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GLASSWORKS OF CHILE  
Form 6-K  
October 06, 2004

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF  
THE SECURITIES EXCHANGE ACT OF 1934

October 6, 2004

Commission File Number 1-12752

Glassworks of Chile  
(Translation of registrant's name into English)

Hendaya 60  
Las Condes  
Santiago, Chile  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): \_\_\_\_\_

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

Cristalchile  
NYSE: CGW  
Santiago: CRISTALES  
www.cristalchile.com

CONTACT IN SANTIAGO:  
Ricardo Dunner  
Head of Investor Relations  
PH: (562 787-8855



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5.13.10.20	Investment in other companies		0
5.13.10.30	Negative goodwill	16	1,840,523
5.13.10.40	Positive goodwill (minus)		0
5.13.10.50	Long-term debtors	5	122,386
5.13.10.60	Doc. & accts receivable related Co.	6	20,666,868
5.13.10.65	Long-term deferred taxes		0
5.13.10.70	Intangibles		0
5.13.10.80	Amortization (minus)		0
5.13.10.90	Other	18	11,393,571
5.13.20.10	Long-term leasing contracts (net)		0
5.10.00	TOTAL ASSETS		353,596,663

LIABILITIES

1.00.01.30 Type of Currency: Thousands of Chilean Pesos  
 1.00.01.40 Type of Balance : Individual

LIABILITIES		NOTE No.	03-31-04
-----		-----	-----
5.21.00.00	TOTAL CURRENT LIABILITIES		14,867,540
5.21.10.10	Short-term oblig. Banks & Fin. Inst.		0
5.21.10.20	Short-term portion - Long-term oblig. Banks & Financial Institutions	19	129,318
5.21.10.30	Obligations with the public (notes)		0
5.21.10.40	Short-term portion oblig with public		759,861
5.21.10.50	Long-term oblig. due within 1 year		0
5.21.10.60	Dividends payable		40,453
5.21.10.70	Accounts payable		1,858,882
5.21.10.80	Notes payable		1,504,799
5.21.10.90	Sundry creditors		859,954
5.21.20.10	Notes & accts payable related Co.	6	180,281
5.21.20.20	Provisions	23	6,872,724
5.21.20.30	Withholdings		895,484
5.21.20.40	Income tax		0
5.21.20.50	Earned income		0
5.21.20.60	Deferred taxes		0
5.21.20.70	Other current liabilities	34	1,765,784
5.22.00.00	TOTAL LONG-TERM LIABILITIES		108,287,797
5.22.10.00	Oblig with Banks & Financial Inst.	21	30,820,500
5.22.20.00	Long-term oblig with public (bonds)		68,965,362
5.22.30.00	Long-term notes payable		0
5.22.40.00	Long-term sundry debtors		152,863
5.22.50.00	Long-term notes & accts. payable related companies	6	0
5.22.60.00	Long-term provisions	23	6,001,842
5.22.70.00	Long-term deferred taxes	8	2,347,230
5.22.80.00	Other long-term liabilities		0
5.23.00.00	MINORITY INTEREST		0
5.24.00.00	TOTAL EQUITY		230,441,326
5.24.10.00	Paid-in capital	27	65,396,749
5.24.20.00	Reserve capital revaluation	27	(326,984)
5.24.30.00	Premium in sale of own shares	27	27,735,005
5.24.40.00	Other reserves	27	7,084,586

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5.24.50.00	Retained earnings (addition of codes 5.24.51.00 to 5.24.56.00)	27	130,551,970
	5.24.51.00 Reserve future dividends	27	122,544,319
	5.24.52.00 Accrued profits	27	5,441,098
	5.24.53.00 Accrued losses (minus)		0
	5.24.54.00 Profit (loss) for the year	27	2,566,553
	5.24.55.00 Prov. dividends (minus)		0
	5.24.56.00 Accr. deficit dev. period	27	0
5.20.00.00	TOTAL LIABILITIES		353,596,663

### INCOME STATEMENT

#### 2.02 INCOME STATEMENT

1.00.01.30 Type of Currency: Thousands of Chilean Pesos

1.00.01.40 Type of Balance : Individual

INCOME STATEMENT	NOTE No.	03-31-04
5.31.11.00 OPERATING RESULTS		4,289,249
5.31.11.10 Gross Margin		5,596,365
5.31.11.11 Sales		15,386,996
5.31.11.12 Costs (minus)		(9,790,631)
5.31.11.20 Adm. & sales expenses (minus)		(1,307,116)
5.31.12.00 NON-OPERATING RESULTS		(1,239,126)
5.31.12.10 Interest income		522,448
5.31.12.20 Income from invmnts Rel. Co.	14	1,121,653
5.31.12.30 Other non-operating income	28	131,864
5.31.12.40 Loss invmnts Rel. Co. (-)		(2,446,551)
5.31.12.50 Amortization neg. goodwill (-)	16	(42,639)
5.31.12.60 Interest expenses (minus)		(1,157,853)
5.31.12.70 Other non-operat expenses (-)	28	(251,990)
5.31.12.80 Price level restatement	29	153,682
5.31.12.90 Exchange differences	30	730,260
5.31.10.00 RESULTS BEFORE INCOME TAX AND EXTRAORDINARY ITEMS		3,050,123
5.31.20.00 INCOME TAX	8	(483,570)
5.31.30.00 EXTRAORDINARY ITEMS		0
5.31.40.00 PROFIT (LOSS) BEFORE MINORITY INTEREST		2,566,553
5.31.50.00 MINORITY INTEREST		0
5.31.00.00 NET INCOME (LOSS)		2,566,553
5.32.00.00 Amortization of positive goodwill		0
5.30.00.00 INCOME (LOSS) FOR THE YEAR	6	2,566,553

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DIRECT CASH FLOW STATEMENT

2.03 CASH FLOW STATEMENT

1.00.01.30 Type of Currency: Thousands of Chilean Pesos

1.00.01.40 Type of Balance : Individual

DIRECT CASH FLOW STATEMENT

-----	NOTE No. -----	03-31-04 -----
5.41.11.00 NET FLOW FROM OP. ACT.		9,978,872
5.41.11.10 Collection from sales debtors		22,658,674
5.41.11.20 Interests received		2,080,278
5.41.11.30 Dividends & other distributions funds received		1,031,758
5.41.11.40 Other income		182,680
5.41.11.50 Payments to suppliers & personnel (-)		(11,941,128)
5.41.11.60 Interest paid (minus)		(1,999,006)
5.41.11.70 Income tax paid (minus)		(577,728)
5.41.11.80 Other expenses	33	(52,481)
5.41.11.90 V.A.T. & other taxes		(1,403,815)
5.41.12.00 CASH FLOW FINANCING ACTIVITIES		(952,972)
5.41.12.05 Proceeds from share issue		0
5.41.12.10 Loans received		0
5.41.12.15 Obligations with the public		0
5.41.12.20 Secured loans from related companies		0
5.41.12.25 Other loans from related companies		0
5.41.12.30 Other financing resources		0
5.41.12.35 Dividends paid (minus)		(947,653)
5.41.12.40 Capital distributions (minus)		0
5.41.12.45 Repayment of loans (minus)		0
5.41.12.50 Payment of obligations with the public (-)		0
5.41.12.55 Repayment of secured loans from rel Co. (-)		0
5.41.12.60 Repayment other loans from related Co. (-)		(5,319)
5.41.12.65 Share issue payment (minus)		0
5.41.12.70 Payment of issue publ oblig (minus)		0
5.41.12.75 Other financing payments (minus)	33	0
5.41.13.00 CASH FLOW FROM INVESTING ACTIVITIES		(1,605,749)
5.41.13.05 Sale of fixed assets		1,012
5.41.13.10 Sale of permanent investments		0
5.41.13.15 Sale of other investments	33	0
5.41.13.20 Proceeds secured loans to related Comp.		0
5.41.13.25 Proceeds other loans to related companies		0
5.41.13.30 Other investment income	33	0
5.41.13.35 Incorporation of fixed assets (minus)		(1,605,021)
5.41.13.40 Capitalized interests payment (minus)		0
5.41.13.45 Permanent Investments (minus)		0
5.41.13.50 Investments in financial instruments (minus)		0
5.41.13.55 Other loans to related companies (minus)		(1,345)
5.41.13.60 Other loans to related companies (minus)		(395)
5.41.13.65 Other distrib of funds on invest activities (-)	33	0
5.41.00.00 TOTAL NET CASH FLOW FOR THE PERIOD		7,420,151
5.42.20.00 EFFECT OF INFLATION ON CASH & CASH EQUIV.		300,368
5.41.00.00 NET CHANGE IN & CASH EQUIVALENT		7,720,519
5.42.00.00 CASH & CASH EQUI AT BEGINNING OF PERIOD		59,699,915
5.43.00.00 CASH & CASH EQUIV BALANCE AT END OF PERIOD		67,420,434

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INCOME STATEMENT RECONCILIATION

CONCILIATION BETWEEN CASH FLOW GENERATED BY THE OPERATION'S  
ACTIVITIES AND THE INCOME STATEMENT FOR THE YEAR

1.00.01.30 Type of Currency: Thousands of Chilean Pesos  
1.00.01.40 Type of Balance : Individual

CASH FLOW - INCOME STATEMENT RECONCILIATION	NOTE No.	03-31-04
-----	-----	-----
5.50.10.00 Profit (Loss) for the year		2,566,553
5.50.20.00 Profit in sale of assets		0
5.50.20.10 (Profit) Loss in sale of fixed assets		0
5.50.20.20 Profit in sale of investments (minus)		0
5.50.20.30 Loss in sale of investments		0
5.50.20.40 (Profit) Loss in sale of other assets		0
5.50.30.00 Non-cash losses (gains)		5,493,462
5.50.30.05 Depreciation for the year	12	2,589,390
5.50.30.10 Amortization of intangibles		202,815
5.50.30.15 Write-offs and provisions		2,200,346
5.50.30.20 Accrued earnings from investments in related companies (minus)	14	(1,121,653)
5.50.30.25 Accrued losses from investments in related Co.	14	2,446,551
5.50.30.30 Negative goodwill amortization	16	42,639
5.50.30.35 Positive goodwill amortization (minus)		0
5.50.30.40 Price level restatement	29	(153,681)
5.50.30.45 Net exchange difference	30	(730,259)
5.50.30.50 Other non-cash credits to results (minus)		(8,188)
5.50.30.55 Other non-cash debits to results		25,502
5.50.40.00 Changes in Assets affecting cash flow (incr) decreases		2,429,973
5.50.40.10 Debtors from sales		3,279,156
5.50.40.20 Inventory		(1,255,165)
5.50.40.30 Other assets		405,982
5.50.50.00 Changes in liabilities affecting cash flow increases (decr)		(511,116)
5.50.50.10 Accounts payable related to results for the year		(321,433)
5.50.50.20 Interests payable		(927,559)
5.50.50.30 Income tax payable (net)		234,310
5.50.50.40 Other accounts payable related to non-oper results		485,139
5.50.50.50 VAT and other taxes payable (net)		18,427
5.50.60.00 Profit (Loss) of minority interest		0
5.50.00.00 NET OPERATING CASH FLOW		9,978,872

01. Registration In The Securities Register

1. IDENTIFICATION OF THE COMPANY AND REGISTRATION IN THE SECURITIES REGISTER

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The company is registered in the Securities Register under N 061 and is supervised by the Securities and Insurance Commission.

### 02. Applied Accounting Criteria

#### a) Accounting Period

These financial statements correspond to the period between January 1 and March 31 of 2004 and 2003.

#### b) Preparation basis of financial statements:

These individual financial statements as of March 31, 2004 and 2003 have been prepared on the basis of generally accepted accounting principles and specific norms issued by the S.V.S., with the former prevailing in case of discrepancies.

