

First Quarter 2011 Results Presentation

April 27, 2011



This presentation may include forward-looking comments regarding the Company's business outlook and anticipated financial and operating results. These expectations are highly dependent on the economy, the airline industry, commodity prices, international markets and external events. Therefore, they are subject to change and we undertake no obligation to publicly update or revise any forward looking statements to reflect events or circumstances that may arise after the date of this presentation. More information on the risk factors that could affect our results are contained on our Form 20-F for the year ended December 31, 2009.

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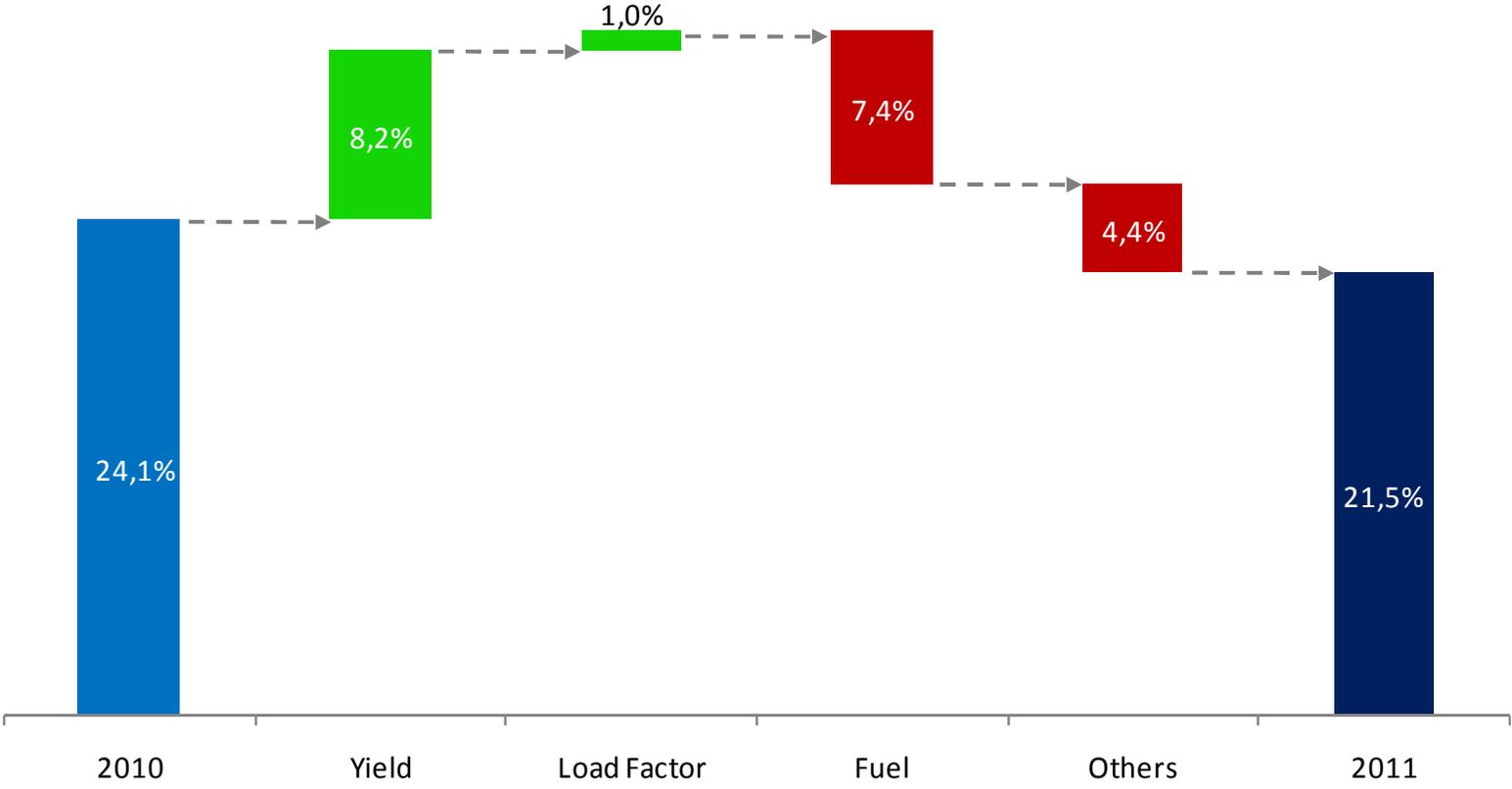
Highlights 1Q 2011

(US\$ million)	1Q 2010	1Q 2011	% Change (YoY)
Total Revenues	1,035	1,365	31.9%
Passenger Revenues	741	978	32.0%
Cargo Revenues	266	346	30.2%
Total Operating Expenses	-892	-1,212	35.8%
Operating Income	143	153	7.3%
Operating Margin	13.8%	11.2%	-2.6 pp
Net Income	88	97	10.1%
EBITDAR *	249	293	17.6%
EBITDAR Margin	24.1%	21.5%	-2.6 pp

- 1Q 2011 results reflect strong growth in both passenger and cargo businesses
- EBITDAR margin decreased 2.6 point s for 1Q11, reaching 21.5%
- 1Q 2011 Results include a US\$11 million negative impact generated in Aires.

