

First Quarter 2012 Results Presentation

May 14, 2012



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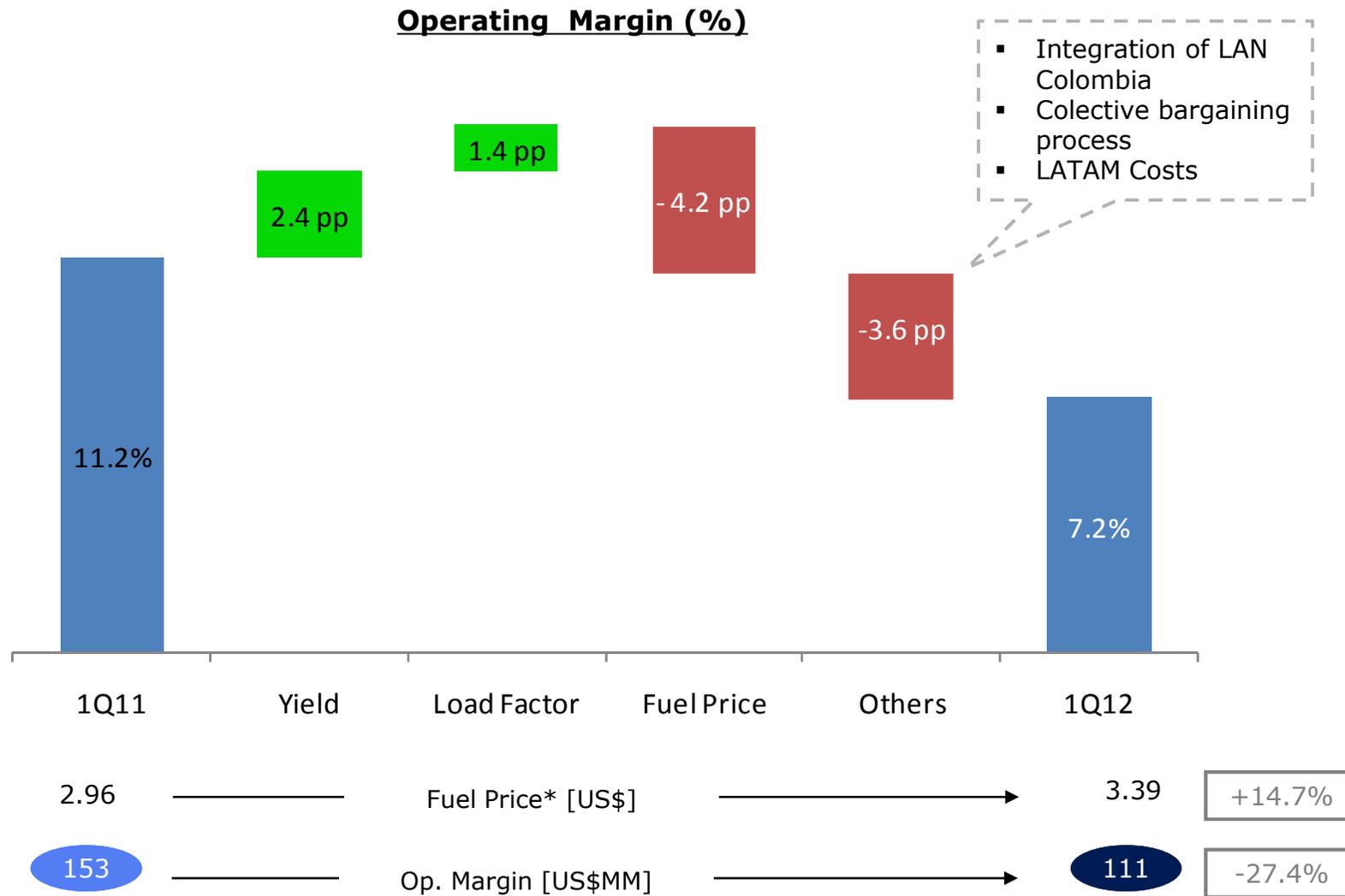
Highlights 1Q 2012

| (US\$ million) | 1Q 2011 | 1Q 2012 | % Change (YoY) |
|---------------------------------|---------------|---------------|----------------|
| Total Revenues | 1,365 | 1,537 | 12.6% |
| Passenger Revenues | 978 | 1,138 | 16.4% |
| Cargo Revenues | 346 | 368 | 6.2% |
| Total Operating Expenses | -1,212 | -1,425 | 17.7% |
| Operating Income | 153 | 111 | -27.4% |
| Operating Margin | 11.2% | 7.2% | -4.0 pp |
| Net Income | 97 | 76 | -21.8% |
| EBITDAR * | 293 | 262 | -10.6% |
| EBITDAR Margin | 21.5% | 17.0% | -4.4 pp |

