

Third Quarter Results Presentation

October 27, 2010



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II. STRATEGIC INITIATIVES & FUTURE OUTLOOK

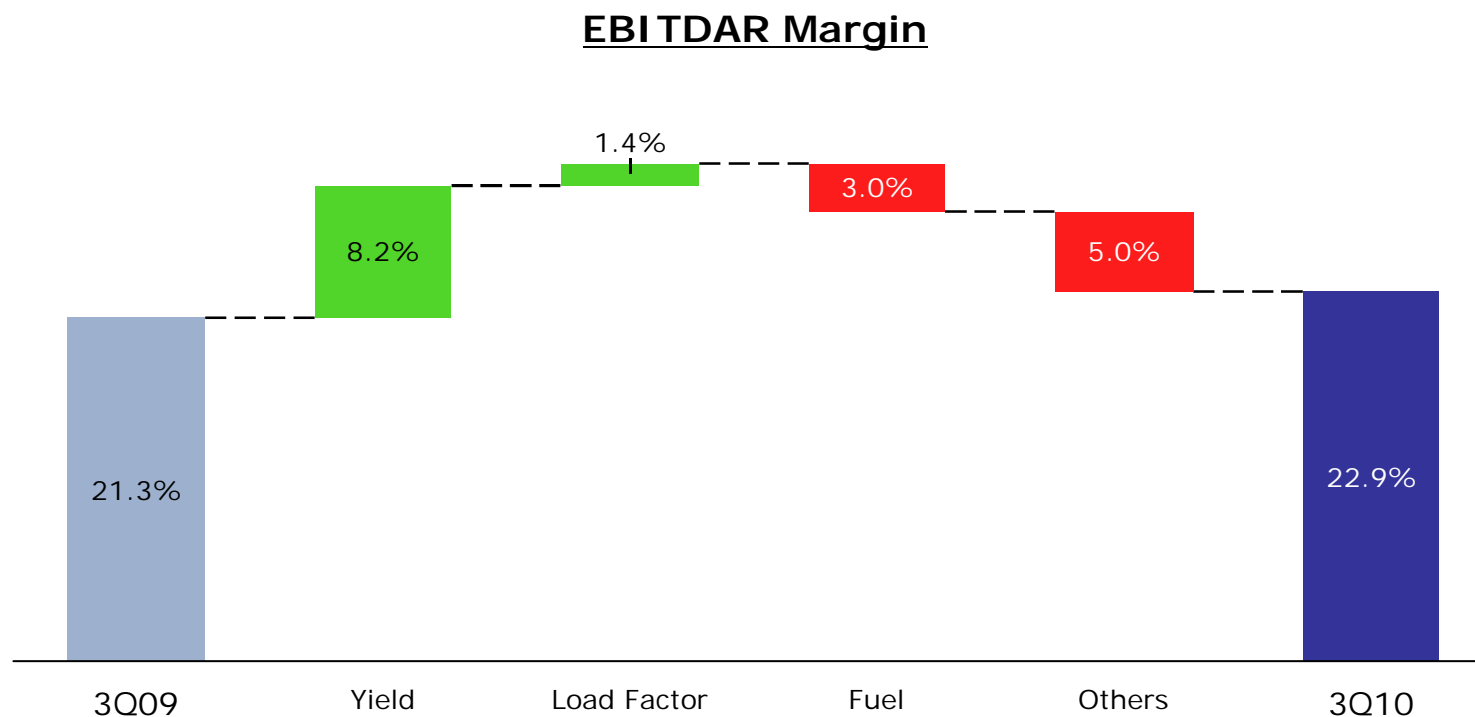
Highlights 3Q 2010

(US\$ million)	3Q 2010	% Change (YoY)	As Of Sept 2010	% Change (YoY)
Total Revenues	1,152	25.6%	3,221	24.6%
Passenger Revenues	800	19.7%	2,221	19.0%
Cargo Revenues	323	49.4%	911	48.4%
Total Operating Expenses	-996	20.7%	-2,809	20.1%
Operating Income	157	69.5%	412	68.0%
Operating Margin	13.6%	3.5 pp	12.8%	3.3 pp
Net Income	106	103.9%	255	110.3%
EBITDAR *	264	35.1%	733	38.0%
EBITDAR Margin	22.9%	1.6 pp	22.8%	2.2 pp

- 3Q 2010 results reflect strong recovery and growth in both passenger and cargo businesses
- EBITDAR margin increased 1.6 points reaching 22.9% in 3Q 2010

