

August 3rd, 2007



The BANK
of NEW YORK

A SECURITIES SERVICING
DEPOSITARY RECEIPTS

Corporate Action

ATTENTION: International Research, Sales, Trading and Operations Staff

RATIO CHANGE

	OLD	NEW
Name:	Lan Airlines	Lan Airlines
Country:	Chile	Chile
Symbol:	LFL	LFL
CUSIP Number:	501723100	501723100
Exchange:	NYSE	NYSE
Ratio:	1 ADR:5 ORD	1ADR:1 ORD

Please be advised that The Bank of New York, as depositary bank for Lan Airlines S.A., will amend the ADR ratio from the current one (1) ADR representing five (5) Common Shares to one **(1) ADR representing one (1) Common share.** This change is a result of a simultaneous 400% ADR distribution in the U.S. market whereby for each one (1) ADS held the holder will receive an additional four (4) ADSs.

Note that the ratio change and stock distribution will happen as follows:

08/14/07 – ADR record date for the 400 % distribution.

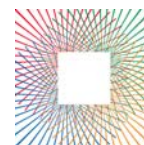
08/15/07 - ADR payable date for the 400% distribution.

08/16/07 - Effective date of new ratio for trading purposes.

Please note that there will be no change in CUSIP and that the certificates have been overstamped to reflect the ratio change. No action is required by ADR holders.

Below please find further details:

<u>Company</u>	<u>CUSIP #</u>	<u>Current Ratio</u>	<u>New Ratio</u>
Lan Airlines S.A	501723100	1 ADR: 5 Shares	1 ADR: 1Share



The **BANK**
of **NEW YORK**

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