- 1Q 2012 results impacted by 15% increase in fuel prices, a part of which were not recovered via fuel surcharges
- Operating margin in 1Q 2012 also impacted by weaker cargo demand and the ongoing development of LAN Colombia domestic operations.
- 1Q 2012 results include a US\$14.3 MM one-time cost related to collective bargaining process.

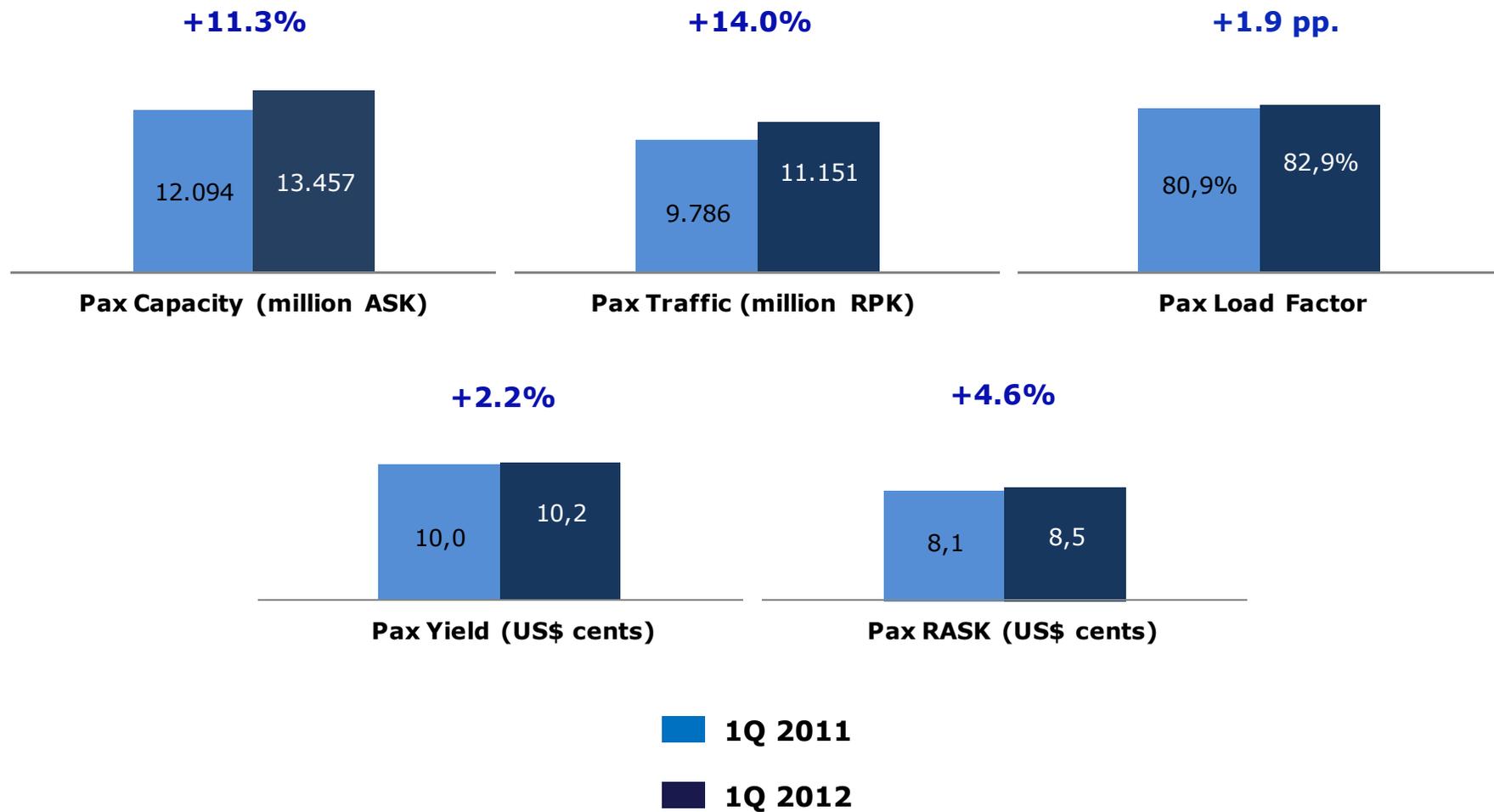
* EBITDAR = Operating income + depreciation & amortization + aircraft rentals