* EBITDAR = Operating income + depreciation & amortization + aircraft rentals

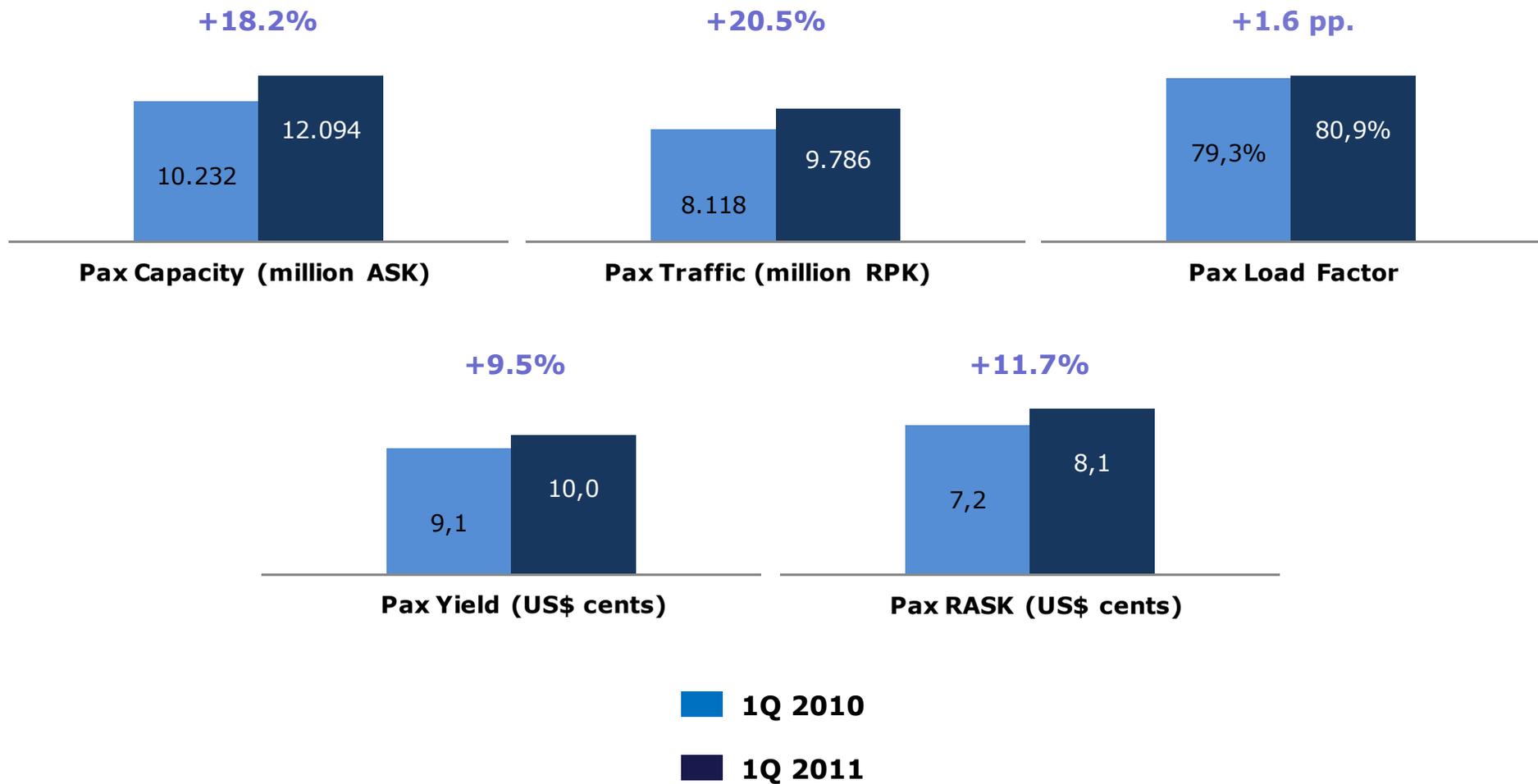
1Q 2011 - EBITDAR Margin Analysis



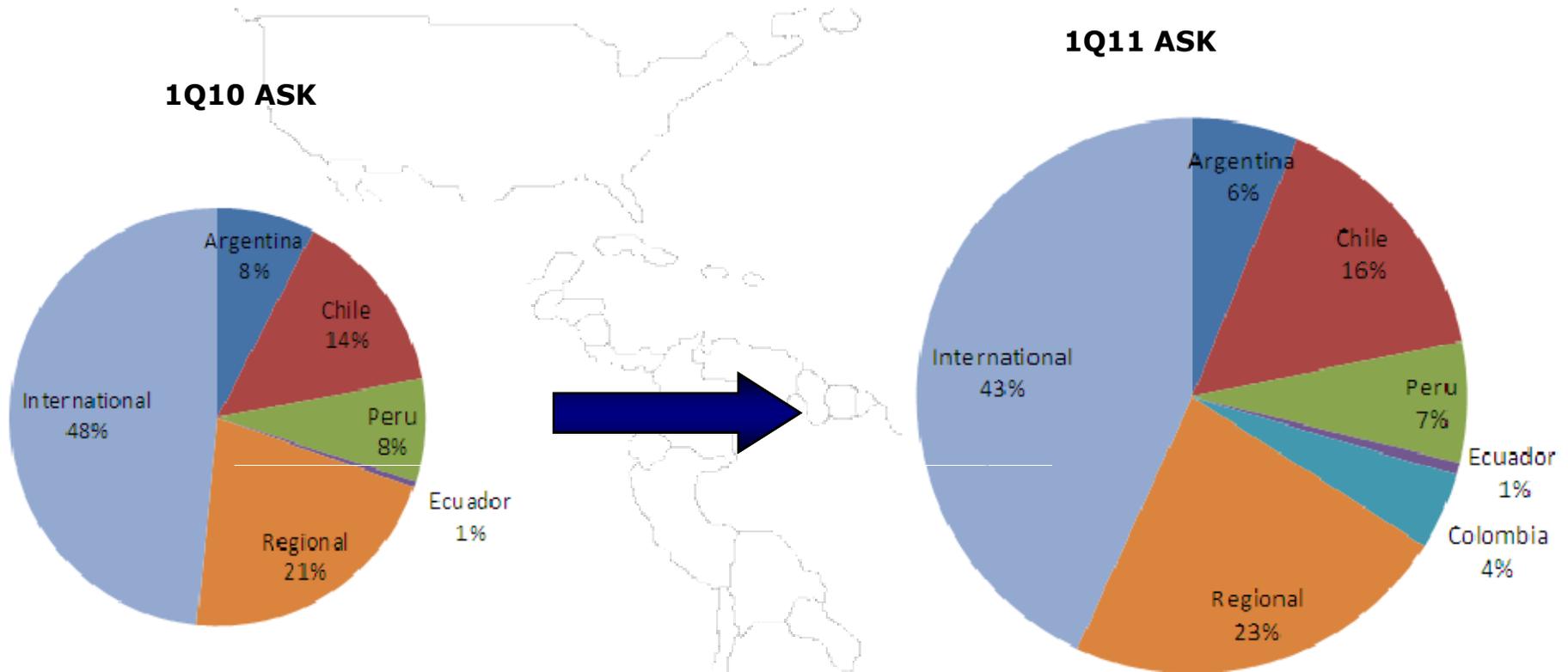
2.24	—————	Fuel Price* [US\$]	—————>	2.96	+32.2%
249	—————	EBITDAR** [MMUS\$]	—————>	293	+17.6%

*Fuel price excludes fuel hedge **EBITDAR Margin = (Operating income + depreciation & amortization + aircraft rentals) / Revenues