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

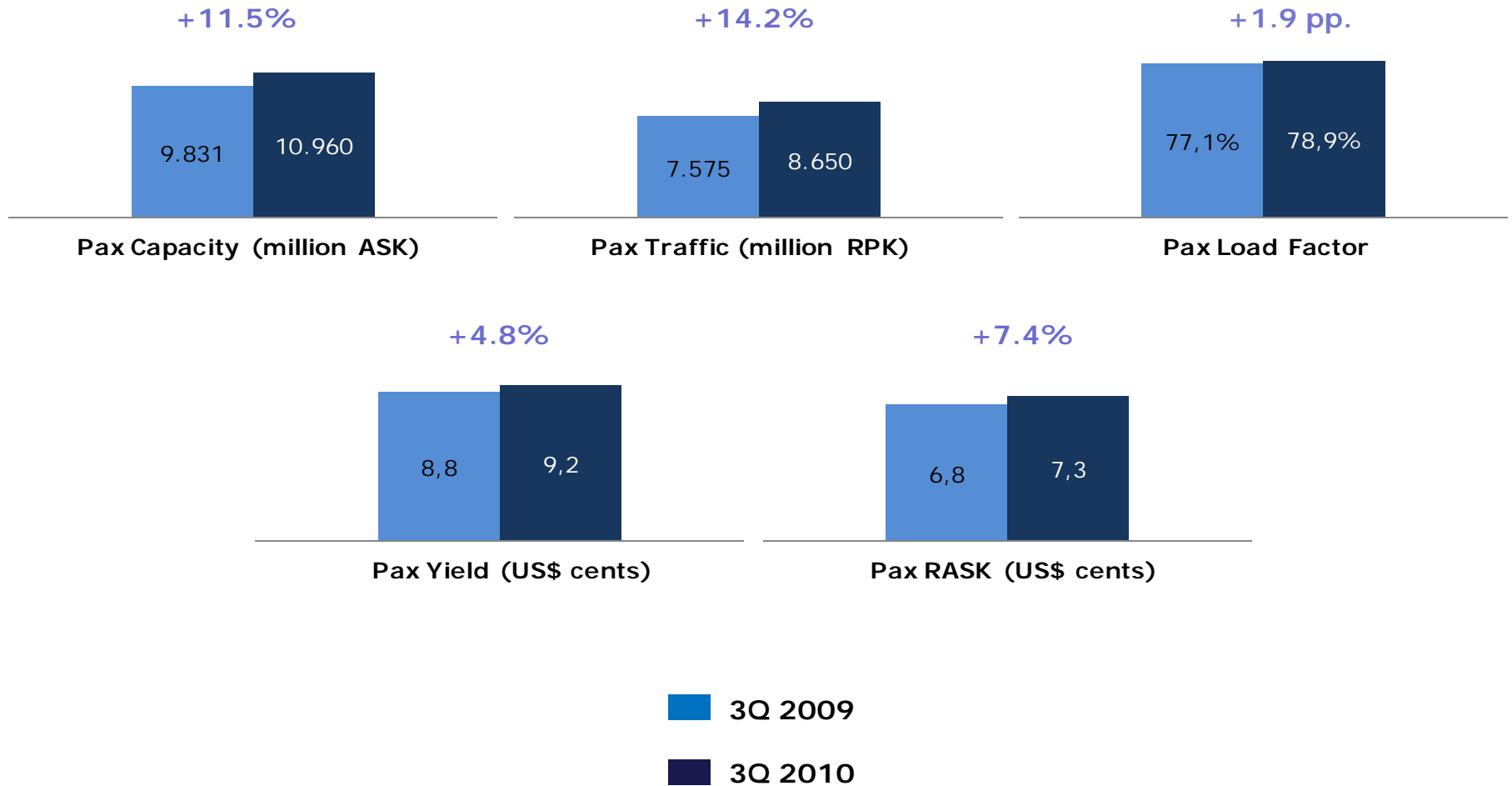
3Q10 - EBITDAR Margin Improvement