1Q 2012 - Operating Margin Analysis

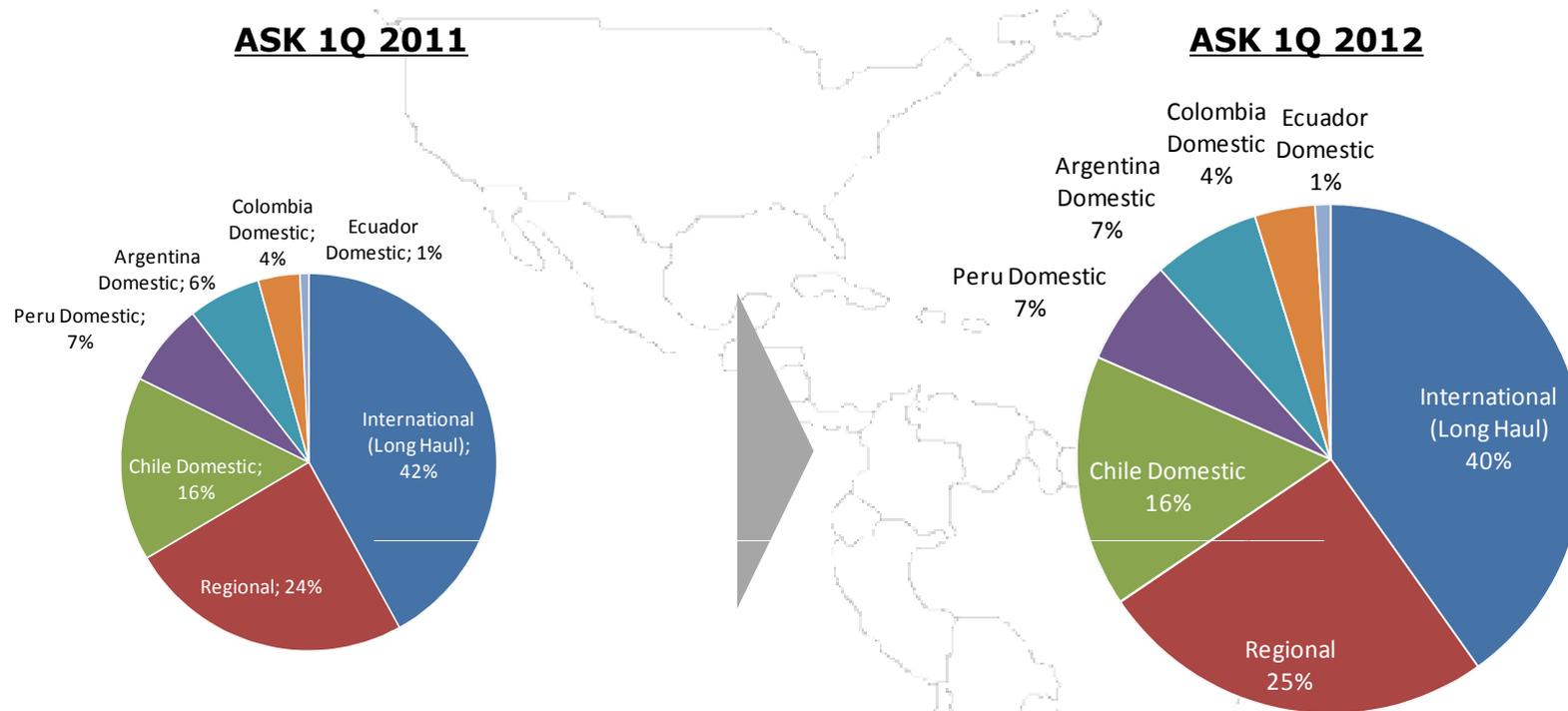


*Fuel price excludes fuel hedge

Passenger Business - Revenue Increases 16.4% in 1Q 2012

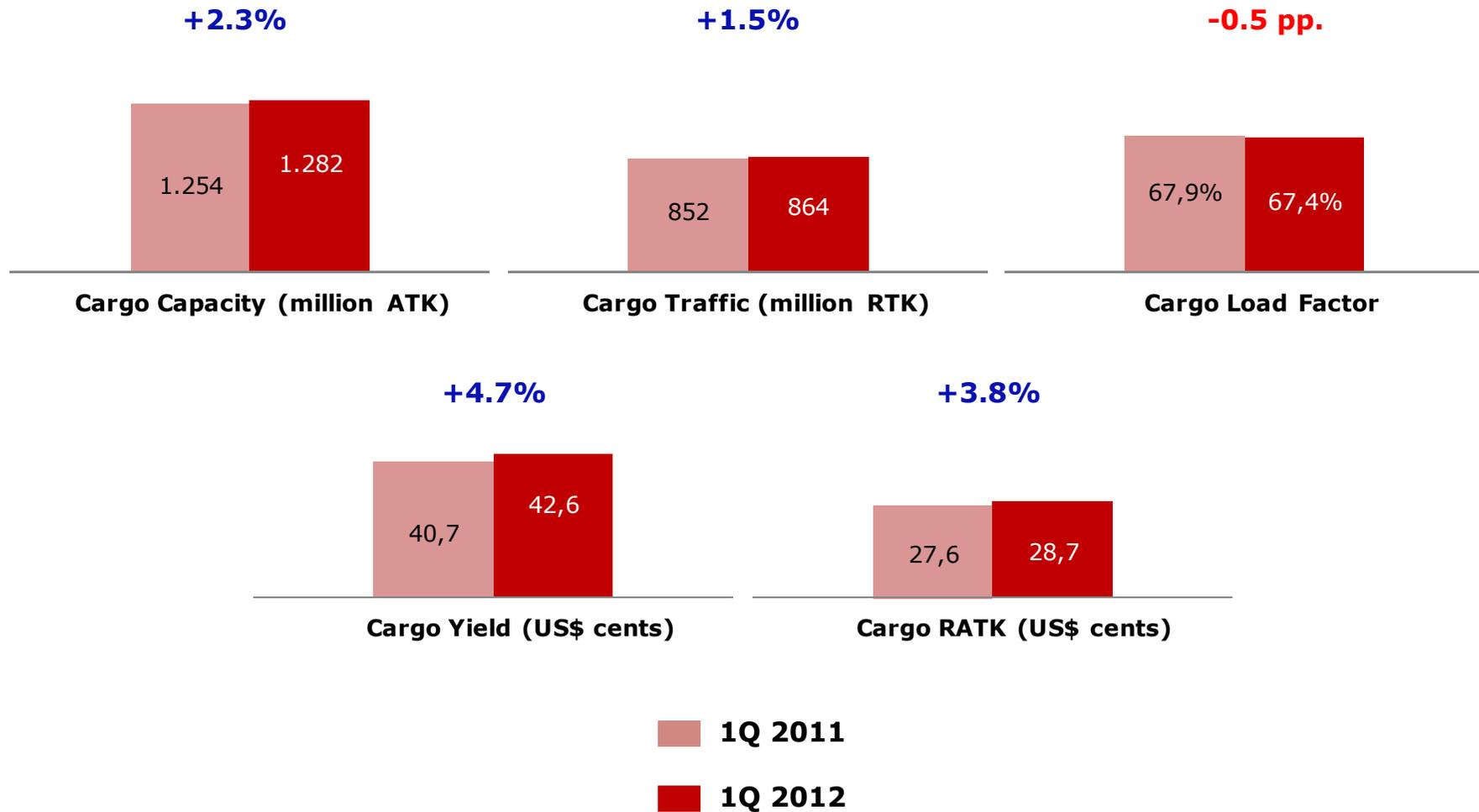


Passenger Business - Capacity Growth 1Q 2012



| Growth in ASK (1Q12 vs. 1Q11) | 11.3% |
|--------------------------------------|--------------|
| International (Long Haul) | 7.4% |
| Regional | 16.4% |
| Chile Domestic | 14.1% |
| Peru Domestic | 6.7% |
| Argentina Domestic | 22.9% |
| Colombia Domestic | 20.9% |
| Ecuador Domestic | 46.5% |