Passenger Business - Revenue Increases 32.0% in 1Q 2011

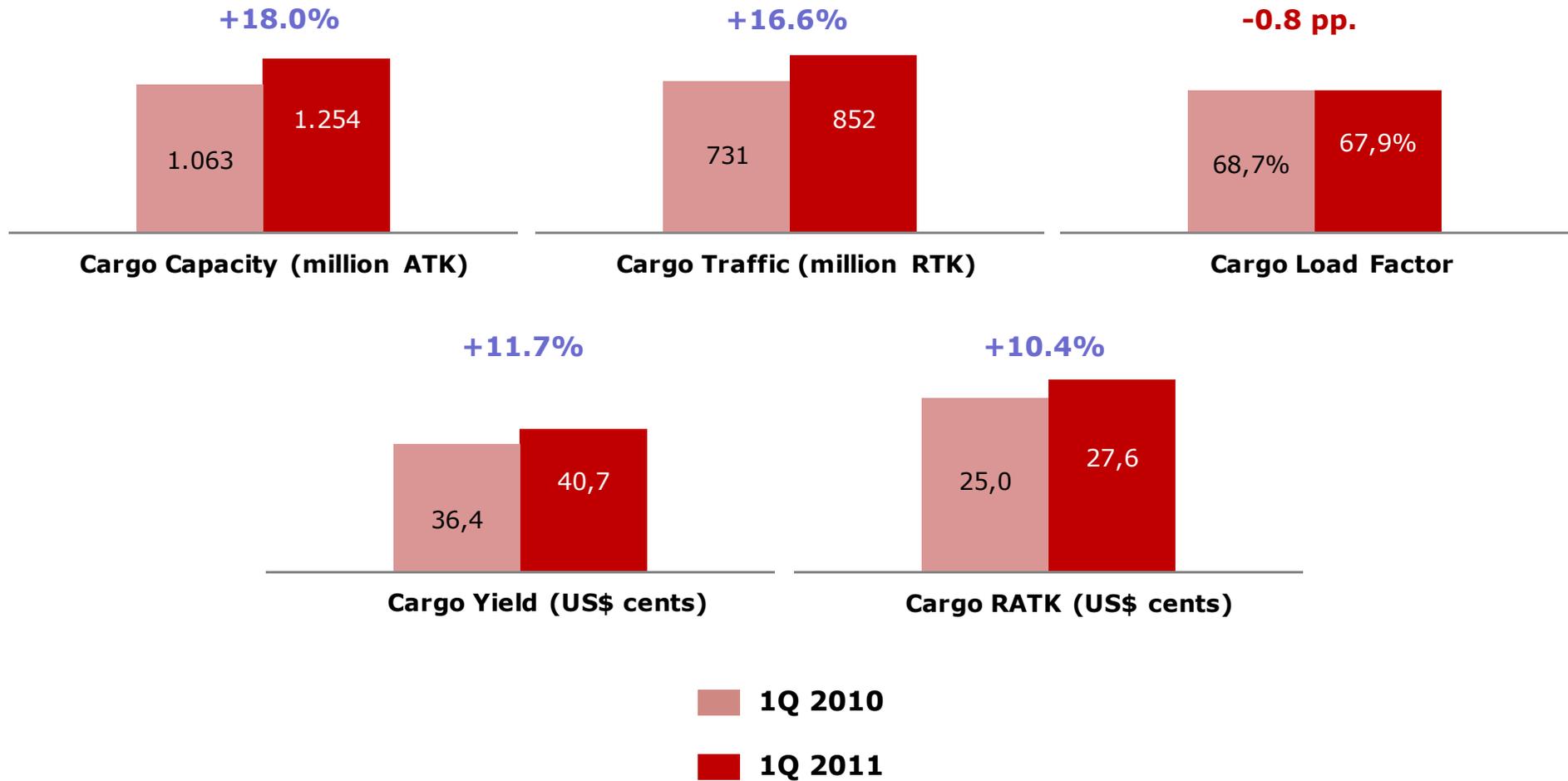


Passenger Business – 18.2% Capacity Growth in 1Q 2011



Growth in ASK (1Q11 vs. 1Q10)	18.2%
International (Long Haul)	5.5%
Regional	26.9%
Chile domestic	27.7%
Peru domestic	5.0%
Argentina domestic	-3.6%
Ecuador domestic	85.9%
Colombia domestic	100.0%