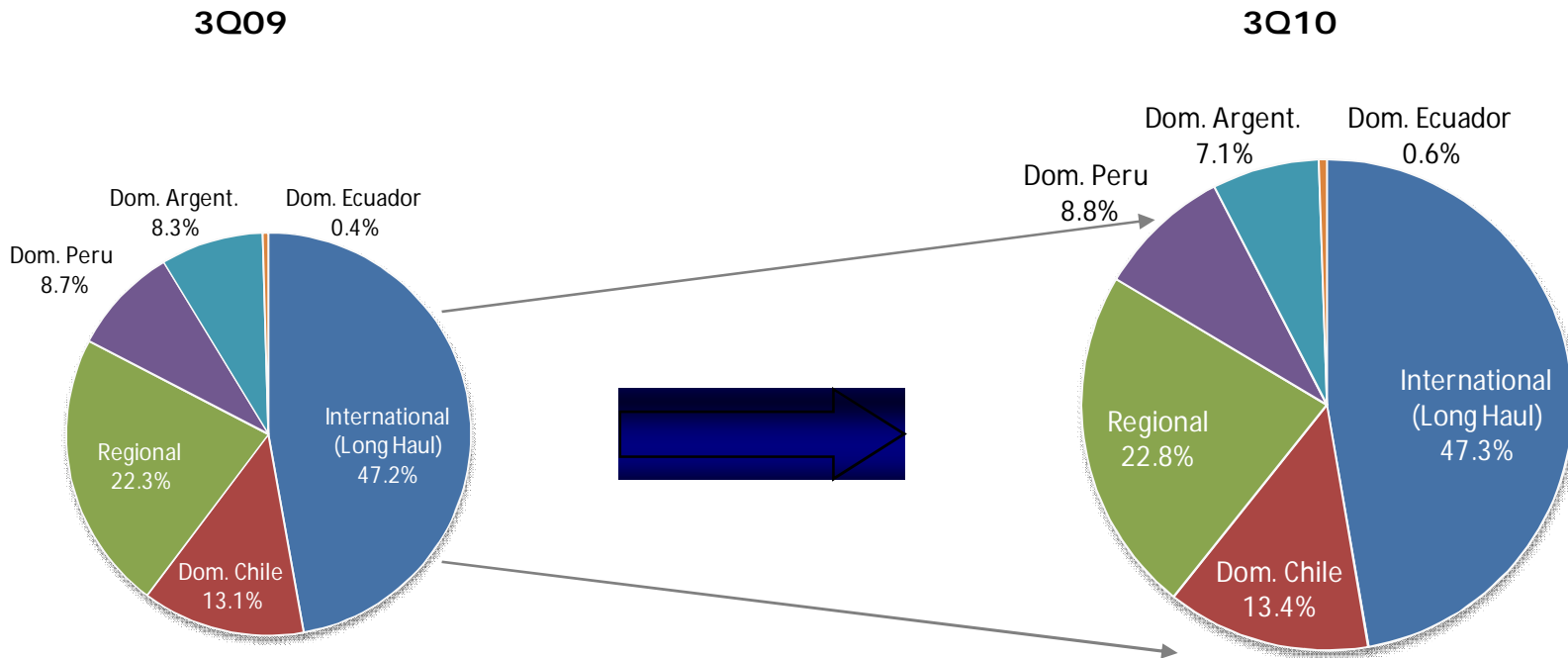
1.99	—————→	Fuel Price* [US\$]	—————→	2.26	+13.7%
195	—————→	EBITDAR** [MMUS\$]	—————→	264	+35.1%