Investments in subsidiaries are recorded on one line in the general balance sheet at their net worth and, therefore, they have not been consolidated line by line. This treatment does not modify the net income of the fiscal year nor the net worth.

These financial statements have been issued only for purposes of making an individual analysis of the Company and, in consideration thereof, shall be read together with the consolidated statements, which are required by generally accepted accounting principles.

#### c) Presentation Basis

For comparison purposes, the financial statements and figures included in the disclosures for the 2003 fiscal year are presented at its nominal value, since the variation in the C.P.I. for the period was zero (0%).

#### d) Adjustment for Currency Devaluation (Price Level Restatement)

Financial statements have been corrected monetarily on the basis of considering the variation in the purchasing power of the currency which occurred in the 2004 fiscal year, which was -0.5% (0.5% in 2003).

For financial purposes, effective variations occurred on each month of 2003 and 2004 with respect to March 2003 and 2004 have been considered. For tax purposes negative variations occurred in some months of 2003 and 2004 with respect to March 2003 and 2004 have been equaled to zero, according to instructions of the Chilean IRS, not significantly affecting financial statements.

#### e) Conversion Basis

Balances in foreign currency and indexed currency units have been converted to pesos at the indicated parities:

2004

2003

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	Ch\$ -----	Ch\$ -----
U.S. Dollar	616.41	731.56
Pound Sterling	1,136.24	1,156.25
Swiss Franc	486.59	540.65
EURO	758.38	797.34
Unidad de Fomento	16,820.82	16,783.60

### f) Marketable Securities and Time Deposits

Transactions in fixed income instruments are shown at the return value of the investment, which does not exceed the market value as of March 31, 2004.

Investments in stock are shown at the lowest value between the corrected cost and market value.

Time deposits are shown at the value of the investment, plus adjustments and interest accrued as of the date of the fiscal year.

Investments in Mutual Funds are valued at the liquidation value at the close of the fiscal year.

### g) Inventory

Inventory of finished products has been valued as of March 31, 2004 and 2003 at the direct production cost, duly updated, and raw materials and materials at the cost of the last purchase or its corrected cost. Those valuations do not exceed the net liquidation value.

### h) Bad Debts (Uncollectables)

The parent company and subsidiaries have made provision for bad debts that is deducted from debtors for sales. The criterion adopted to estimate them is the age of the balances.

### i) Fixed Assets

Fixed assets are shown at purchase cost plus legal and regulatory revaluations accumulated until March 31, 2004 and 2003.

### j) Depreciation of Fixed Assets

Depreciation of this property is calculated on updated values, according to the straight-line depreciation system, considering the estimated useful life of the property.

### k) Assets in Leasing

None.

### l) Sales Transactions with Leaseback

None.



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### m) Intangibles

As of March 2003 and 2004 there is no balance under this item.

### n) Investments in Related Companies

Investments in stock and rights in related companies have been valued according to the percentage of the holding that corresponds to the Company in the equity of its affiliates (VPP), according to procedures established for these purposes by circular 368 of the Securities and Insurance Commission.

### o) Negative and Positive Investment Goodwill:

Negative and positive investment goodwill have arisen when comparing the price paid for the investment made and the proportional value that corresponds to that investment in the net worth of the company.

Negative goodwill amortizations are carried out over a twenty-year period.

As of March 31, 2004 and 2003 there was no positive investment goodwill.

### p) Operations with buyback and sellback agreement

Financial instruments acquired with a sellback agreement are shown at their purchase value plus interest and adjustments accrued at the closing of the fiscal year, and they are classified in Other Current Assets, in the terms established in Circular No. 768 of the Securities and Insurance Commission.

### q) Deferred Taxes and Income Tax

The company has complied with deferred taxes, in accounting terms, as established in Technical Bulletin No. 60 and the norms indicated in Circular 1466 of the S.V.S.

Income tax is recorded in the accounting on the basis of the calculation of net taxable income determined according to norms established in the Income Tax Law.

### r) Severance payment

The parent company has established a reserve for all of the personnel's severance payment, according to the union contracts signed with their workers. This reserve is shown at the present value of the obligation.

### s) Sales

The company recognizes the income from its operations on an accrued basis according to generally accepted accounting principles.

### t) Derivative Contracts

The company maintains Future contracts in foreign currency, which have been

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recorded as established in Technical Bulletin 57 of the Accountants Association of Chile.

### u) Computer Software

The company develops computer software with its own resources, and it also acquires computer packages from third parties. Disbursements for its own development are charged to results as they are generated. Computer packages are recorded in Fixed Assets and amortized in 36 months.

### v) Research and Development Expenses

The company records expenses for this concept directly in results as they are generated.

### w) Cash Flow Statement:

According to current regulations of the Securities and Insurance Commission and the Accountants Association of Chile, in preparing the cash flow statement, the Company has considered time deposits, fixed rate mutual fund investments and deposits with maturities under 90 days as cash.

Such cash flows related to the Company's line of business, interest paid, interest income received, dividends received, and all such that is not defined as investment or Financing is included under the heading "Flow Originating in Activities of the Operation."

Income by time deposits and agreements with maturity more than 90 days has been clasified in the item "Investments in Financial Instruments".

## 03. Accounting Changes

As of March 31, 2004 and 2003, there have not been any changes in the accounting criteria that affect the individual financial statements.

## 04. Marketable Securities

As of March 31, 2004, this item is composed by the following investments:

- a) Investments in bonds and Fixed Rate Instruments in the amount of Th Ch\$ 49,982,182 and 24,917,945 Euros, mainly corresponding to investments in State Bonds and bonds of financial institutions in USA, Germany, Holland, Collateralized Bonds of Private Companies in USA (guaranteed by accounts receivable) and USA Mortgage Bonds with state guarantee.
- b) Th Ch\$ 4,133,777 in shares.
- c) Th Ch\$ 25,552 in investment funds.

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As of March 31, 2003, this item is composed by the following investments:

- a) Investments in bonds and Fixed Rate Instruments in the amount of Th Ch\$ 55,361,469 mainly corresponding to investments in State Bonds and bonds of financial institutions in USA, Germany, Holland, Collateralized Bonds of Private Companies in USA (guaranteed by accounts receivable) and USA Mortgage Bonds with state guarantee.
- b) Th Ch\$ 3,830,015 in shares.
- c) Th Ch\$ 26,535 in investment funds.

CRISTALERIAS DE CHILE S.A.

### NOTE 4 -MARKETABLE SECURITIES- BALANCE COMPOSITION

Type of Security	Book Value	
	03-31-2004	03-31-2003
Stock	4,133,777	3,830,015
Bonds	49,706,788	55,361,469
Mutual fund shares	0	0
Investment fund shares	25,552	26,535
Public tender promissory notes	0	0
Mortgage bonds	0	0
Interests bonds Celulosa Arauco	0	0
<b>Total Marketable Securities</b>	<b>53,866,117</b>	<b>59,218,019</b>

CRISTALERIAS DE CHILE S.A.

### NOTE 4 - MARKETABLE SECURITIES - SHARES

R.U.T.	Company Name	Number of Shares	Share Percentage	Unit Market Value
96.512.200-1	Bodegas y Vinedos Santa Emiliana S.A.	63,642,856	9.9980	90

Value Investment Portfolio  
 Adjustment Reserve  
 Book value, Investment Portfolio

CRISTALERIAS DE CHILE S.A.

### NOTE 4 - MARKETABLE SECURITIES - FIXED RATE INSTRUMENTS

Par	Book Value -----
-----	---------------------

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Type of Security	Value	Amount	Rate %
Financial Institutions bonds (USA, Germany and Holland)	21,676,997	21,676,997	0.56
US treasury bonds	16,721,713	16,721,713	1.44
Mortgage bonds USA, with state guarantee	6,115,179	6,115,179	1.44
Call Deposit	5,218,451	5,218,451	0.56
TOTAL	49,732,340	49,732,340	

Note:

- (1) The investements were made in U.S. Dollars (62%) and EUROS (38%) with custody abroad.
- (2) These investments can be rescued within 48 hours warning.
- (3) Rate for period from 01-01-2004 to 03-31-2004.

05. Short-Term and Long-Term Debtors

At March 31, 2004 and 2003 there are balances of short-term debtors of Th Ch\$ 17,989,829 and Th Ch\$ 18,394,386, respectively.

In addition there is a balance of Th Ch\$ 122,386 for Long-Term debtors in 2004 (Th Ch\$ 161,203 in 2003).

As of March 31, 2004 and 2003 the company has established a reserve for bad debts of Th Ch\$ 143,127 in 2004 (Th Ch\$ 143,127 in 2003), which is deducted from Debtors for Sales.

The balance of Short-term Debtors is shown net of the reserve for bad debtors and customer advances.

CRISTALERIAS DE CHILE S.A.  
NOTE 5 -SHORT AND LONG TERM DEBTORS

Item	Current Assets					
	Up to 90 days		Over 90 days up to 1 year		Subtotal	Total Cur
	03-31-2004	03-31-2003	03-31-2004	03-31-2003		
Debts from Sales	15,752,978	15,029,889	847,682	743,595	16,600,660	16,457,53
Estimate of non- collectable debt	-	-	-	-	143,127	-
Documents receivable	762,934	1,712,512	123,504	73,013	886,438	886,43
Estimate of bad debtors	-	-	-	-	-	-
Misc. debtors	613,565	929,579	32,293	48,925	645,858	645,85
Estimate of bad debtors	-	-	-	-	-	-

Total Long

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06. Balances and Transactions with related entities

- I. Balances receivable in the Short-Term as of March 31, 2004 and 2003 amount Th Ch\$ 1,998,353 and Th Ch\$ 2,461,660, respectively. In addition, in the Long-Term a balance of Th Ch\$ 20,666,868 and Th Ch\$ 22,598,303 is recorded, respectively, which correspond to Th Ch\$ 19,809,006 in 2004 (Th Ch\$ 20,601,055 in 2003) for the sale of Rayen Cura S.A.I.C. shares to the subsidiary Cristalchile Inversiones S.A., equivalent to UF 1,177,648, without interests and Th Ch\$ 857,862 in 2004 (Th Ch\$ 1,997,248), which correspond to loans granted to Red Televisiva Megavisión S.A.

Detail of outstanding credits from related companies:

- 1) Loan to Red Televisiva Megavisión S.A.  
Annual Rate 6.26%, UF adjustability

07.05.2006	17,000 UF	Th Ch\$	285,954
01.05.2007	17,000 UF	Th Ch\$	285,954
07.05.2007	17,000 UF	Th Ch\$	285,954

- 3) There are balances for invoicing of Sales with the following related companies with expiration under 90 days:

	2004	2003
	Th Ch\$	Th Ch\$
	-----	-----
S.A. Vina Santa Rita	1,789,039	1,761,674
Vina Carmen S.A.	18,795	0
Vina Los Vascos S.A.	169,953	78,594
Servicios y Consultorias Hendaya S.A.	210	253
Rayen Cura S.A.I.C.	5,435	0
	-----	-----
Total	1,983,432	1,840,521

As of March, 2003, there was a receivable balance correspond to a loan granted to CristalChile Comunicaciones S.A. for Th Ch\$ 14,225.