Cargo Business - Revenue Increases 30.2% in 1Q 2011

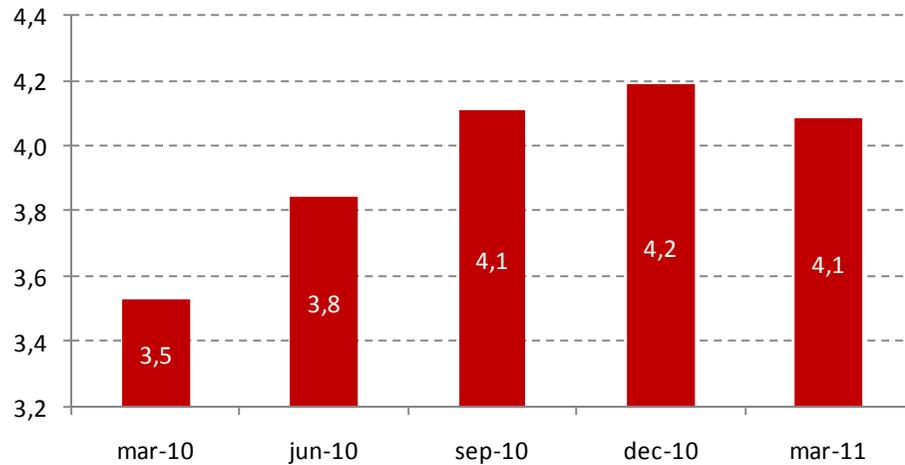


1Q 2011- Cost Analysis

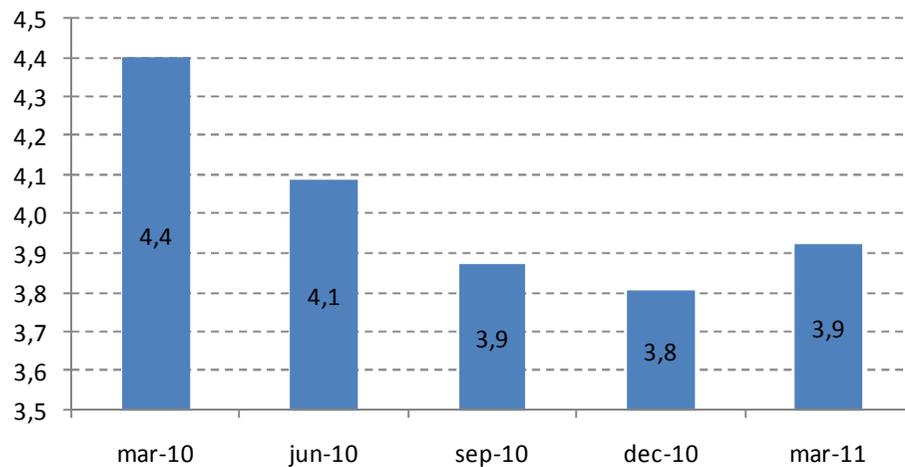
Costs (US\$ millions)	1Q11	1Q10	Variation (%)		<u>MAIN IMPACTS</u>
Wages & Benefits	238	177	35%		Increased headcount
Fuel Costs	390	272	43%		Higher fuel costs partially offset by fuel hedge gain
Commissions to Agents	53	41	28%		Increase in passenger and cargo traffic revenues
Depreciation & Amortization	97	83	18%		Delivery of 14 A320 Family Aircraft
Other Rental & Landing Fees	161	131	23%		Higher handling costs and aeronautical rates
Passenger Service	37	26	40%		More passengers transported and higher compensations
Aircraft Rentals	42	23	81%		Incorporation of 24 Aircraft of Aires, 3 B767F and 3 Airbus A320 Fam Aircraft
Maintenance Expenses	43	29	50%		Larger fleet
Other Operating Expenses	150	109	37%		Higher advertising, marketing and reserve system expenses
Total Costs	1,212	892	36%		

Solid Financial Position

Ebitdar/Interest expenses



Adj. Debt/Ebitdar



- March 2011 Cash Balance: US\$388 million, representing 8% of LTM revenues
- No short term debt
- Long term debt related to fleet financing
- Low interest rates

LAN remains one of the few investment grade airlines in the world

Efficiency Initiatives



- We continue with the installation of winglets in our B767 fleet. This program will continue in 2011 and 2012 as new B767 are incorporated to the fleet.
- This devices reduce wing's resistance, increasing the efficiency of fuel consumption between 4% and 5%, leading to a significant reduction in CO₂ emissions.



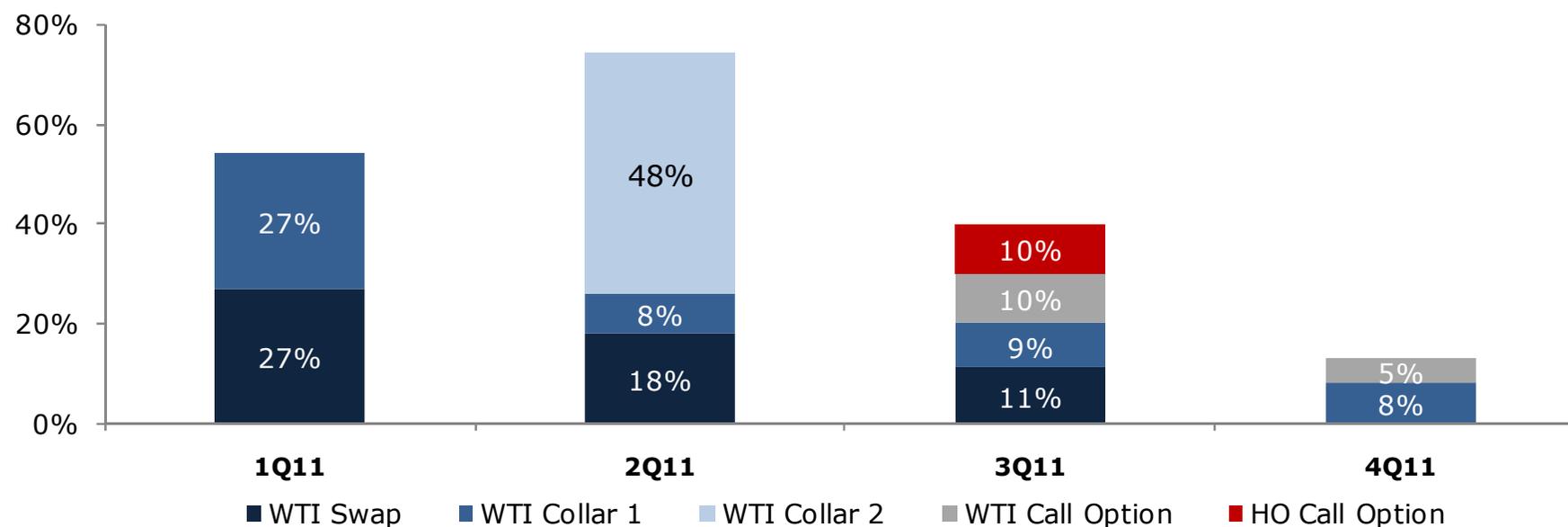
- During 2010 we launched the "LEAN in fuel" program of operational efficiency
- This program will permit a 2% annual reduction of fuel used in each of LAN's flights.