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

Passenger Business - Revenue Increases 19.7% in 3Q 2010

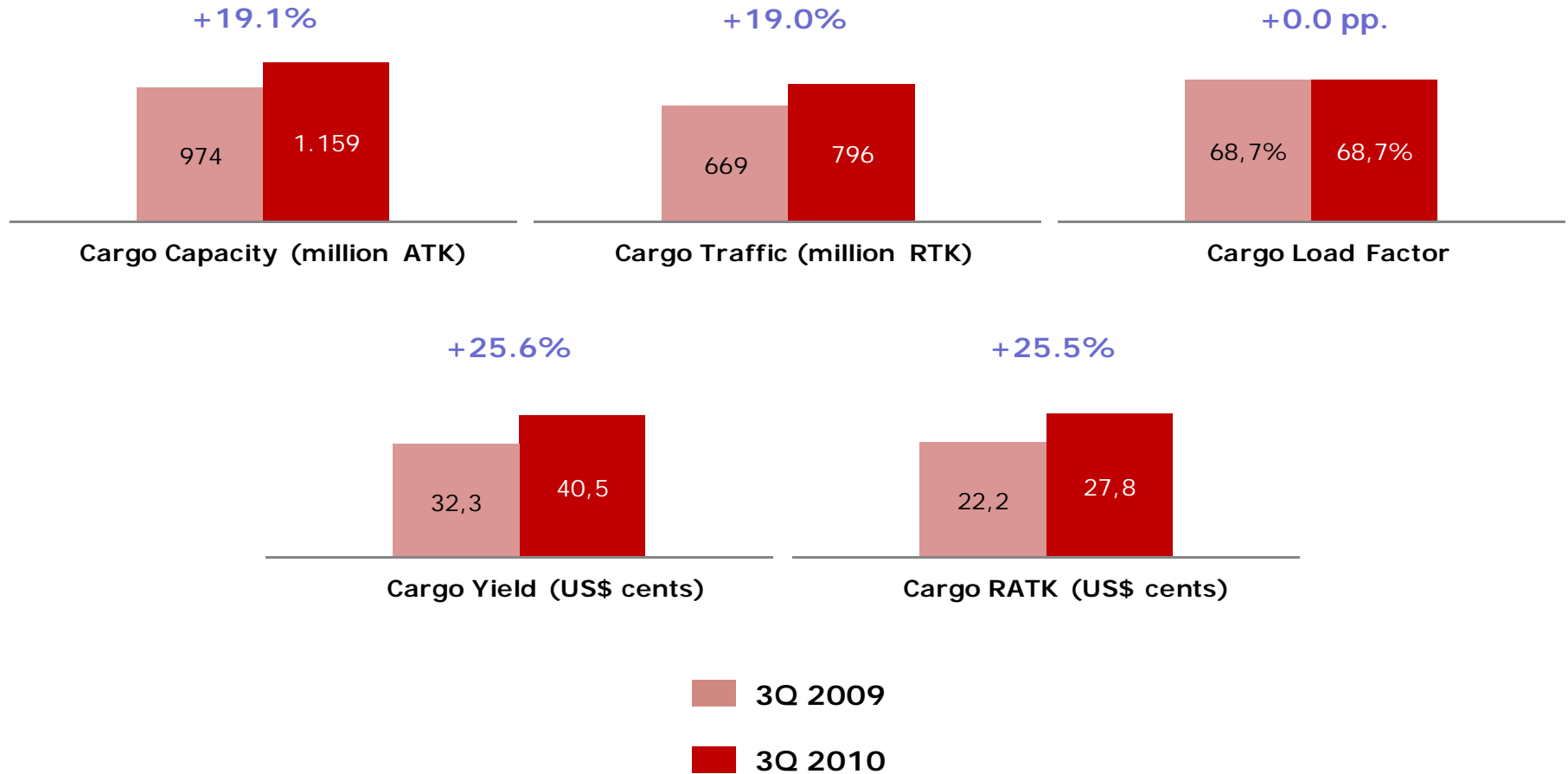


Diversified Passenger Capacity Expansion

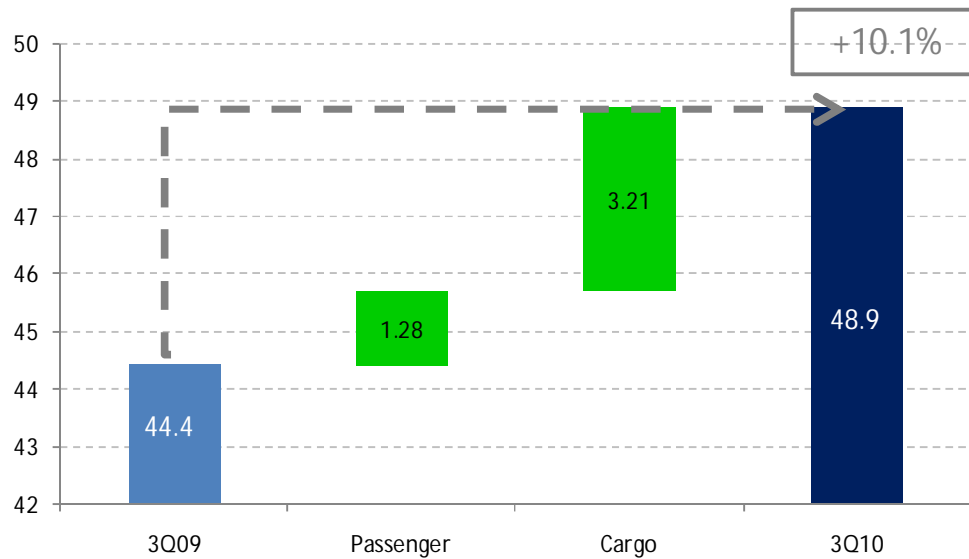


<u>Growth in ASK (3Q10 vs. 3Q09)</u>	<u>11.5%</u>
International (Long Haul)	11.7%
Regional	14.0%
Chile domestic	14.7%
Peru domestic	13.7%
Argentina domestic	-4.7%
Ecuador domestic	26.8%