- II. Balances Payable in the Short-Term amount Th Ch\$ 180,281 in 2004 and Th Ch\$ 146,591 in 2003, which correspond to invoicing with maturity under 90 days:

	2004	2003
	Th Ch\$	Th Ch\$
	-----	-----
S.A. Vina Santa Rita	151,237	124,165
Ediciones Financieras S.A.	2,954	2,830
Vina Los Vascos S.A.	13,204	1,109
Cia. Electro Metalurgica S.A.	3,185	2,124
	-----	-----
TOTAL	170,580	130,228

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CRISTALERIAS DE CHILE S.A.  
 NOTE 6 - BALANCE AND TRANSACTIONS WITH RELATED COMPANIES  
 DOCUMENTS AND ACCOUNTS RECEIVABLE

R.U.T.	Company	Short Term		Long
		03-31-2004	03-31-2003	03-31-2004
86547900-K	S.A. VINA SANTA RITA	1,789,039	1,761,674	0
79952350-7	RED TEL. MEGAVISION S.A.	13,575	606,914	857,862
89150900-6	VINA LOS VASCOS S.A.	169,953	78,594	0
96721580-5	CRISTACHILE COMUNICACIONES S.A.	1,346	14,225	0
96972440-5	CRISTALCHILE INVERSIONES S.A.	0	0	19,809,006
83032100-4	SERV. Y CONSULTORIAS HENDAYA S.A.	210	253	0
96566900-0	NAVARINO S.A.	0	0	0
96640360-8	QUEMCHI S.A.	0	0	0
87941700-7	VINA DEL CARMEN S.A.	18,795	0	0
86881400-4	ENVASES CMF S.A.	0	0	0
0-E	RAYEN CURA S.A.I.C.	5,435	0	0
	TOTAL	1,998,353	2,461,660	20,666,868

CRISTALERIAS DE CHILE S.A.  
 NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES  
 DOCUMENTS AND ACCOUNTS PAYABLE

R.U.T.	Company	Short Term		Long T
		03-31-2004	03-31-2003	03-31-2004
86547900-K	S.A. VINA SANTA RITA	151,237	124,165	0
89150900-6	VINA LOS VASCOS S.A.	13,204	1,109	0
96972440-5	CRISTALCHILE INVERSIONES S.A.	7,947	9,917	0
96721580-5	CRISTALCHILE COMUNICACIONES S.A.	937	0	0
96539380-3	EDICIONES FINANCIERAS S.A.	2,954	2,830	0
86755600-1	BAYONA S.A.	0	0	0
96608270-4	CIECSA S.A.	817	6,446	0
79753810-8	CLARO Y CIA.	0	0	0
90320000-6	CIA. ELECTROMETALURGICA S.A.	3,185	2,124	0
83032100-4	SERV. Y CONSULTORIAS HENDAYA S.A.	0	0	0
	TOTAL	180,281	146,591	0

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CRISTALERIAS DE CHILE S.A.

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES  
TRANSACTIONS

Company	R.U.T.	Relationship	Description of Transaction	03-31-2004	
				Amount	Effect on Results (Debit/Credit)
CRISTALCHILE COMUNICACIONES CRISTALCHILE INVERSIONES S.A.	96721580-5	Subsidiary	Adjustments	0	
	96972440-5	Subsidiary	Credit return	0	
		Subsidiary	Adjustments	116,799	-116,799
			Account Payments	0	
S.A. VINA SANTA RITA	86547900-K	Subsidiary	Container	1,372,476	328,920
		Subsidiary	Sales		
		Subsidiary	Packaging sales	130,671	
		Subsidiary	Materials purchased	127,117	127,117
		Subsidiary	Leasings several	177	177
SERV. Y CONS. HENDAYA S.A.	83032100-4	Controlling stockholder	Dividends paid	85,190	
		Controlling stockholder	Received services	259,192	-259,192
		Controlling stockholder	Given services	4,615	4,615
CIA. ELECTROMETALURGICA S.A.	90320000-6	Controlling stockholder	Dividends paid	326,700	
		Controlling stockholder	Materials purchased	2,676	
CLARO Y CIA.	79753810-8	With the Chairman	Legal assesment	5,914	-5,914
NAVARINO S.A.	96566900-0	Indirect subsidiary	Given services	2,531	2,531
RED TELEVISIVA MEGAVISION S.A.	79952350-7	Related with Subsidiary	Interests	13,575	13,575
		Related with Subsidiary	Adjustments	5,058	-5,058
QUEMCHI S.A.	96640360-8	Indirect affiliate	Loaned services	2,545	2,545
CIA. SUDAMERICANA DE VAPORES S.A.	90160000-7	Indirect affiliate	Carrier services	2,774	
BAYONA S.A.	86755600-1	Controlling stockholder	Dividends paid	88,688	
VINA LOS VASCOS S.A.	89150900-6	Indirect affiliate	Direct sales	204,434	48,990
		Indirect affiliate	Materials purchased	18,179	
VINA CARMEN S.A.	87941700-7	Subsidiary	Offices and establishments	18,795	18,795

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EDICIONES FINANCIERAS S.A.	96793770-3	Indirect affiliate	rented Received services	2,603	-2,603
RAYEN CURA S.A.I.C.	0-E	Indirect affiliate	Direct Sales	32,003	9,24

07. Inventory

The balance of the inventory item as of March 2004 and 2003 corresponds to finished products and materials that are valued as described in Note 2 g). A detail of its composition is shown below:

	2004 Th Ch\$	2003 Th Ch\$
	-----	-----
Finished Products	3,578,344	2,350,612
Raw Materials and Fuel	1,018,554	1,611,679
Materials and spare parts to be consumed	952,789	1,049,208
Materials in transit	444,825	932,991
	-----	-----
TOTAL	5,994,512	5,944,490

08. Deferred taxes and income taxes

A) DEFERRED TAXES.

Accumulated balances of deferred taxes for temporary differences, and their composition in the income tax account for effects of fiscal year results and recognition of deferred taxes, are presented on the attached charts.

Estimated amortization periods of deferred taxes have been estimated on the average at 1 years for Short-Term Assets, 4 for Long-Term Assets, and 14 for Long-Term Liabilities.

B) INCOME TAX

The Company established tax provisions of 17% of First Category Income Tax in 2004 and 16.5% in 2003, and 35% as single tax under Art. 21, for the 2004 and 2003 fiscal years.

Credits against taxes are shown deducting the payable obligation.

The itemized list is the following:

	2004 Th Ch\$	2003 Th Ch\$
	-----	-----
Fiscal year income tax reserve	(784,680)	(912,701)



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Single tax reserve	(3,023)	(2,646)
	-----	-----
SUBTOTAL	(787,703)	(915,347)
Credits:		
Monthly reserve payments	565,805	771,723
Training expenditure	59	60
Credit from donations	0	0
Recoverable VAT	0	0
	-----	-----
CREDIT SUBTOTAL	565,864	771,783
INCOME TAX TOTAL	0	0
VAT Tax Credit previous fiscal year	2,098,126	996,609
TOTAL TAXES TO BE RECOVERED	-----	-----
	1,876,287	853,045

C) TAXABLE PROFIT FUND

The company showed the following taxable profits to be distributed:

	2004	2003
	Thou Ch\$	Thou Ch\$
	-----	-----
Generated to 31.12.1983:		
Profit Adjustment	1,909,034	1,909,034
Generated since 01.01.1984:		
Without Credit	1,927,678	1,072,115
With 10% First Category Credit	22,604	22,694
With 15% First Category Credit	85,494,024	92,502,240
With 16% First Category Credit	14,420,569	16,906,651
With 15% Additional Rate Credit	722	722
With 16.5% First Category Credit	7,535,097	5,950,023
With 17% First Category Credit	4,612,724	0
	-----	-----
SUBTOTAL TAX PROFITS	114,013,418	116,454,445
Non-income revenues	6,798,030	6,825,087
	-----	-----
Total earnings to distribute	120,811,448	123,279,532

CRISTALERIAS DE CHILE S.A.  
 NOTE 8 - DEFERRED TAXES AND INCOME TAX  
 DEFERRED TAXES

Item	03-31-2004		03-31-2003	
	Asset Deferred Tax	Liability Deferred Tax	Asset Deferred Tax	Liab Tax

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	Short term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
Temporary Differences							
Reserve non-							
collectable accounts	24,331	0	0	0	23,616	0	
Expected revenue	0	0	0	0	0	0	
Vacation reserve	45,326	0	0	0	29,949	0	
Amortization intangibles	0	0	0	0	0	0	
Leased assets	0	0	0	0	0	0	
Manufacturing expenses	0	0	0	0	0	0	
Fixed asset depreciation	0	0	0	4,599,989	0	14,781	
Severance	1,510	143,689	0	0	2,131	148,063	
Other events	0	0	0	0	0	0	53,35
Packaging reserve	174,115	0	0	0	172,496	0	
Machinery repair reserve	0	0	0	0	0	0	
Furnace repair reserve	0	646,311	0	0	193,105	354,571	
Refractories obsolescence reserve	6,967	0	0	0	6,762	0	
Spare parts obsolescence reserve	100,106	0	0	0	97,163	0	
Deferred customs duties	116,369	20,334	0	75,915	2,305	592	
Accumulated depreciation automoviles	0	18,596	0	0	0	0	
Unrealized profit	32,440	7,993	0	0	0	61,912	
Fixed asset, molds	0	0	0	248,990	0	0	
Lower valued bonds	0	0	53,428	522,707	0	0	
OTHERS							
Complementary accounts-net amortization	0	7,820	0	2,271,268	0	19,783	
Valuation reserve	0	0	0	0	-	-	
Total	501,164	829,103	53,428	3,176,333	527,527	560,136	53,35

CRISTALERIAS DE CHILE S.A.  
NOTE 8 - DEFERRED TAXES AND INCOME TAX  
INCOME TAX

ITEM	03-31-2004	03-31-2003
Current tax costs (tax reserve)	-787,703	-915,347
Adjustment tax cost (previous year)	0	0
Effect on assets or liabilities from deferred tax of fiscal year	360,760	-87,429
Tax benefit from tax losses	0	0
Effect of amortization of complementary accounts of deferred assets and liabilities	-56,627	-26,668
Effect on assets or liabilities of deferred tax for changes in	0	0

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evaluation reserve		
Other debits or credits in the account	0	0
	-----	-----
Total	-483,570	-1,029,444

09. Short-term and long-term leasing contracts and leasing assets (note required only for leasing companies defined in circular No. 939 of 1990).

As of March 31, 2004 and 2003, there are no transactions for this concept.

### 10. Other current assets

As of March 31, 2004, investments in financial instruments for Th Ch\$ 11,687,366, with resale agreements, valued as stated in note 2 p) for Th Ch\$ 8,905,923 corresponding to agreements in pesos, and agreements in US\$ under 90 days for Th\$ 2,781,443.

On March, 2004 Th Ch\$ 323,811 are included corresponding to issuance expenses and rate placement difference of bonds series C and D.

As of March 31, 2003, there was a balance of investments in financial instruments, with resale agreements, valued as stated in note 2 p) for Th Ch\$ 5,754,702 corresponding to agreements in pesos for Th Ch\$ 3,220,677, and agreements in US\$ under 90 days for Th\$ 2,534,025.

There was a balance for Th Ch\$ 323,377 which correspond of expenses for the issue of bond series C and D.

11. Information on operations involving purchase agreements, sales agreements, sale with buyback agreement, and purchase with sellback agreement of commercial paper or bearer securities

Information about these transactions is presented on attached charts.

CRISTALERIAS DE CHILE S.A.

NOTE 11 - Information on operations involving purchase agreements, sales agreements, sale with buyback agreement, and purchase with sellback agreement

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of commercial paper or bearer securities Sale Operations with buyback agreement (VRC) and Purchase with resale agreement (CRV)

Code	Dates		Counterpart	Original Currency	Price Set	Rate	Final Val
	Start	End					
CRV	03.31.2004	04.07.2004	BANCO SANTANDER	DOLLAR	2,781,443	1.65	2,725,913
CRV	03.26.2004	04.01.2004	SANTANDER INVESTMENT	Pesos	3,500,000	0.11	3,500,770
CRV	03.29.2004	04.02.2004	BANCO DE CHILE	Pesos	1,460,000	0.18	1,460,350
CRV	03.30.2004	04.05.2004	SANTANDER INVESTMENT	Pesos	2,120,000	0.15	2,120,636
CRV	03.31.2004	04.06.2004	BCO. CRED. INV. CORREDORES BOLSA	Pesos	1,825,000	0.16	1,825,584

### 12. Fixed Assets

#### Fixed Assets:

The Fixed Assets are shown at purchase cost plus the legal and regulatory revaluations accumulated as of March 31, 2004 and 2003.