- During 2010 we reconfigured 2 B767 passenger aircraft for LAN Ecuador's long haul operations.
- By reducing the Business cabin and increasing seats in Economy, LAN will achieve a 7% reduction in the cost per ASK of this aircraft.

Fuel Hedge

Fuel Hedge
(% of consumption)



→ WTI Swap:	\$78.5	\$79.0	\$79.3	—
→ WTI Collar 1:	\$62 / \$85	\$60 / \$85	\$60 / \$90	\$60 / \$90
→ WTI Collar 2:	—	\$70 / \$105	—	—
→ WTI Call Option:	—	—	\$120	\$130
→ HO Call Option:	—	—	\$144.9	—

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Colombia – Turnaround of Colombian Airline AIRES

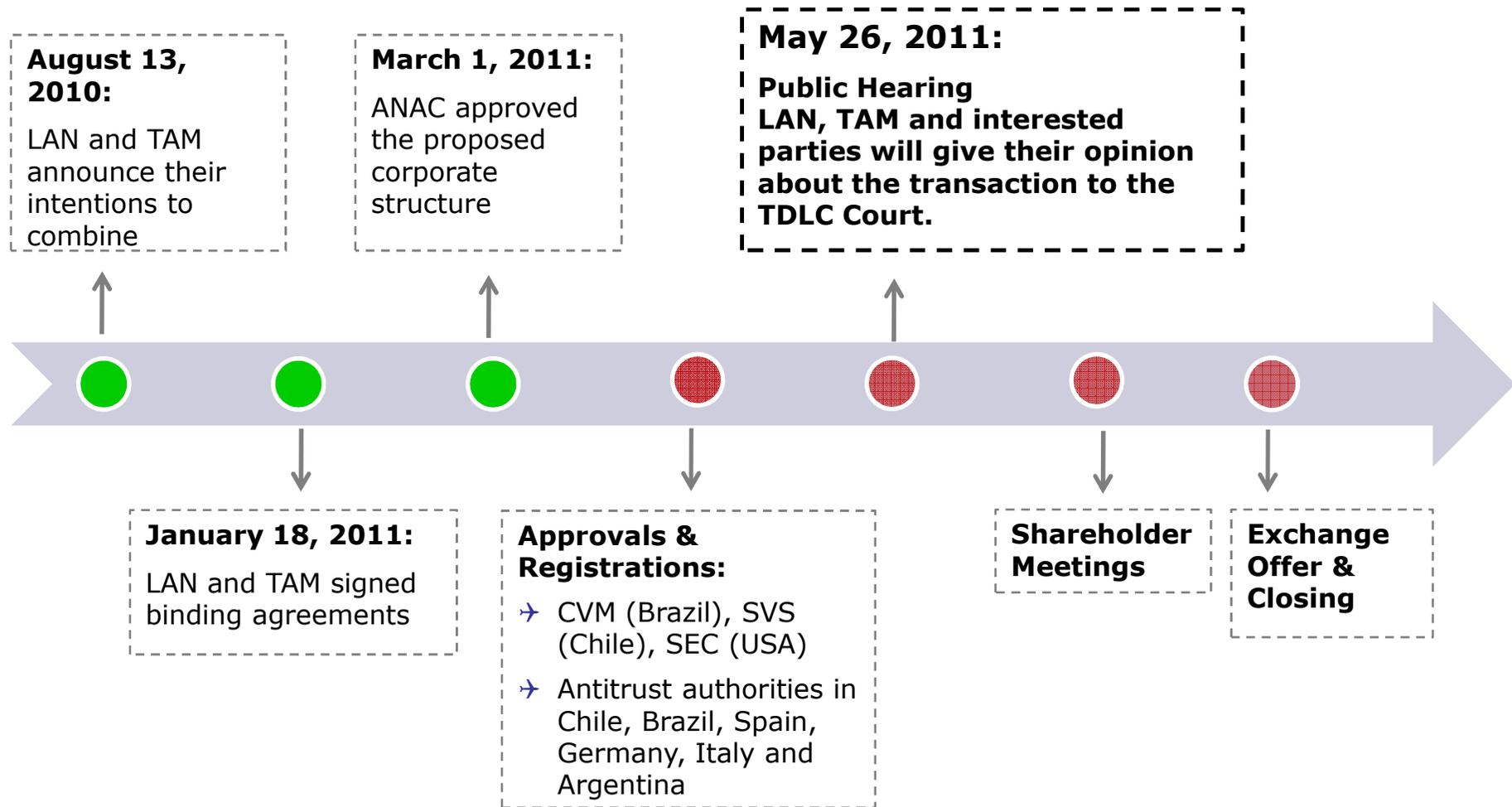


Colombia represents an attractive opportunity to strengthen our position in Latin America

- ✓ Colombia is the second largest market in the region with 13 million domestic passengers and 6 million international passenger in 2010.
- ✓ Acquisition of a strong player with relevant position.
- ✓ Colombia has all the necessary conditions to apply our domestic, passenger and cargo models