Cargo Business - Revenue Increases 49.4% in 3Q 2010



3Q10- RATK /CATK Analysis

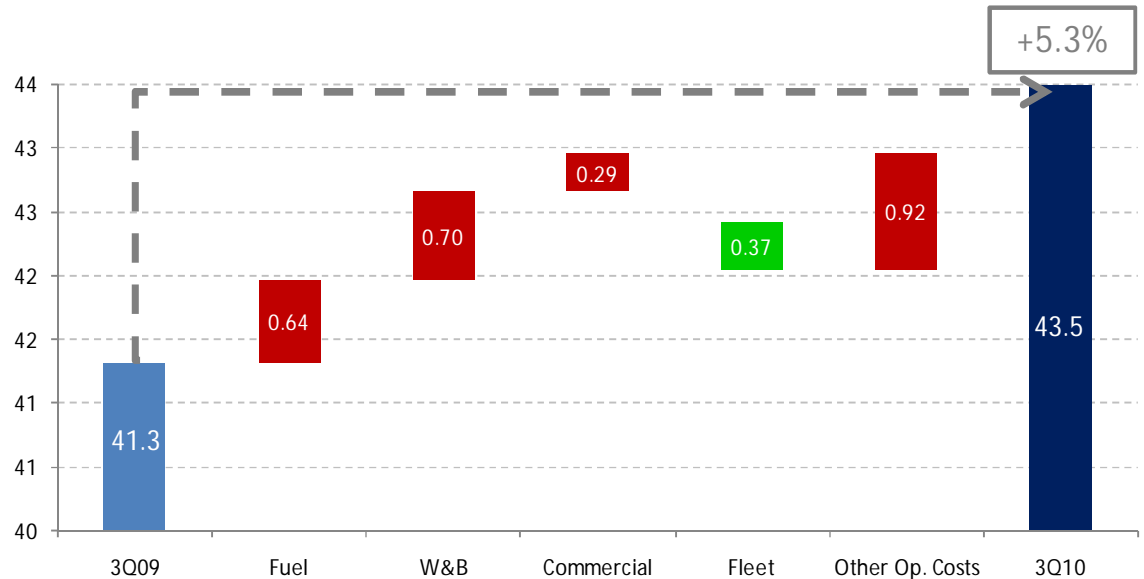


RATK

Revenues per ATK grew 10.1% mainly driven by the 25.6% growth in Cargo yields

CATK

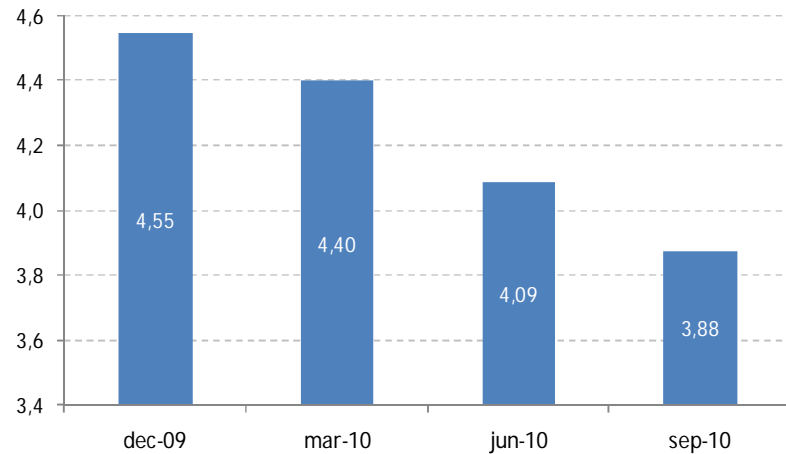
Cost per ATK grew 5.3% mainly driven by the increase in Wages & Benefits and Fuel.



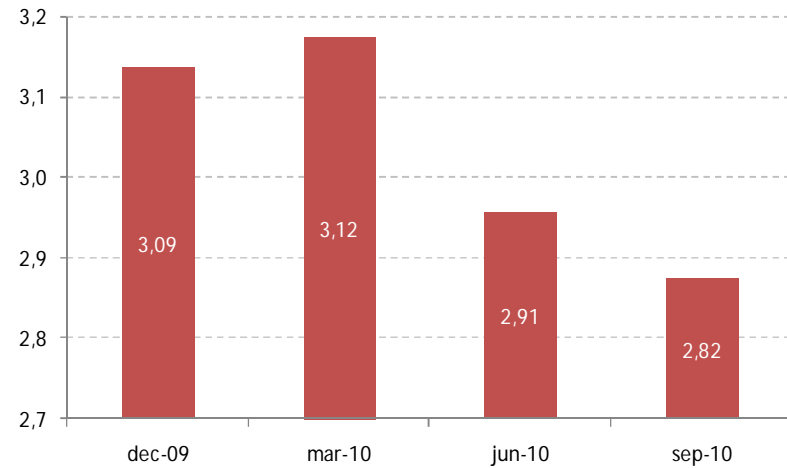
*Revenues per ATK include only passenger and cargo revenues.