The items that make up the Company's fixed assets as of March 31, 2004 and 2003 include mainly Land, Industrial Constructions, Infrastructure Works, Machinery and Equipment distributed in the Padre Hurtado Plant.

#### Technical Reappraisal and Adjustment of Accounting Values

The company carried out a technical reappraisal of its fixed assets in 1979. Likewise, in June 1986 it adjusted those assets. Both operations were carried out according to the provisions established in Circular Letters No. 1529 and No. 550 respectively of the Securities and Insurance Commission.

The effects of these operations, including write-offs of property, are shown on the attached chart.

#### Depreciations:

The charge against results for this item is Th Ch\$ 2,589,390 in 2004 and Th Ch\$ 2,301,569 in 2003.

The detail is shown on an attached chart.

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	FIXED ASSETS	
	2004	2003
	Th Ch\$	Th Ch\$
LAND		
Land & mining claims	1,495,201	1,497,493
Subtotal land	1,495,201	1,497,493
Subtotal land	1,495,201	1,497,493
CONSTRUCTIONS & INFRASTRUCTURE		
High rises and industrial const.	13,312,757	13,301,928
Facilities	9,213,040	8,748,126
Housing developments	26,081	26,083
Subtotal constructions & infrastructure	22,551,878	22,076,137
Accumulated depreciation	(10,142,152)	(8,859,417)
Depreciation for the fiscal year	(324,059)	(318,503)
Subtotal depreciation	(10,466,211)	(9,177,920)
SUBTOTAL CONSTRUCTIONS & INFRASTRUCTURE	12,085,667	12,898,217
MACHINERY & EQUIPMENT		
Machinery	55,817,770	47,730,021
Furnaces	46,032,554	35,912,456
Furniture and Materials	1,345,809	1,224,294
Tools	408,311	349,151
Vehicles	210,365	219,467
Subtotal Machinery & equipment	103,814,809	85,435,389
Accumulated depreciation	(49,200,324)	(40,775,943)
Depreciation for the fiscal year	(2,213,446)	(1,931,177)
Subtotal depreciation	(51,413,770)	(42,707,120)
Subtotal machinery & equip	52,401,039	42,728,269
OTHER FIXED ASSETS		
Spare parts	5,608,473	5,394,574
Imports in transit	146,511	773,449
Works underway	945,553	7,079,643
Lots in Pirque and Leyda	447,233	472,652
Other	534,391	357,248
Subtotal other assets	7,682,161	14,077,566
TOTAL FIXED ASSETS	135,544,049	123,086,585
TOTAL ACCUMUL. DEPREC.	(59,342,476)	(49,635,360)
TOTAL DEPREC FOR F. YEAR	(2,537,505)	(2,249,680)
TOTAL NET FIXED ASSETS	73,664,068	71,201,545

TECHNICAL REVALUATION AND ADJUSTMENT OF ACCOUNTING VALUES

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	2004	2003
	Th Ch\$	Th Ch\$
	-----	-----
LAND		
Land and mining claims	311,360	311,374
Subtotal land and mining claims net	311,360	311,374
CONSTRUCTIONS & INFRASTRUCTURE		
High rises and industrial constructions	6,221,315	6,221,626
Facilities	41,118	41,120
Subtotal Constructions	6,262,433	6,262,746
Accumulated depreciation	(5,035,336)	(4,828,036)
Depreciation for the fiscal year	(51,885)	(51,889)
Subtotal depreciations	(5,087,221)	(4,879,925)
Subtotal Constuctions & Infrastucture net	1,175,212	1,382,821
MACHINERY & EQUIPMENT		
Furnaces	0	526,694
Machinery	0	574,817
Tools	0	0
Furniture and Materials	0	0
Subtotal Machinery & equipment	0	1,101,511
Accumulated depreciation	0	(1,101,511)
Depreciation for the fiscal year	0	0
Subtotal depreciation	0	(1,101,511)
Subtotal machinery & equip	0	0
Total Net Technical Revaluation	1,486,572	1,694,195
TOTAL REVALUATED ASSET	6,573,793	7,675,631
TOTAL ACCUMULATED DEPRECIATION	(5,035,336)	(5,929,547)
TOTAL DEPRECIATION FOR YEAR	(51,885)	(51,889)
TOTAL NET	1,486,572	1,694,195

13. Sales transactions with leaseback

These type of transactions were not carried out as of March 31, 2004 and 2003.

14. Investments in related companies

The Company has valued its investments in related companies according to the norms indicated in note 2 n).

CIECSA S.A.

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On April 20, 2000 the Shareholders of Ciecsa S.A. agreed to increase its equity by the equivalent to UF 359,921 through the issue of 343,750,000 shares that were fully subscribed by Cristalchile S.A. On April 18, 2003 the subscription was paid. On August 26, 2003 it was agreed to increase CIECSA's capital by Th Ch\$ 910,000, through the issue of 36,400,000 shares totally subscribed and paid by Cristalchile, with which the participation in the subsidiary increased to 98.45%.

### CRISTALCHILE INVERSIONES S.A.

This company was formed at the end of 2001 in which Cristalerias de Chile S.A. has a 99.99% share of the equity. Cristalchile Inversiones S.A., in turn, registers a 40% investment in Rayen Cura S.A.I.C., a company constituted in the city of Mendoza, Republic of Argentina.

On January 31, April 25 and June 30 of 2003 Rayen Cura S.A.I.C. made capital reimbursements of part of a capital increase paid on April 29, 2002. Reimbursed amounts totaled Th US\$ 2,600.

As of March 31 the financial statements of Rayen Cura S.A.I.C. have recognized an exchange rate of \$ 2.84 Argentine pesos per US Dollar. CristalChile Inversiones S.A., in turn, has adjusted the financial statements of Rayen Cura S.A.I.C. in order to acknowledge the variation occurred from \$2.91 Argentine pesos (exchange rate used as of December 31, 2003) and \$2.84 Argentine pesos per US dollar as of March 31, 2004.

As an effect of the result of this affiliate and the conversion of the financial statements of Rayen Cura S.A.I.C., according to chilean normative, CristalChile Inversiones S.A., has recognized a Th Ch\$ 237,283 income as of March 31, 2004, and a Th Ch\$ 167,109 income as of March 31, 2003.

On the other hand, the dollar exchange rate variation during the 2004 and 2003 fiscal years originated a Th Ch\$ 697,051 credit in 2004 and a Th Ch\$ 278,770 credit in 2003 in the item Other Equity Reserves, for the investment in Rayen Cura S.A.I.C. and from the negative goodwill produced by the purchase of shares of that company.

### CRISTALCHILE COMUNICACIONES S.A.

On September 29, 2004 the Shareholders agreed to increase the company's equity by issuing 3,861,538 shares, without nominal value, at a value of Ch\$ 650 each, which represents Th Ch\$ 2,510,000.

Such increase was subscribed and paid by Cristalerias de Chile S.A., with which its participation in the company's equity reaches 99.998%.

### S.A. VINA SANTA RITA

As of March 31, 2004, the company has registered an unrealized income of Th Ch\$ 101,619 (Th Ch\$ 52,896 in 2003), corresponding to container sales to the subsidiary S.A. Vina Santa Rita.

As of March 31, 2004, the accumulated balance for this item totaled Th Ch\$ 298,224 (Th Ch\$ 358,116 in 2003).

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CRISTALERIAS DE CHILE S.A.

NOTE 14 - INVESTMENTS IN RELATED COMPANIES  
DETAIL OF INVESTMENTS

R.U.T.	Company	Country of Origin	Investment Control Currency	Number of Shares	Shareholder (Percentage)			Comp Equ
					03-31-2004	30-31-2003	03-31-2004	
96721580-5	Cristalchile Comunicaciones S.A.	Chile	Peso	105,074,698	99.99820	99.99820	68,554,402	
86547900-K	S.A. Vina Santa Rita S.A.	Chile	Peso	493,959,797	54.09700	54.09700	80,970,562	
86881400-4	Envases CMF S.A.	Chile	Peso	28,000	50.00000	50.00000	32,865,650	
96608270-4	Ciecsa S.A.	Chile	Peso	689,301,305	98.44580	98.27370	18,042,622	
96767580-6	Constructora Apoger S.A.	Chile	Peso	800,000	80.00000	80.00000	4,690	
96826870-8	Inmobiliaria Don Alberto S.A.	Chile	Peso	3,817	38.17000	38.17000	-118	
96972440-5	Cristalchile Inversiones S.A.	Chile	Peso	9,999	99.99000	99.99000	-3,059,590	
	TOTAL							

R.U.T.	Company	Country of Origin	Investment Control Currency	Result of Accrual		VPP		Income Real
				03-31-2004	03-31-2003	30-31-2004	03-31-2003	
96721580-5	Cristalchile Comunicaciones S.A.	Chile	Peso	-2,150,828	-1,504,804	66,402,318	71,340,811	
86547900-K	S.A. Vina Santa Rita S.A.	Chile	Peso	747,948	651,830	44,550,601	43,837,790	298,22
86881400-4	Envases CMF S.A.	Chile	Peso	186,212	273,067	15,969,037	16,348,427	
96608270-4	Ciecsa S.A.	Chile	Peso	-295,711	-437,172	17,466,559	13,297,519	212,88
96767580-6	Constructora Apoger S.A.	Chile	Peso	-12	-245	3,740	4,658	
96826870-8	Inmobiliaria Don Alberto	Chile	Peso	0	0	-45	13	



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	S.A.							
96972440-5	Cristalchile	Chile	Peso	187,493	129,620		1	0
	Inversiones							
	S.A.							
	TOTAL					144,392,211	144,829,218	511,10

15. Investments in other companies

As of March 31, 2004 and 2003 there are no investments in other companies.

16. Goodwill Amortization

NEGATIVE GOODWILL

Stock purchases made on years 1993 and 1999 of S.A. Vina Santa Rita and Ciecsa S.A., have produced negative goodwill whose net balance to be amortized as of March 31, 2004 totaled Th Ch\$ 1,840,523 (Th Ch\$ 2,011,178 in 2003).

POSITIVE GOODWILL

As of March 31, 2004 and 2003 there are no transactions for this concept.

CRISTALERIAS DE CHILE S.A.  
NOTE 16 - GOODWILL ON INVESTMENTS  
Negative Goodwill

R.U.T.	Company Name	03-31-2004		03-31-2003	
		Amount Amortiz. this period	Balance of Negative Goodwill	Amount Amortiz. this period	Balance of Negative Goodwill
86547900-K	S.A. Vina Santa Rita	12,482	543,761	12,482	593,717
96608270-4	Ciecsa S.A.	30,157	1,296,762	30,159	1,417,461
	TOTAL	42,639	1,840,523	42,641	2,011,178

17. Intangibles

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As of March 31, 2004 and 2003 there are no values for these concepts.

### 18. Other (Assets)

As of March 31, 2004, the sum of Th Ch\$ 8,272,222 (Th Ch\$ 9,817,535 in 2003) for investments in Bonds of Celulosa Arauco y Constitucion S.A., equivalent to US\$ 13,420,000 at an annual rate of 6.95%, with maturity on March 15, 2005, is included in Other Long-term Assets and Th Ch\$ 46,601 (Th Ch\$ 170,716 in 2003) for overprice paid in the acquisition of these bonds, which are amortized in the same term of their maturity.