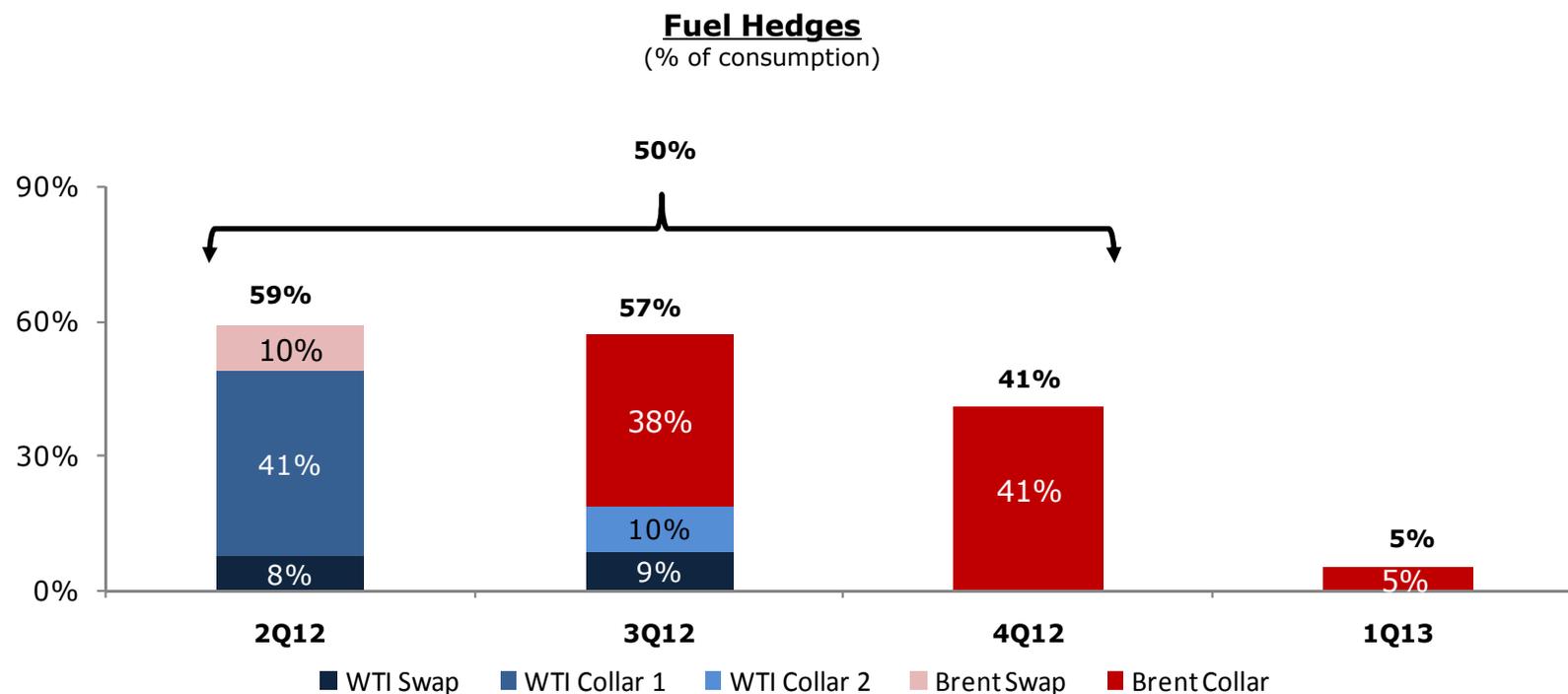
Cargo Business - Revenue Increases 6.2% in 1Q 2012



1Q 2012- Cost Analysis

| Costs (US\$ Millions) | 1Q12 | 1Q11 | Variation (%) | Main Impacts |
|------------------------------|--------------|--------------|---|--|
| Wages & Benefits | 299 | 238 | 25%  | Increased headcount, and one time cost of US\$ 14 million |
| Fuel Costs | 494 | 390 | 27%  | 15% higher fuel costs |
| Commission to Agents | 58 | 53 | 10%  | 14% increase in passenger and cargo traffic revenues |
| Depreciation & Amortization | 106 | 97 | 9%  | Delivery of 9 A320 Family and 3 Boeing 767-300 passenger aircraft |
| Other Rental & Landing Fees | 165 | 161 | 3%  | Higher handling costs and aeronautical rates partially offset by lower aviation insurance costs. |
| Passenger Service | 38 | 37 | 3%  | More passengers transported |
| Aircraft Rentals | 44 | 42 | 4%  | Incorporation of 4 leased Airbus A320s |
| Maintenance Expenses | 50 | 43 | 15%  | Larger fleet |
| Other Operating Expenses | 172 | 150 | 15%  | Higher Commercial and distribution system expenses. |
| Total Costs | 1,425 | 1,212 | 18% | |