Solid Financial Position

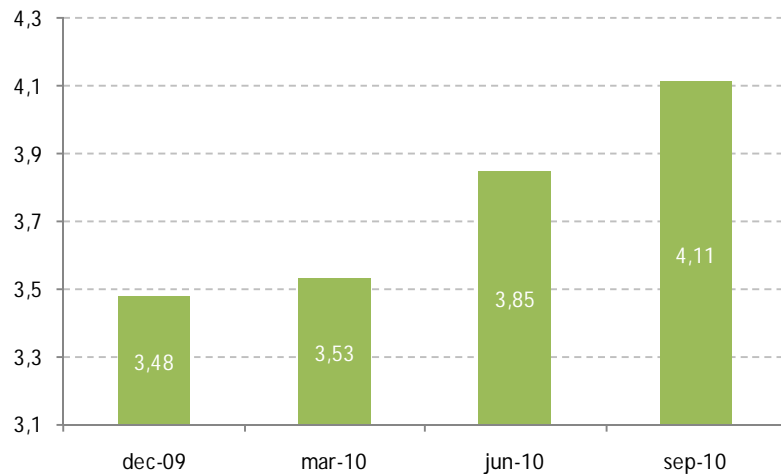
Adj. Debt/ Ebitdar



Net Debt/ Ebitda



Ebitdar/ Interest Expense

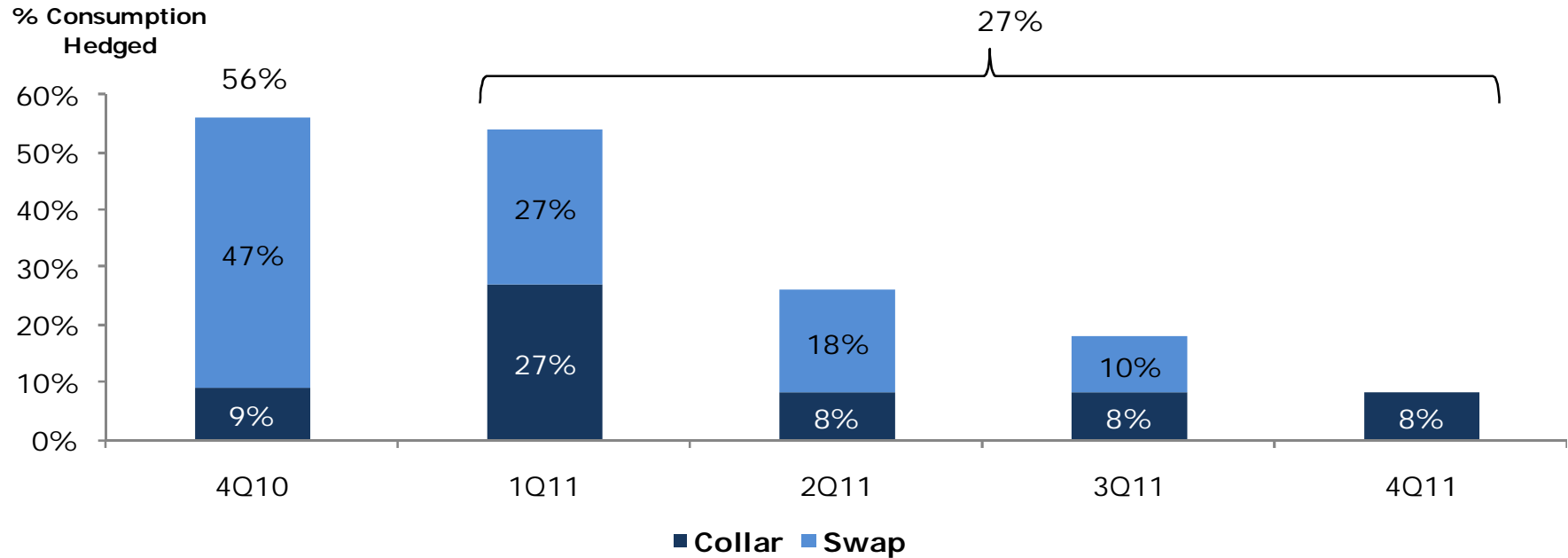


- September 2010 Cash Balance: US\$587 million, representing 14% of LTM revenues
- No short term debt
- Long term debt related to fleet financing
- Low interest rates

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

Fuel Hedge

Fuel Hedge
(% of Consumption)



- Swap average is ~ 80 US\$/bbl
- Collars range from a lower limit of 55 US\$/bbl to a higher limit of 90 US\$/bbl
- LAN uses a fuel surcharge policy in both the passenger and cargo businesses

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LATAM – Milestones of the LAN & TAM Combination



Non-Binding MOU

- On August 13, a non-binding Memorandum of Understanding was signed between LAN and TAM, in which they outlined their intention to combine.



Due Diligence Process

- The due diligence process was completed in September.



ANAC Presentation

- The definitive structure of the transaction was presented to the Brazilian aviation authority on October 20.

Definitive Agreements

- Finalize definitive agreements between the parties and satisfaction of requisite conditions, including regulatory approvals.