Considering that there is the intention of maintaining the Celulosa Arauco y Constitucion S.A. bonds until their maturity on September 15, 2005, the valuation and registration of the bonds fulfills the provisions in Circular Letter No. 368 of the S.V.S., as Long-term Fixed Rate Instruments according to the investment value, plus interests and adjustments accrued at the end of the fiscal year.

As of March 31, 2004 there is a balance for issuance expenses of bond series C and D of Cristalerias for Th Ch\$ 854,826 (Th Ch\$ 982,322 in 2003), and the negative goodwill produced as a result of their placement of Th Ch\$ 2,219,922 (Th Ch\$ 2,414,627 in 2003).

### 19. Short-term obligations with banks and financial institutions

a) Short-term obligations with Banks and Financial Institutions (5.21.10.10).

As of March 31, 2004 and 2003, there are not short-term bank obligations.

b) Long-term obligations with Banks and Financial Institutions (5.21.10.20).

A list of operations is shown on the attached chart.

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NOTE 19 - OBLIGATIONS WITH BANKS AND FINANCIAL INSTITUTIONS, SHORT TERM  
Type of Currency and Readjustment Index

R.U.T. Bank or Financial Institution	Dollars		Euros		Yens		F Cu
	03-31- 2004	03-31- 2003	03-31- 2004	03-31- 2003	03-31- 2004	03-31- 2003	
-----							
Short term (code: 5.21.10.10)							
Long Term - Short Term (code: 5.21.10.20)							
0-E J.P Morgan Chase Bank	129,318	445,744	0	0	0	0	
Others	0	0	0	0	0	0	
TOTAL	129,318	445,744	0	0	0	0	
Capital amount due	0	0	0	0	0	0	
Average annual interest rate	1.9875	2.675	0	0	0	0	
Percentage oblig. foreign curr. (%)		100.0000					
Percentage oblig. foreign curr. (%)		0.0000					

R.U.T. Bank or Financial Institution	Non adjustable \$		Total	
	03-31- 2004	03-31- 2003	03-31- 2004	03-31- 2003
-----				
Short term (code: 5.21.10.10)				
Short term (code: 5.21.10.10)				
Long Term - Short Term (code: 5.21.10.20)				
0-E J.P Morgan Chase Bank	0	0	129,318	445,744
Others	0	0	0	0
TOTAL	0	0	129,318	445,774
Capital amount due	0	0	0	0
Average annual interest rate	0	0	0	0
Percentage oblig. foreign curr. (%)				
Percentage oblig. foreign curr. (%)				

20. Other Current Liabilities

As of March 31, 2004, a positive balance of Th Ch\$ 1,765,784 (Th Ch\$ 897,794 in 2003) in favor of financial institutions was produced, as a consequence of Future Contracts subscribed by the Company, more detail of these is shown in note 34 Derivative Contracts.

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21. Long term liabilities with banks and financial institutions

The obligations with banks and financial institutions are presented on the charts attached.

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NOTE 21: LONG-TERM OBLIGATIONS WITH BANKS AND FINANCIAL INSTITUTIONS

Long-term Obligations With Banks and Financial Institution

R.U.T.	Bank or Financial Institution	Adjustment index currency	Maturity			
			From 1 to 2 M\$	From 2 to 3 M\$	From 3 to 5 M\$	From 5 to 10 M\$
0-E	J.P. Morgan Chase Bank	Dollars	-	15,410,250	15,410,250	-
		Euros	-	-	-	-
		Yen	-	-	-	-
		UF	-	-	-	-
		Non-adj.Ch\$	-	-	-	-
		Others	-	-	-	-
	Total		-	15,410,250	15,410,250	-
	Porcentaje de obligaciones en moneda extranjera		100.00%			
	Porcentaje de obligaciones en moneda nacional		0.00%			

Maturity	Closing date Current period	Closing date Previous period
	Total Long-Term	Total Long-Term
	Average	

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R.U.T.	Bank or Financial Institution	Adjustment index currency	at closing of Financial Statements	annual interest rate	at closing of Financial Statements
0-E	J.P. Morgan Chase Bank	Dollars	30.820.500	1.9875	36.578.0
		Euros	-	-	
		Yen	-	-	
		UF	-	-	
		Non-adj.Ch\$	-	-	
		Others	-	-	
	Total		30.820.500		36.578.0
	Porcentaje de obligaciones en moneda extranjera				
	Porcentaje de obligaciones en moneda nacional				

22. Short-term and long-term obligations with the public  
(promissory notes and bonds)

As of March 31, 2004, there are obligations with the public for bonds issued of UF 4,100,000, equivalent to Th Ch\$ 68,965,362 (Th Ch\$ 68,812,760 in 2003) divided in series C1, C2, D1 and D2, with a 4.75% annual interest in series C and 5.80% in series D, presented in the long term.

In the short term there is a balance of Th Ch\$ 759,861 (Th Ch\$ 748,203 in 2003) corresponding to accrued interests for UF 45,173.81.

Bond series C has a maturity of 6 years with amortizations beginning 2 years from the date of issuance. Bond series D up to 21 years with amortizations after 6 years.

Cristalerias de Chile S.A.

NOTE 22: SHORT-TERM AND LONG-TERM OBLIGATIONS WITH PUBLIC (PROMISSORY NOTES AND BONDS)

BONDS

REGISTRATION OR IDENTIFICATION No. OF INSTRUMENT	SERIES	CURRENT FACE VALUE	INDEXING UNIT OF BOND	INTEREST RATE	F
LONG-TERM BONDS-CURRENT PORTION					
296-09.07.02	C1 Interests	0	UF	4.75	07-
296-09.07.02	C2 Interests	0	UF	4.75	07-
296-09.07.02	D1 Interests	0	UF	5.80	07-
296-09.07.02	D2 Interests	0	UF	5.80	07-

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TOTAL CURRENT PORTION

LONG-TERM BONDS

296-09.07.02	C1	1,500,000	UF	4.75	07-
296-09.07.02	C2	500,000	UF	4.75	07-
296-09.07.02	D1	1,900,000	UF	5.80	07-
296-09.07.02	D2	200,000	UF	5.80	07-

LONG-TERM TOTAL

REGISTRATION OR IDENTIFICATION No. OF INSTRUMENT	SERIES	INSTALLMENTS		PAR VALUE	
		INTEREST PAYMENT	AMORTIZATION PAYMENT	09-30-2004	09-
LONG-TERM BONDS-CURRENT PORTION					
296-09.07.02	C1 Interests	SEMI-ANNUAL	SEMI-ANNUAL	250,078	
296-09.07.02	C2 Interests	SEMI-ANNUAL	SEMI-ANNUAL	83,359	
296-09.07.02	D1 Interests	SEMI-ANNUAL	SEMI-ANNUAL	385,812	
296-09.07.02	D2 Interests	SEMI-ANNUAL	SEMI-ANNUAL	40,612	
TOTAL CURRENT PORTION				759,861	
LONG-TERM BONDS					
296-09.07.02	C1	SEMI-ANNUAL	SEMI-ANNUAL	25,231,230	25,
296-09.07.02	C2	SEMI-ANNUAL	SEMI-ANNUAL	8,410,410	8,
296-09.07.02	D1	SEMI-ANNUAL	SEMI-ANNUAL	31,959,558	31,
296-09.07.02	D2	SEMI-ANNUAL	SEMI-ANNUAL	3,364,164	3,
LONG-TERM TOTAL				68,965,362	68,

23. Provisions and Write-offs

Provisions:

As of March 31, 2004, the Company has short-term provisions of Th Ch\$ 6,872,724 and Th Ch\$ 4,653,280 in 2003.

In the Long-term, provisions are recorded of Th Ch\$ 6,001,842 as of March 31, 2004 and Th Ch\$ 6,063,280 as of March 31, 2003.

In the annexed chart a detail of provisioned amounts is presented.

a) Bad Debt Reserves:

The Company has established a reserve for bad debts of Th Ch\$ 143,127, and Th Ch\$ 143,127, respectively, as of March 31, 2004 and 2003.

This provision is deducted from the balance of debtors from sales, as stated

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in note 5.

### b) Vacation Provision:

The company has established a provision for the total cost of vacations pending as of March 31, 2004 and 2003, as established in Technical Bulletin No. 47 of the Accountants Association of Chile.

The net balance for this item amounts Th Ch\$ 266,627 as of March 31, 2004 (Th Ch\$ 181,508 in 2003).

### c) Provision for Furnace Reconstruction:

This provision is established throughout the useful life of the refractories of each smelting furnace so their repair will not distort the result of the fiscal year when the repairs are made.

The Company has established a provision for this item in the amount of Th Ch\$ 3,801,830 and Th Ch\$ 3,268,385 as of March 31, 2004 and 2003, respectively.

An itemized list of the amounts provisioned is shown in the attached chart.

Cristalerías de Chile S.A. Note Provisions and Write-offs -----	03/31/2004 -----	03/31/2003 -----
Short term		
Packing for Client Return	965,535	1,024,731
Furnace Reconstruction	1,935,527	1,170,334
Board Share	359,723	879,269
Reserve Spare Parts	438,189	463,350
Legal Holiday	266,627	181,508
Severance Pay	182,055	171,373
Provision Subsidiary Losses	2,177,064	464,977
Provision Indirect Expenses	230,043	252,961
Other Provisions	317,961	45,255
	-----	-----
Total Short Term	6,872,724	4,653,758
Long term		
Severance Pay	4,135,539	3,965,229
Furnace Reconstruction	1,866,303	2,098,051
	-----	-----
Total Long-Term	6,001,842	6,063,280
	-----	-----

### 24. Severance Payments

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The reserve for severance payments to personnel is included at its current value, as expressed in note 2 r). As of March 31, 2004 it totals Th Ch\$ 4,317,594 (Th Ch\$ 4,136,602 in 2003).

As of March 31, 2004 and 2003 the parent company has paid severance payments of Th Ch\$ 70,729 and Th Ch\$ 802 respectively, chargeable against the reserve.

### 25. Other long-term liabilities

As of March 31, 2004 and 2003 there are no values for this concept.

### 26. Minority interest

Not applicable to individual financial statements.

### 27. Changes in Equity

Activity in 2004 and 2003

The activity of the capital and reserve accounts in the fiscal years ended on March 31, 2004 and 2003, are shown in the attached charts.

The detail of the item Other Reserves is the following:

	2004	2003
	-----	-----
	Th Ch\$	Th Ch\$
Future capital increases	4,671,348	4,464,029
Reserve for adjustment of value of fixed assets	1,486,571	1,694,196
Adjustment for conversion difference in investment in Rayen Cura S.A.I.C.	1,143,830	4,099,356
Difference VPP Sodex	(217,163)	(217,173)
	-----	-----
TOTAL OTHER RESERVES	7,084,586	10,040,408

CRISTALERIAS DE CHILE S.A.