Fuel Hedges



| | | | | |
|-------------------------|--------------|--------------|--------------|--------------|
| → WTI Swap: | \$85.3 | \$86.4 | — | — |
| → WTI Collar: | \$74 / \$100 | \$73 / \$97 | — | — |
| → Brent Swap*: | \$108 | — | — | — |
| → Brent Collar*: | — | \$79 / \$109 | \$78 / \$110 | \$74 / \$109 |

Note: hedging position as of May 11, 2012

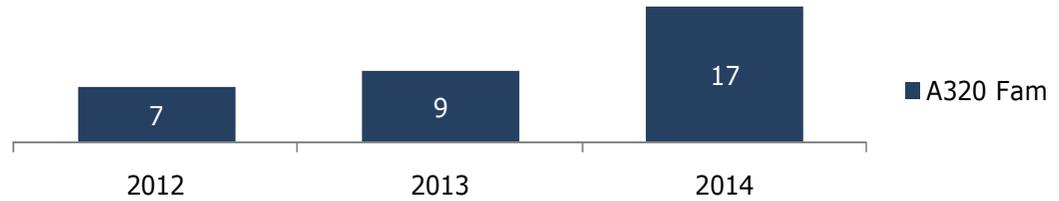
* Values are WTI equivalents (for actual Brent values it is necessary to add \$16)



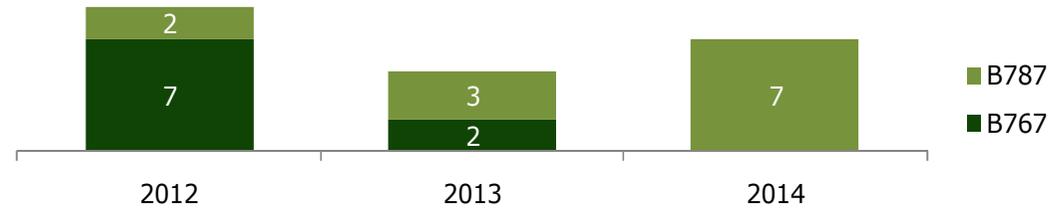
Net Fleet Deliveries 2012 - 2014



Short Haul



Long Haul



Cargo

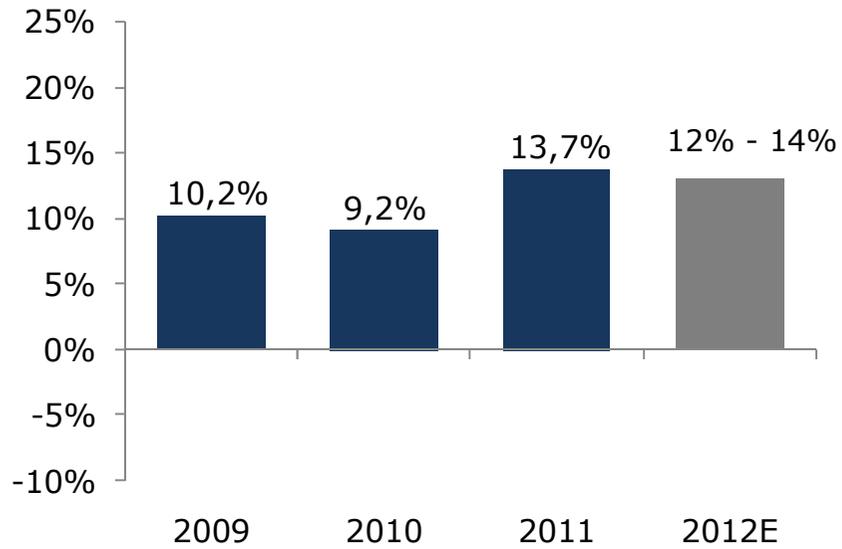


| Total Fleet CAPEX (US\$ millions) | 2012 | 2013 | 2014 |
|-----------------------------------|-------|-------|-------|
| | 1,759 | 1,374 | 1,598 |

