461,093
Net Debt		
Current and long term portion of loans from financial institutions	2,665,686	2,375,017
Current and long term portion of obligations under capital leases	237,707	303,222
Other liabilities current and long term portion	310,592	295,870
Cash and cash equivalents	-586,788	-638,159
Total Net Debt	2,627,197	2,335,950

(*) Under IFRS, Equity includes Minority Interest, which amounted to US\$ thou. 8,362 as of September 2010, and US\$ thou. 5,967 as of September 2009

LAN Airlines S.A.
Consolidated Fleet

	Leased	As of September 30, 2010 Owned	Total
Passenger Aircraft			
Airbus A318-100	0	15	15
Airbus A319-100	0	20	20
Airbus A320-200	4	19	23
Boeing 767-300	10	18	28
Airbus A340-300	1	4	5
TOTAL	15	76	91
Cargo Aircraft			
Boeing 777-200F	2	0	2
Boeing 767-300F	1	8	9
TOTAL	3	8	11
TOTAL FLEET	18	84	102

Note: Table does not include one Boeing 767-200 leased to Aerovías de México S.A. and two Boeing 737-200 leased to Sky Services S.A.