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NOTE 27: CHANGES IN NET WORTH

Items	Paid-in Capital	Reserve capital revaluation	Premium in sale of shares
Balances as of 03-31-2004			
Initial balance	65,396,749	0	27,874,377
Distribution result previous fiscal year	0	0	0
Final dividend previous fiscal year	0	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or Profits Capitalization	0	0	0
Development period Accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Eventual Dividend	0	0	0
Owner's equity Revaluation	0	-326,984	-139,372
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances	65,396,749	-326,984	27,735,005
Balances as of 03-31-2003			
Initial balance	64,749,257	0	27,598,393
Distribution result previous fiscal year	0	0	0
Final dividend previous fiscal year	0	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or profit Capitalization	0	0	0
Development period accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Owner's equity revaluation	0	323,746	137,992
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances	64,749,247	323,746	27,736,385
Updated balances	64,749,257	323,746	27,736,385

Items	Accumulated Results	Provisional Dividends	Devel. Period Deficit
Balances as of 03-31-2004			
Initial balance	0	0	0
Distribution result previous fiscal year	6,426,520	0	0
Final dividend previous fiscal year	-958,080	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or Profits Capitalization	0	0	0
Development period Accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Eventual Dividend	0	0	0
Owner's equity Revaluation	-27,342	0	0
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0

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Final balances	5,441,098	0	0
Balances as of 03-31-2003			
Initial balance	0	0	0
Distribution result previous fiscal year	17,660,662	0	0
Final dividend previous fiscal year	-3,303,936	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or profit Capitalization	0	0	0
Development period accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Owner's equity revaluation	71,784	0	0
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances	14,428,510	0	0
Updated balances	14,428,510	0	0

CRISTALERIAS DE CHILE S.A.

NOTE 27: CHANGES IN EQUITY - NUMBER OF SHARES

SERIES	No. SHARES SUBSCRIBED	No. SHARES PAID	No. SHARES WITH VOTING
-----	-----	-----	-----
SINGLE	64,000,000	64,000,000	64,000,000

CRISTALERIAS DE CHILE S.A.

NOTE 27: CHANGES IN NETWORTH - CAPITAL (AMOUNT - TH CH\$)

SERIES	SUBSCRIBED CAPITAL	PAID-IN CAPITAL
-----	-----	-----
SINGLE	65,396,749	65,396,749

28. Other Non-operating Income and Expenses

As of March 31, 2004 non-operating income amounted Th Ch\$ 131,864 and Th Ch\$ 89,874 in 2003.

Non-operating expenses amounted to Th Ch\$ 251,990 as of March 31, 2004 and Th Ch\$ 231,038 in fiscal year 2003.

More detail is shown in annexed chart.

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Non-operating Income and Expenses

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NOTE 28: OTHER NON-OPERATING INCOME AND EXPENSES

	2004	2003
	Th Ch\$	Th Ch\$
	-----	-----
INCOME		
Offices and establishments rental	38,699	31,081
Sale of materials	4,591	4,753
Agricultural Division	0	20,846
Amortization of non-realized profits	8,188	8,188
Others Income	80,386	25,006
TOTAL NON-OPERATING INCOME	131,864	89,874
EXPENSES		
Professional advice	154,309	156,592
Other expenses	85,140	63,755
Insurances	12,541	10,691
TOTAL NON-OPERATING EXPENSES	251,990	231,038

29. Price-level Restatement

As a result of the application of price-level restatement as described in Note 2 d), a net credit to results was generated in the 2004 and 2003 fiscal year of Th Ch\$ 153,682 and Th Ch\$ 37,729 respectively.

Additional Balance-itemized information is shown in the annexed chart.

Cristalerias de Chile S.A.

NOTE 29: ADJUSTMENT FOR PRICE LEVEL RESTATEMENTS

ASSETS (CHARGES)/CREDITS	ADJUSTABILITY INDEX	03-31-2004	03-31-2003
-----	-----	-----	-----
	Consumer Price Index		
INVENTORY	Index	-9,907	50,850
FIXED ASSET	CPI	-382,974	372,056
INVESTMENTS IN RELATED COMPANIES	CPI	-742,591	732,936

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MARKETABLE SECURITIES	CPI	-20,773	18,997
SHORT TERM DEBTORS	CPI	-808	800
ACCOUNTS RECEIVABLE RELATED COMPANIES	UFI	-121,857	51,766
LONG-TERM DEBTORS	UF	-983	725
LONG TERM DEPOSIT	CPI	0	0
SHORT TERM DEBTORS	UF	867	809
OTHER NON-MONETARY ASSETS	CPI	-25,154	15,280
EXPENSE AND COST ACCOUNTS	CPI	-280,253	190,942
TOTAL (CHARGES)/CREDITS	-	-1,584,433	1,435,161

LIABILITIES (CHARGES)/ CREDITS

NET WORTH	CPI	1,141,608	-1,156,651
ACCOUNTS RECEIVABLE RELATED COMPANIES	UF	33	-5
SHORT-TERM RESERVES	CPI	-364	-5,234
SHORT -TERM CREDITORS	CPI	0	0
LONG-TERM RESERVES	CPI	-3,554	-20,061
PUBLIC OBLIGATION	UF	406,638	-161,868
LONG-TERM CREDITORS	CPI	196	-109
NON-MONETARY LIABILITIES	CPI	12,547	373
INCOME ACCOUNTS	CPI	181,011	-53,877
TOTAL (CHARGES)/ CREDITS	-	1,738,115	-1,397,432

(LOSS) PROFIT FROM ADJUSTMENT FOR PRICE LEVEL RESTATEMENT 153,682 37,729

30. Exchange Differences

A net credit to results was produced due to exchange differences of Th Ch\$ 730,260 in 2004 and a net credit of Th Ch\$ 1,335,641 in 2003.

According to the provisions in Circular Letter 1560 of the SVS of 09/20/2001, the net effect of the adjustment of adjustable assets and liabilities in foreign currency on results deducting the effect of inflation is presented in this item.

Further information is shown on the table attached.

Cristaleras de Chile S.A.

NOTE 30: EXCHANGE DIFFERENCES

ITEM	CURRENCY	AMOUNT	
		03-31-2004	03-31-2003
FIXED (CHARGES) /CREDITS AVAILABLE	DOLLARS	2,200	-144

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MARKETABLE SECURITIES	DOLLARS	1,118,588	974,083
MARKETABLE SECURITIES	EUROS	334,861	0
TIME DEPOSITS	DOLLARS	43,797	-102,492
INVENTORY	DOLLARS	2,862	49,811
BONDS INSTALLMENT	DOLLARS	305,398	231,941
SUNDRY DEBTORS	DOLLARS	2,385	0
OTHER ASSETS	DOLLARS	81,368	6,482
EFFECT OF FUTURE CONTRACT	DOLLARS	-16,757	1,142,534
EFFECT OF INFLATION	DOLLARS	135,607	-170,436
TOTAL (CHARGES) /CREDITS		2,010,309	2,131,779
LIABILITIES (CHARGES) /CREDITS			
SHORT- TERM BANK LOANS	DOLLARS	0	0
NOTES PAYABLE	DOLLARS	-58,933	-2,528
NOTES PAYABLE	OTHER CURRENCY	0	0
SUNDRY CREDITORS - SHORT TERM	DOLLARS	-25,108	-13,638
LONG- TERM BANK LOANS	DOLLARS	-1,130,500	-647,500
SHORT-TERM RESERVES	DOLLARS	0	-58,133
LONG-TERM RESERVES	DOLLARS	-136,718	-28,590
SUNDRY CREDITORS - LONG TERM	DOLLARS	-4,387	-3,505
OTHER LIABILITIES	DOLLARS	75,597	-42,244
ADJUSTMENT FUTURE CONTRACTS	DOLLARS	0	0
INFLATIONARY EFFECT	DOLLARS	0	0
TOTAL (CHARGES)/ CREDITS		-1,280,049	-796,138
(LOSS) PROFIT FROM EXCHANGE DIFFERENCE		730,260	1,335,641

31. Extraordinary Items

As of March 31, 2004, there are no transactions for this item.

32. Expenses incurred in the sale of shares and debt instruments

On August, 2002 the company placed bond series C1, C2, D1 and D2 for UF 4,100,000, which resulted in expenses and rate placement difference which balance as of March 31, 2004 amounts Th Ch\$ 3,398,559 (Th Ch\$ 3,720,326 in 2003). Amortization is being done according to the maturity of each series.

Classified under current assets there are Th Ch\$ 323,811 (Th Ch\$ 323,377 in 2003) and Th Ch\$ 3,074,748 (Th Ch\$ 3,396,949 in 2003) under other long-term fixed assets.

As of March 31, 2004 and 2003, the charge to results for their amortization amounts Th Ch\$ 81,679 and Th Ch\$ 80,986, respectively.

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### 33. Cash Flow Statement

An itemized list is included in the attached chart.

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#### CASH FLOW STATEMENT

1. The following is the detail of the item OTHERS:

		2004		2003	
		-----		-----	
		Th	Ch\$	Th	Ch\$
541.11.40	Other income received				
	Insurance severance	0		0	
	Discount for Custom Duties	7,376		0	
	Accountent Return	0		133,416	
	Adjustment Received	128,298		0	
	Other income	47,006		1,201	
	Total	182,680		134,617	
541.11.80	Other expenses paid				
	Exchange differences	26,047		168,532	
	Donations	26,794		7,770	
	Other expenses	0		1,528	
	Total	52,841		177,830	
541.13.30	Other investment income				
	Maturity of future contracts	0		967,805	
		0		967,805	
541.13.65	Other investment disbursements				
	Purchase of shares	0		11,680	
	Total	0		11,680	

Following are financing and investment activities that did not generate cash flow during the fiscal year, but that commit future cash flows:

ITEM	Amount	Th Ch\$	Maturity
-----	-----	-----	-----
Dividend No.157	(1,612,800)		April-2004
Payable investment imports	(113,317)		Second Semester 2004
TOTAL	(1,726,117)		

### 34. Derivative Contracts

As of March 31 2004 and 2003 the parent company has signed future purchase and sell contracts in foreign currency of Th US\$ 37,600 in 2004 (purchases of Th US\$ 109,600 in 2003) subject to the regulations of Chapter VII of the

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Compendium of International Exchange Regulations of the Central Bank of Chile and Chapter 13-2 of the compilation of Regulations of Banks and Financial Institutions.

As of March 31, 2004 there was a difference in favor of financial institutions of Th Ch\$ 1,765,784, classified under Other Current Liabilities.

As of March 31, 2003 there was a difference in favor of financial institutions of Th Ch\$ 897,794 classified under Other Current Assets.

CRISTALERIAS DE CHILE S.A.

NOTE 34: DERIVATIVE CONTRACTS

TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	MATURITY OR EXPIRATION DATE	DESCRIPTION OF CONTRACTS		
				SPECIFIC ITEM	PURCHASE/SALE POSITION	PROTECTED OR TRAN NAME
FR	CI	23,177,016	THIRD 2004	EXCHANGE RATE	P	-
FR	CI	21,327,786	THIRD 2004	EXCHANGE RATE	S	-

TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	VALUE OF PROTECTED ITEM	ACCOUNTS AFFECTED		
				ASSETS/LIABILITY NAME	AMOUNT	EFF REALIZED
FR	CI	23,177,016	0	LIABILITIES	2,729,917	-2,729,917
FR	CI	21,327,786	0	ASSETS	964,133	964,133

Analysis of Forward Contracts in foreign currency as of 03.31.2004

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INSTITUTION	DATE		FUTURE VALUE US\$	PRO (Lo Th
	Investment	Maturity		
Purchases:				
Citibank N.A.	09-08-03	09-02-04	2,000,000	(145
Deutsche Bank (Chile) S.A.	09-04-03	09-03-04	15,000,000	(1,180
Bank Boston	09-10-03	09-06-04	2,000,000	(146
Deutsche Bank (Chile) S.A.	09-08-03	09-07-04	2,000,000	(146
Deutsche Bank (Chile) S.A.	09-08-03	09-07-04	1,800,000	(130
Deutsche Bank (Chile) S.A.	09-10-03	09-09-04	2,800,000	(204
Deutsche Bank (Chile) S.A.	09-10-03	09-09-04	2,000,000	(147
Banco Chile	09-11-03	09-06-04	3,000,000	(201
Banco Chile	09-15-03	09-09-04	3,500,000	(214
Banco Santander	09-15-03	18-08-04	3,500,000	(213
Total			37,600,000	(2,729
Sales:				
Bank Boston	10-14-03	09-09-04	4,800,000	14
Banco Santander	10-21-03	09-07-04	2,000,000	6
Deutsche Bank (Chile) S.A.	10-22-03	09-09-04	2,000,000	6
Banco Santander	10-22-03	09-09-04	1,500,000	4
Citibank N.A.	10-22-03	09-07-04	1,800,000	5
Deutsche Bank (Chile) S.A.	10-23-03	09-02-04	2,000,000	5
Banco Santander	10-23-03	09-03-04	6,000,000	15
Deutsche Bank (Chile) S.A.	10-24-03	09-03-04	2,000,000	4
Deutsche Bank (Chile) S.A.	10-24-03	09-03-04	2,000,000	4
Deutsche Bank (Chile) S.A.	10-24-03	09-03-04	1,000,000	2
Deutsche Bank (Chile) S.A.	10-24-03	09-03-04	1,000,000	2
Banco Santander	10-27-03	09-03-04	2,000,000	4
Deutsche Bank (Chile) S.A.	10-27-03	09-03-04	1,000,000	2
Deutsche Bank (Chile) S.A.	10-28-03	08-16-04	1,000,000	2
Banco Santander	10-28-03	08-16-04	2,500,000	5
Banco Santander	10-28-03	09-06-04	2,000,000	4
Deutsche Bank (Chile) S.A.	11-06-03	09-06-04	1,000,000	1
Banco Santander	11-12-03	09-06-04	1,000,000	1
Deutsche Bank (Chile) S.A.	11-18-03	09-06-04	1,000,000	1
Total			37,600,000	96
TOTAL			0	(1,765

As of March 2003 there were dollar purchase contracts of US\$ 109,600,000.