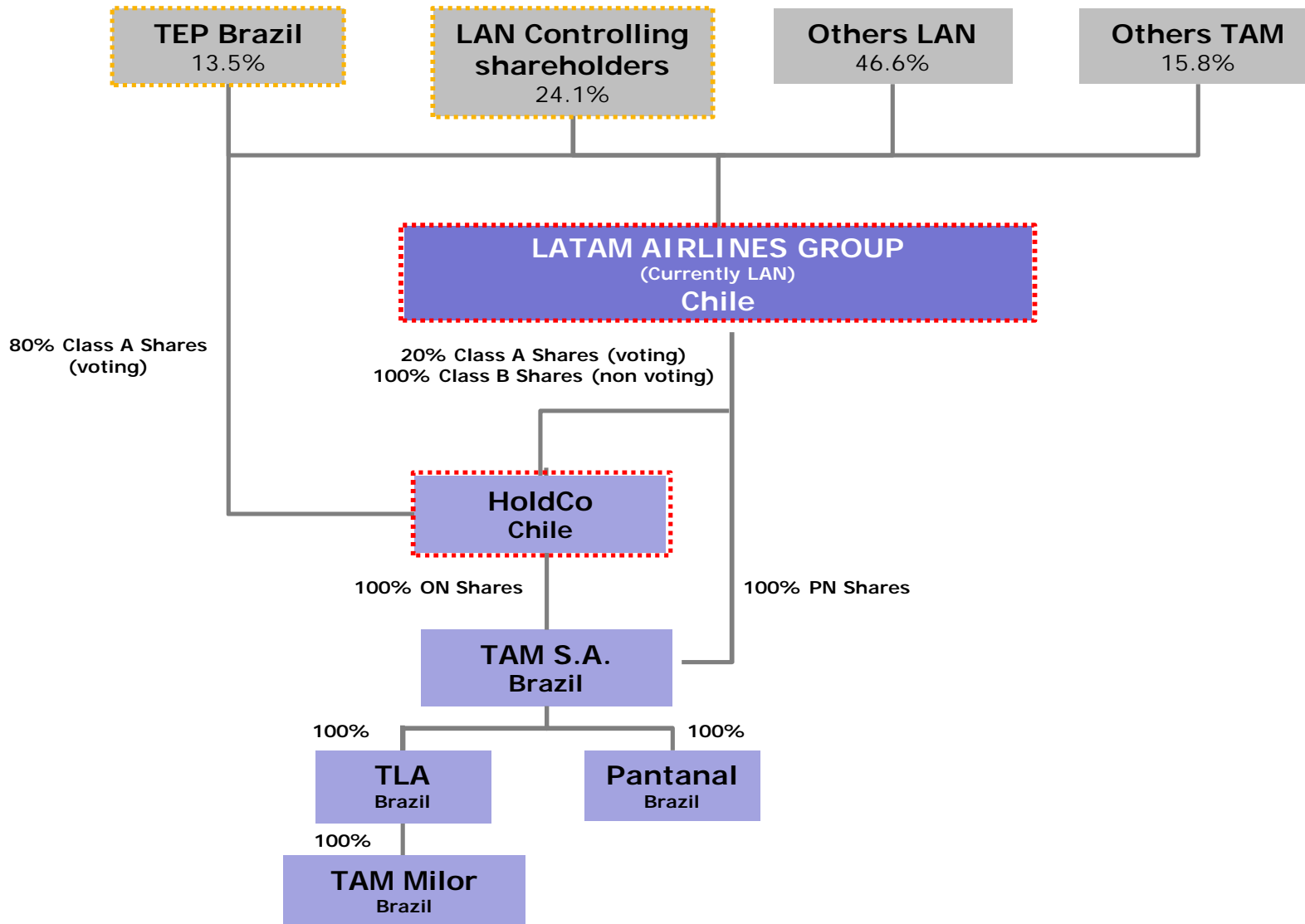
Shareholders Meetings

- LAN Shareholder Meeting to approve the transaction.

Exchange Offer and Closing

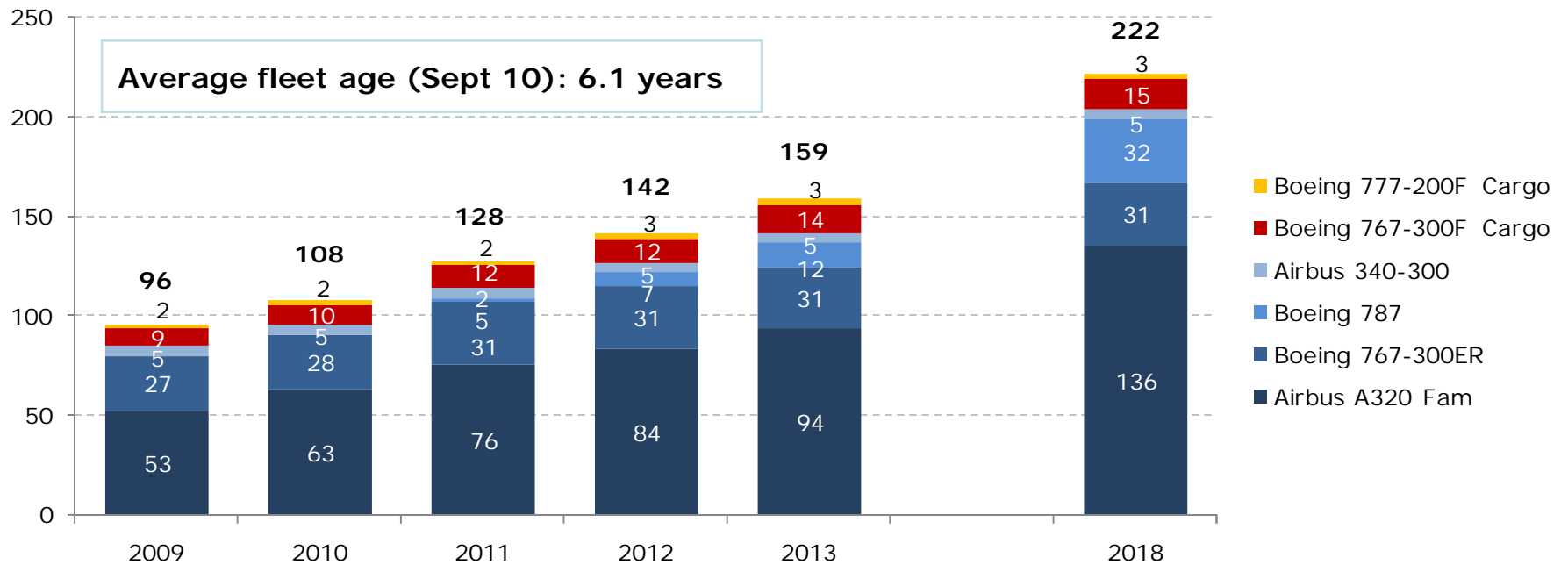
- TAM shareholders will be offered 0.9 LATAM shares. Closing of the transaction is expected during the second quarter of 2011.