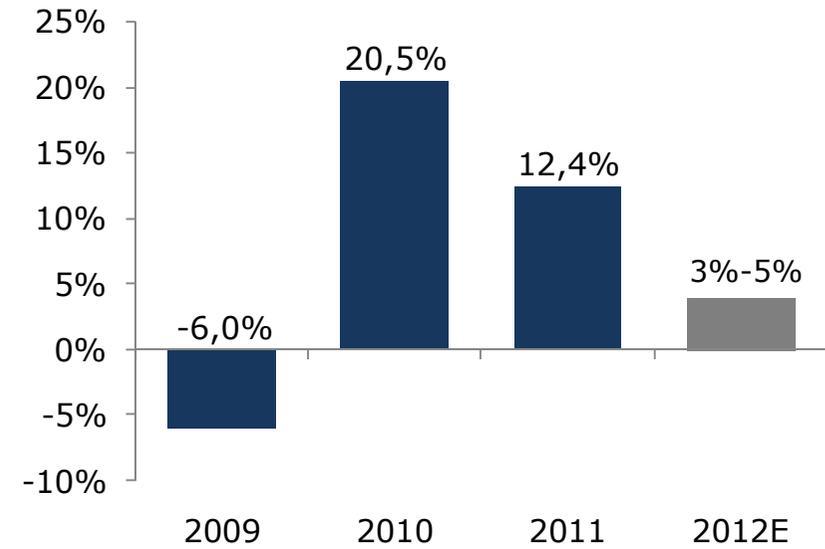
Total CAPEX (2012-2018)
US\$ 8.9 bn

2012 Estimated Capacity Expansion

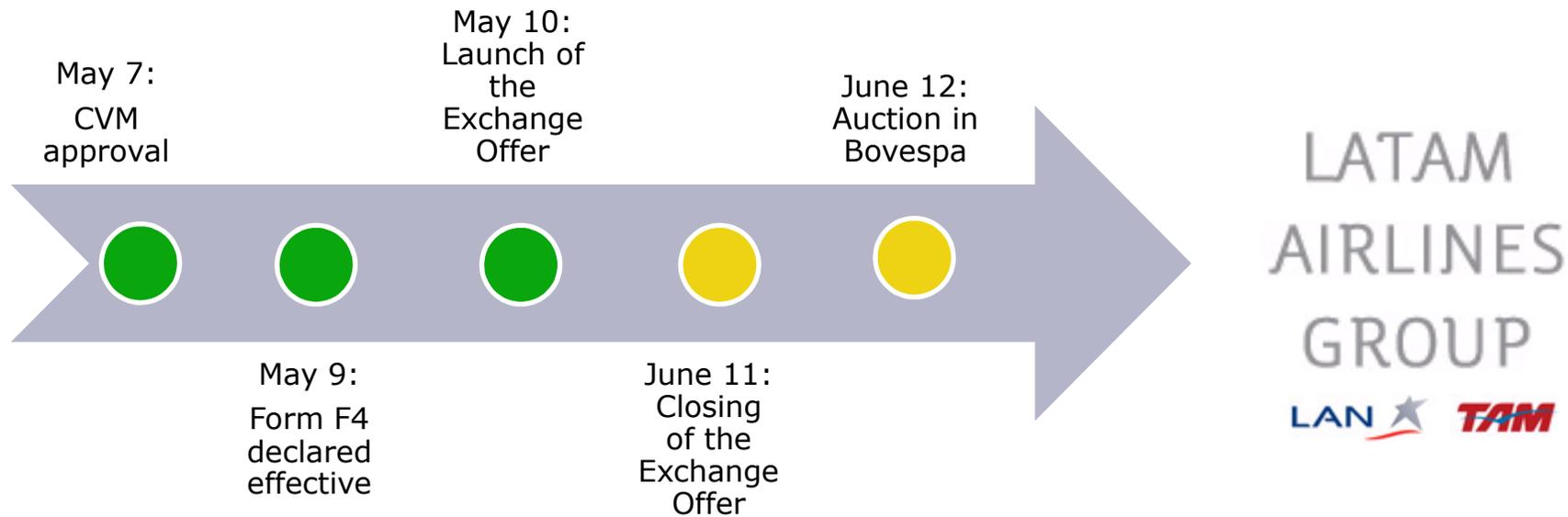
Passenger ASK Growth



Cargo ATK Growth



Final steps in the Merger with TAM



- Expected annual synergies of **US\$600 to US\$700 million** fully achieved by the fourth year, of which **US\$170 to US\$200 million** will be achieved by the end of the first year.
- One-time cost of between **US\$150 to US\$200 million**.

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