35. Contingencies and Restrictions

CONTINGENCIES AND COMMITMENTS

As of March 31, 2004, there is a guarantee delivered in the amount of Th Ch\$ 7,885 (Th Ch\$ 7,868 in 2003), according to the detail in the attached chart.



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### LAWSUITS OR OTHER LEGAL ACTIONS THE COMPANY IS INVOLVED IN

As of March 31, 2004 and 2003 there are no lawsuits and other legal actions pending.

### RESTRICTIONS

#### I. SYNDICATED LOAN

In relation to the syndicated loan subscribed with JP Morgan Chase Bank and other 8 creditor banks for US\$ 50 million, there are certain financial obligations mentioned as follows:

##### a) TOTAL CONSOLIDATED DEBT TO CAPITALIZATION RATIO

Cristalerias de Chile S.A will not allow the Total Consolidated Debt to Capitalization Ratio exceed the 0.45 to 1.0 ratio at any time.

Capitalization is defined as the sum of Net Worth plus Minority Interest plus total consolidated debt.

##### b) TOTAL CONSOLIDATED DEBT TO EBITDA RATIO

Cristalerias de Chile S.A will not allow the Net Consolidated Debt to EBITDA ratio to exceed the 2.5 to 1.0 ratio at any time.

Consolidated EBITDA is defined as the following: operating income plus depreciation and amortization, plus non-cash charges (as long as they have been deducted when determining operating income) and cash income from interests minus non-cash credits (as long as they have been added when determining operating income), in each case for each period.

##### c) INTEREST COVERAGE RATIO

Cristalerias de Chile S.A. will not allow the Interest Coverage Ratio to be lower than the following ratios during the following periods: 3.5 from January 01 2001 to December 31, 2003; 4.0 from January 01, 2004 onwards.

Interest coverage at the day of determination is defined as the ratio between unconsolidated EBITDA for the period of four consecutive fiscal quarters that end on or most recently ended before, that date; and interest expenses for that period.

##### d) NET EQUITY

Cristalerias de Chile S.A. should maintain a minimum amount of UF 10,000,000 at any time.

As of March 2004 and 2003 Cristalerias de Chile S.A. complies with 100% of the restrictions agreed with the creditor banks.

### II. BOND ISSUE

The bond issue contract signed on May 29, 2002 with Banco de Chile as the bonds owners' representative, establishes among others the following

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obligations:

- a) Financial Indicators  
 Individual Balance: Indebtedness not higher than 1.2 times.  
 Consolidate Balance: Indebtedness not higher than 1.4 times.
- b) Insurances for the Company and its subsidiaries' fixed assets.
- c) The operations refered to by art. 44 and 89 of law 18,046 must be carried out according to the conditions that these establish.
- d) Other minor restrictions related with the bond issue contract.

Cristalerias de Chile S.A. complies with 100% of restrictions agreed with the bonds' creditors.

OTHER CONTINGENCIES

As of March 31, 2004 and 2003, management is not aware of any other contingencies that could affect the company.

CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - DIRECT GUARANTEES

CREDITOR OF GUARANTEE	DEBTOR		TYPE OF GUARANTEE	ASSETS COMMITTED		03/31/ 03/31/2007
	NAME	RELATIONSHIP		TYPE	BOOK VALUE	
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	COMMERCIAL	DEPOSIT	FLOOR	7.885	7

CREDITOR OF GUARANTEE	DEBTOR NAME	RELEASE OF GUARANTEES				
		03/31/2005	ASSETS	03/31/2006	ASSETS	
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	-	-	-	-	7,885

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CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - INDIRECT GUARANTEES

CREDITOR OF GUARANTEE	DEBTOR		TYPE OF GUARANTEE	ASSETS COMMITTED		BA P C OF FIN 03/31/
	NAME	RELATIONSHIP		TYPE	BOOK VALUE	
Societe de Participations Financieres et Industrielles	Rayen Cura S.A.	Affiliate	Solidary	-	-	2,130
Envases CMF	Cristaleras de Chile S.A.	Affiliate	Solidary	-	-	224

CREDITOR OF GUARANTEE	DEBTOR NAME	RELEASE OF GUARANTEES				
		03/31/2005 ASSETS	03/31/2006 ASSETS	03/31/2007 ASSETS	03/31/2007	
Societe de Participations Financieres et Industrielles	Rayen Cura S.A.	710,104	-	710,104	-	710,104
Envases CMF	Cristaleras de Chile S.A.	-	-	-	-	224,261

36. Guarantees obtained from third parties

As of March 31, 2004 and 2003 the company has received guarantees from third parties, which are shown below:

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ITEM	2004		2003	
	Th	Ch\$	Th	Ch\$
Real Estate Lease Security Bank (UF 304)	5,114		5,102	
Real Estate Lease to Telecomunicaciones and Servicios Cono Sur Ltda. (UF 130)		0		2,182
Real Estate Lease AGF Building (UF 365.9)	6,155		6,141	
Real Estate Lease Metropolis Building (UF 189.2)	3,182		3,175	
Suppliers Sight Drafts	1,674		1,675	
TOTAL	16,125		18,275	

37. Local and Foreign Currency

Charts are attached showing the foreign currency balance as of March 31, 2004 and 2003.

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - ASSETS

ITEMS	Currency	Amount	
		03-31-2004	03-31-2003
<b>Current Assets</b>			
CASH	Non-adjust Ch\$	1,214,370	848,275
CASH	Dollars	155,852	127,519
TIME DEPOSITS	Dollars	1,178,299	7,495,778
TIME DEPOSITS	Non-adjust. Ch\$	3,452,208	8,934,092
MARKETABLE SECURITIES	Adjustable Ch\$	4,133,777	3,830,015
MARKETABLE SECURITIES	Dollars	30,809,517	55,361,469
DEBTORS FROM SALES	Non-adjust. Ch\$	16,457,533	15,630,357
DOCUMENTS RECEIVABLE	Non-adjust. Ch\$	886,438	1,785,525
MISCELLANEOUS DEBTORS	Adjustable Ch\$	264,838	809,645
MISCELLANEOUS DEBTORS	Non-adjust. Ch\$	254,285	156,541
MISCELLANEOUS DEBTORS	Dollars	126,735	12,318
DOC.&ACTS. REC. REL. CO'S.	Non-adjust. Ch\$	1,984,778	1,840,521
DOC.&ACTS. REC. REL. CO'S.	Adjustable Ch\$	13,575	621,139
STOCK	Adjustable Ch\$	4,402,696	3,295,288
STOCK	Dollars	1,591,816	2,649,202
TAXES TO BE RECOVERED	Adjustable Ch\$	1,876,287	853,045
EXPENSES PAID IN ADVANCE	Dollars	356,831	398,419
DEFERRED TAXES	Non-adjust Ch\$	447,736	474,170
OTHER CURRENT ASSETS	Non-adjust Ch\$	9,033,071	3,347,825
OTHER CURRENT ASSETS	Dollars	2,781,443	2,534,025
OTHER CURRENT ASSETS	Adjustable Ch\$	196,663	196,229
MARKETABLE SECURITIES	Non-adjust Ch\$	25,552	26,535
MARKETABLE SECURITIES	Euros	18,897,271	0
<b>Fixed Assets</b>			
FIXED ASSETS	Adjustable Ch\$	75,150,640	72,895,740
<b>Other Assets</b>			
INVESTMENT REL. CO'S.	Adjustable Ch\$	143,881,104	144,225,456
NEG. INVESTMENT GOODWILL	Adjustable Ch\$	1,840,523	2,011,178

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LONG-TERM DEBTORS	Adjustable Ch\$	122,386	161,203
L-T DOC. REC. REL. CO'S.	Adjustable Ch\$	20,666,868	22,598,303
OTHERS	Dollars	8,318,823	9,988,251
OTHERS	Adjustable Ch\$	2,219,922	2,414,627
OTHERS	Non-adjust Ch\$	854,826	982,322
Total Assets			
	Non-adjust Ch\$	34,610,797	34,026,163
	Dollars	45,319,316	78,566,981
	Adjustable Ch\$	254,769,279	253,911,868
	Euros	18,897,271	0

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - CURRENT LIABILITIES

ITEM	Currency	Up to 9	
		03-31-2004	
		Amount Thou Ch\$	Avg. Annual Int. Rate
Long-Term Obligations	Dollars	129,318	1.9875
1-year maturity			
Long-Term Obligations with public	Adjustable Ch\$	333,437	4.75
	Adjustable Ch\$	426,424	5.80
Dividend Payable	Non-adjust. Ch\$	40,453	-
Accounts Payable	Non-adjust. Ch\$	1,858,882	-
Documents Payable	Dollars	1,504,799	-
Miscellaneous Creditors	Dollars	684,524	11.06
Miscellaneous Creditors	Non-adjust. Ch\$	175,430	-
Doc. and Accts. Payable rel Co	Adjustable Ch\$	1,754	-
Doc. and Accts. Payable rel Co	Non-adjust. Ch\$	178,527	-
Reserves	Adjustable Ch\$	0	-
Reserves	Dollars	0	-
Reserves	Non-adjust. Ch\$	4,755,142	-
Withholding	Non-adjust. Ch\$	895,484	-
Other Current Liabilities	Adjustable Ch\$	1,765,784	-
Deferred taxes	Non-adjust. Ch\$	0	-
Total Current Liabilities	Dollars	4,084,425	-
	Adjustable Ch\$	761,615	-
	Non-adjust. Ch\$	7,903,918	-