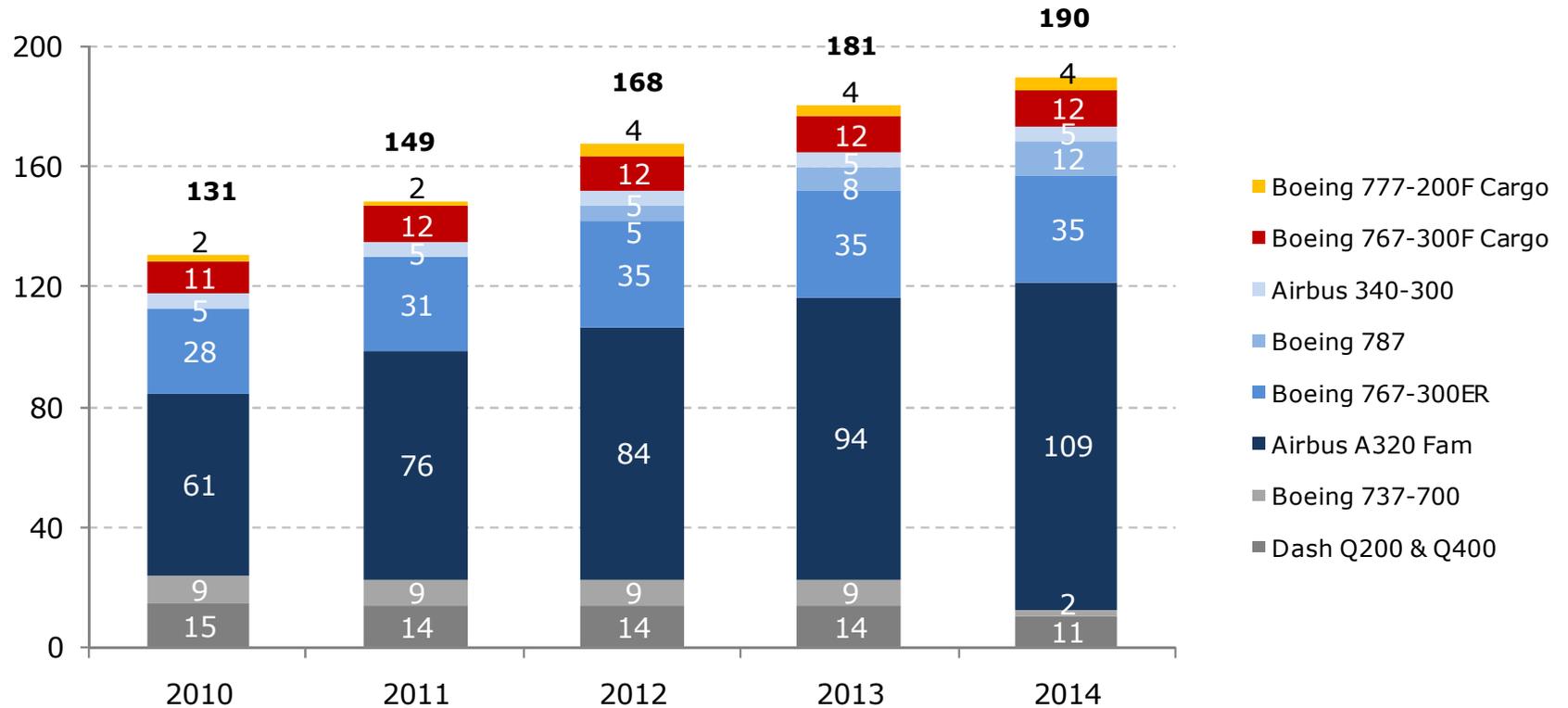


LATAM Airlines Group: Status and Next Steps



LAN's Fleet Plan – Growth and Flexibility

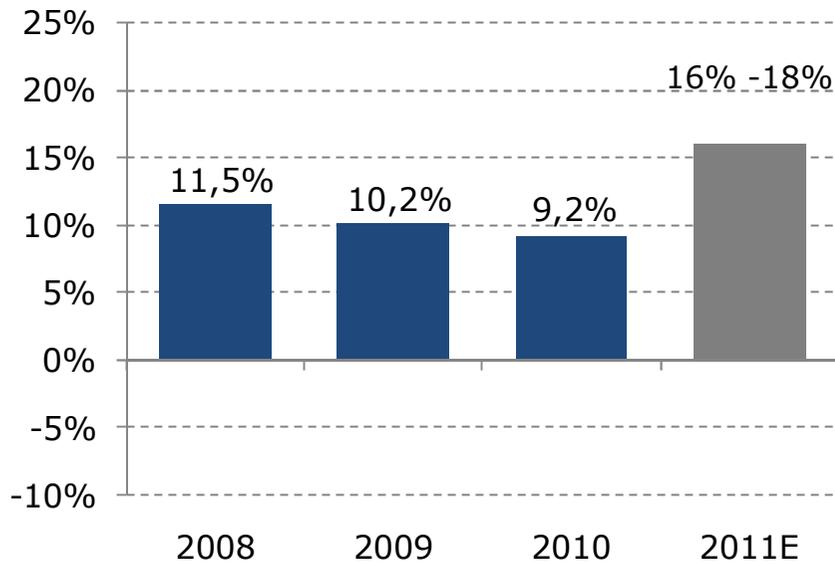
LAN's Fleet Plan
(2010 - 2014)



Total Fleet Capex (US\$ MM)	2010	2011	2012	2013	2014
	434	841	1,716	952	1,119

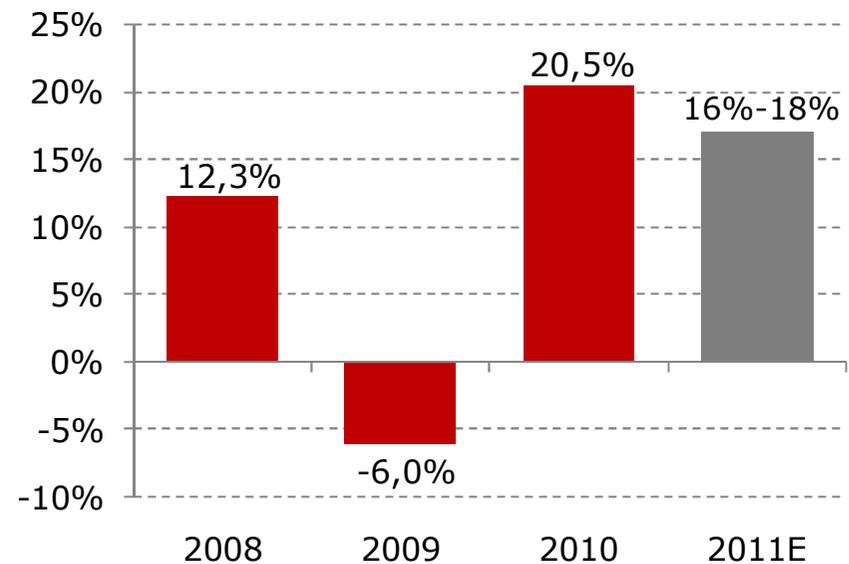
2011 Estimated Capacity Expansion

Passenger ASK Growth



- Expansion in regional markets
- Strengthen Lima hub and increase connectivity within the region
- Continue growth in domestic markets

Cargo ATK Growth



- 3 additional B767 freighters (2010-2011)
- Increased operations in Brazil and Europe
- Increased capacity in bellies of passenger aircraft

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