LATAM Airlines Group



LAN's Fleet Plan – Growth and Flexibility

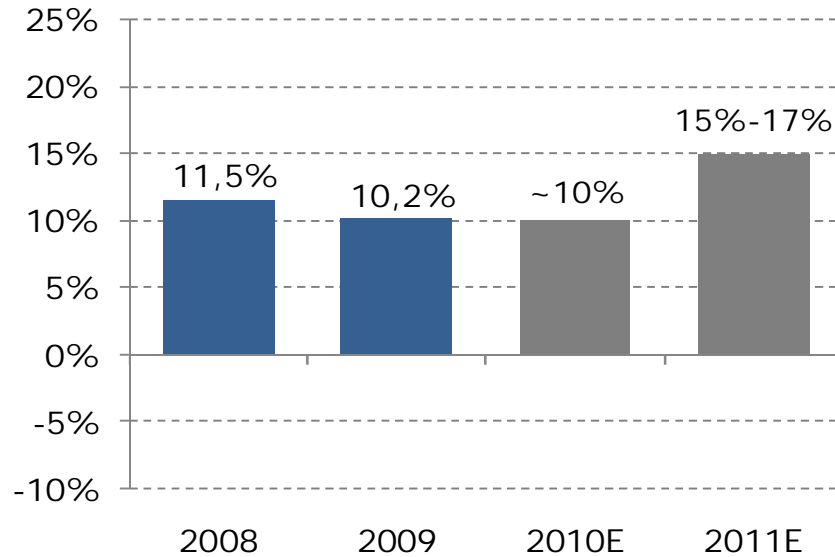
LAN's Fleet Plan
(2009 - 2018)



CAPEX	2010	2011	2012	2013	2014 - 2018	Total
(US\$ million)	424	1,145	1,152	1,315	3,683	7,719

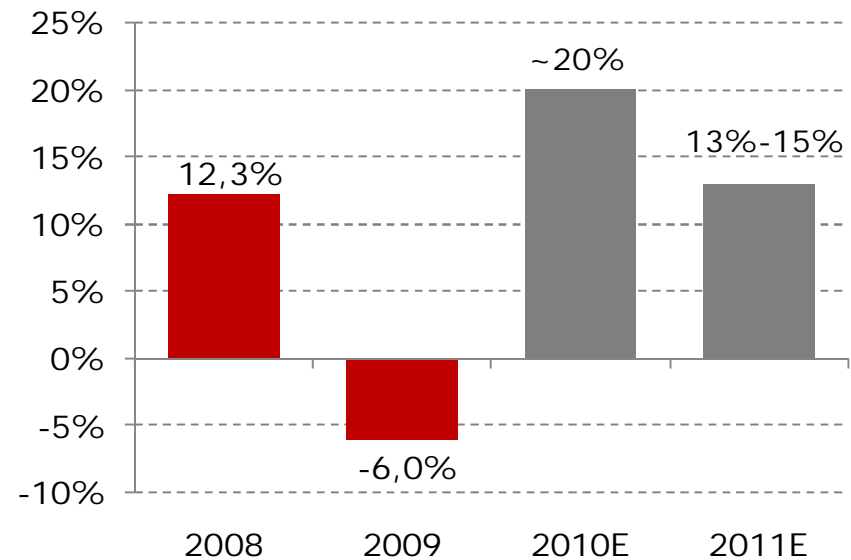
2010 - 2011 Estimated Capacity Expansion

Passenger ASK Growth



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

Cargo ATK Growth



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

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