ITEM	Currency	90 Days t	
		03-31-2004	
		Amount	Avg. Annual

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		Thou Ch\$	Int. Rate
		-----	-----
Long-Term Obligations	Dollars	-	-
1-year maturity			
Long-Term Obligations with public	Adjustable Ch\$	-	-
	Adjustable Ch\$	-	-
Dividend Payable	Non-adjust. Ch\$	-	-
Accounts Payable	Non-adjust. Ch\$	-	-
Documents Payable	Dollars	-	-
Miscellaneous Creditors	Dollars	-	-
Miscellaneous Creditors	Non-adjust. Ch\$	-	-
Doc. and Accts. Payable rel Co	Adjustable Ch\$	-	-
Doc. and Accts. Payable rel Co	Non-adjust. Ch\$	-	-
Reserves	Adjustable Ch\$	182,055	-
Reserves	Dollars	1,935,527	-
Reserves	Non-adjust. Ch\$	-	-
Withholding	Non-adjust. Ch\$	-	-
Other Current Liabilities	Adjustable Ch\$	-	-
Deferred taxes	Non-adjust. Ch\$	-	-
Total Current Liabilities	Dollars	1,935,527	-
	Adjustable Ch\$	182,055	-
	Non-adjust. Ch\$	0	-

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - LONG-TERM LIABILITIES CURRENT  
PERIOD 03-31-2004

ITEM	Currency	1-3 Years		A Th
		Amount Thou Ch\$	Average Interest Rate	
-----	-----	-----	-----	-----
Obligations with Banks and Financial Institutions	Dollars	15,410	1.9875	15
Obligations with public bond Serie C	Adjust. Ch\$	21,026	4.75	12
Obligations with public bond Serie D	Adjust. Ch\$	0	-	
Deferred Custom duties	Dollars	119,614	11.6	
Long-term Creditors	Adjust. Ch\$	33,249	-	
Long-term Reserves	Dollars	1,866,303	-	
Long-term Reserves	Adjust. Ch\$	4,135,539	-	
Deferred Taxes	Non-adjust. Ch\$	2,347,230	-	
Total Long-term Liabilities	Dollars	17,396,167	-	15
	Adjust. Ch\$	25,194,813	-	12
	Non-adjust. Ch\$	2,347,230	-	

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ITEM	Currency	5-10 Years		A
		Amount Thou Ch\$	Average Interest Rate	
Obligations with Banks and Financial Institutions	Dollars	0	-	
Obligations with public bond Serie C	Adjust. Ch\$	0	-	
Obligations with public bond Serie D	Adjust. Ch\$	4,937,743	5.8	30
Deferred Custom duties	Dollars	0	-	
Long-term Creditors	Adjust. Ch\$	0	-	
Long-term Reserves	Dollars	0	-	
Long-term Reserves	Adjust. Ch\$	0	-	
Deferred Taxes	Non-adjust. Ch\$	0	-	
Total Long-term Liabilities	Dollars	0	-	
	Adjust. Ch\$	4,937,743	-	30
	Non-adjust. Ch\$	0	-	

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - LONG-TERM LIABILITIES PREVIOUS  
PERIOD 03-31-2003

ITEM	Currency	1-3 Years		A
		Amount	Average Interest Rate	
Obligations with banks and financial institutions	Dollars	0	0	36
Obligations with public	Adjustable Ch\$	0	0	
Obligations with public	Adjustable Ch\$	0	0	
Deferred Custom duties	Dollars	198,004	11.6	
Long-term Creditors	Adjust. Ch\$	44,377	-	
Long-term Reserves	Dollars	2,098,052	-	
Long-term Reserves	Adjustable Ch\$	3,965,228	-	
Deferred Taxes	Non-adjust. Ch\$	2,379,810	-	
Total Long-term Liabilities	Dollars	2,296,056	-	36
	Adjust. Ch\$	4,009,605	-	
	Non-adjust. Ch\$	2,379,810	-	

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ITEM	Currency	5-10 Years		A
		Amount	Average Interest Rate	
Obligations with banks and financial institutions	Dollars	-	-	
Obligations with public	Adjustable Ch\$	33,567,200	4.75	
Obligations with public	Adjustable Ch\$	-	-	35
Deferred Custom duties	Dollars	-	-	
Long-term Creditors	Adjust. Ch\$	-	-	
Long-term Reserves	Dollars	-	-	
Long-term Reserves	Adjustable Ch\$	-	-	
Deferred Taxes	Non-adjust. Ch\$	-	-	
Total Long-term Liabilities				
-	Dollars	0	-	
-	Adjust. Ch\$	33,567,200	-	35
-	Non-adjust. Ch\$	0	-	

38. Penalties

As of March 31, 2004 and 2003 no penalties have been applied to the company, the members of the Board or Company Managers by the SVS or other administrative authorities.

39. Subsequent Events

Cristaleras de Chile S.A.

On April 28, 2004 the company paid eventual dividend N(degree) 157 of Ch\$ 25.20 per share over 64,000,000 shares. (Th Ch\$1,612,800)

Between the closing date of the financial statements and the issue date of the present report there have not been other subsequent events that could alter significantly the Company's financial and economic situation.

40. Environment

On its permanent concern for preserving the environment, during the fiscal year 2003 the Company has made investments of Th Ch\$ 205,409 corresponding to



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the purchase of NOX treatment equipment installed in new furnace B.

### 41. TIME DEPOSITS

As of March 31, 2004 and 2003 the Company presents the following information:

INSTITUTION	Currency	2004		2003	
		Th	Ch\$	Th	Ch\$
Banco de A. Edwards (Chile)	US\$	0		2,606,863	
Banco Santander	US\$	1,178,299		2,483,315	
Banco Deutsche Bank Chile S.A.	US\$	0		2,064,301	
Banco J.P. Morgan Chase Bank	US\$	0		341,299	
Banco de A. Edwards (Chile)	Ch\$	0		3,000,000	
Banco Santander	Ch\$	3,452,208		924,992	
Banco Scotiabank	Ch\$	0		5,009,100	
		-----		-----	
<b>TOTAL</b>		<b>4,630,507</b>		<b>16,429,870</b>	

### 42. STOCK TRANSACTIONS

During 2004 and 2003 fiscal years members of the board, controlling stockholders, related individuals and entities did not carry out stock transactions.

### 43. DISTRIBUTION OF SHAREHOLDERS

The distribution of stockholders as of March 31, 2004 and 2003 is the following:

TYPE OF SHAREHOLDER	% of Shareholding		No. of Shareholders	
	2004	2003	2004	2003
10% or more shareholding	34.03	34.03	1	1
Less than 10% shareholding				

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with investment equal to or higher than 200 UF	65.84	65.83	265	270
Less than 10% shareholding with investment lower than 200 UF	0.13	0.14	762	787
TOTAL	100.00	100.00	1,028	1,058
CONTROLLER OF THE COMPANY	52.14	52.14	3	3

44. BOARD COMPENSATION

As of March 31, 2004 and 2003, there are provisions for Th Ch\$ 359,723 and Th Ch\$ 879,269 respectively, for diverse concepts according to the following detail:

	2004 Th Ch\$	2003 Th Ch\$
Participation in previous fiscal year profits	257,061	706,426
Board Committee Honoraries	102,662	172,843
	-----	-----
TOTAL	359,723	879,269

RELEVANT EVENTS

None.

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CRISTALERIAS DE CHILE S.A.  
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RATIO ANALYSIS TO INDIVIDUAL FINANCIAL STATEMENTS AS OF MARCH 31, 2004  
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1.- FINANCIAL INDICATORS

03-31-2004 03-31-2003 12-31-2003  
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LIQUIDITY				
Current liquidity	times	6.76	7.25	5.98
Acid ratio	times	6.18	6.75	5.50
INDEBTEDNESS				
Leverage ratio	times	0.53	0.55	0.55
Short-term debt	%	12.07	11.85	12.79
Long-term debt	%	87.93	88.15	87.21
Interest Expenses Coverage	times	3.18	4.98	2.14
ACTIVITY				
Total assets	MM Ch\$	353,597	366,505	351,798
Investments	MM Ch\$	1,527	4,924	22,510
Disposal of property	MM Ch\$	1	57	135
Inventory turnover	times	7.4	10.5	12.6
Inventory permanence	days	49.0	34.4	28.6
RESULTS				
Sales	MM Ch\$	15,387	17,448	74,146
Costs of sales	MM Ch\$	9,791	10,363	44,413
Operating result	MM Ch\$	4,289	5,850	24,225
Interest expenses	MM Ch\$	1,158	1,235	4,817
Non-operating result	MM Ch\$	(1,239)	(499)	(16,374)
E.B.I.T.D.A.	MM Ch\$	6,318	8,496	20,794
After-tax profit	MM Ch\$	2,567	4,321	6,394
PROFITABILITY				
Return on equity	%	1.1	1.9	2.8
Return on assets	%	0.7	1.3	1.8
Return on operating assets	%	8.4	11.9	22.9
Profit per share	\$	40.1	67.5	99.9
Return on dividends	%	2.6	2.6	2.4
Current liquidity	Ratio of current assets to current liabilities.			
Acid ratio:	Ratio of uncommitted funds to current liabilities.			
Leverage ratio:	Ratio of total current liabilities to net worth.			
Interest Expenses Coverage:	Earnings before taxes and interest divided by interest expenses.			
Inventory turnover:	Ratio between sales cost of the period and average inventory.			
Inventory permanence:	Ratio between average inventory and sales cost of the period, multiplied by 360 days			
E.B.I.T.D.A.:	Earnings before interest, taxes, depreciation, amortization and extraordinary items.			
Return on dividends:	Sum of dividends paid in the last twelve months divided by market price of stock at closing of period.			
---				

The main trends observed as of March 2004 in indicators are:

LIQUIDITY INDICES

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With respect to December 2003, an increase in the index can be observed due to a increase in current assets, due to the devaluation of the Argentine peso with respect to the dollar, which influences positively in financial placements in foreign currency. On the other hand a decrease in current liabilities is due to the payment of dividends and accounts .

### INDEBTEDNESS INDICES

The leverage ratio has kept almost constant for the analyzed period.

Bank indebtedness that corresponds to a US\$ 50 million loan shows an increase in Ch\$ terms, due to the variation of rate of exchange, that increased from Ch\$ 593,80 as of December 2003 to Ch \$ 616.41 as of March 31, 2004 .

Interest expenses coverage ratio decreased with respect to the previous year due to a lower net income during the present fiscal year.

### ACTIVITY INDICES

Inventory turnover and permanence indeces deteriorated slightly due to a increase of finished goods inventories, as a result of lower stationary sales of glass containers.

### PROFITABILITY INDICES

Equity and asset profitability indices show a decrease with respect to March and December 2003, due to a lower net income during the present fiscal year.

Likewise, non-operating result decreased due to a negative exchange difference and a higher loss in related companies.

On the other hand, in spite of the higher dividends distributed during last 12 months, the return of dividends indexes shows a stability with respect to the previous year due to an increase in the market price of the company's shares in the stock exchange, which passed from Ch\$ 4,620 as of March, 2003 to Ch \$ 5,000 in March, 2004.

### 2. DIFFERENCE BETWEEN BOOK VALUE AND MARKET VALUE OF MAIN ASSETS.

The financial statements of the company have been prepared according to generally accepted accounting principles and general and specific norms of the Securities and Insurance Commission, which is the agency that regulates the Company. The valuation of the assets includes adjustment for currency devaluation, reserves, and technical revaluations. We believe the foregoing is a reasonable way to value the company's permanent investments.

As of March 31, 2004, there were financial investments in stocks recorded in the accounting according to their purchase price of Th Ch\$ 4,134 million whose market value on the same date was Th Ch\$ 5,728 million.

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### 3. RESULTS AS OF MARCH 2004

#### 3a. Individual Result

The Company had non-consolidated sales of Ch\$ 15,387 million as of March 2004, compared to Ch\$ 17,448 million in the previous year. Volumes sold decreased by 2.4% reaching 56,856 tons, mainly due to lower sales of bottles of non-returnable beer and liquor, partially compensated by higher sales of bottles for wine, and analcoholic one way formats.

Operating income reached of Ch\$ 4,289 million in 2004 (Ch\$ 5,850 million income in 2003), due to lower volumes sold and an average prices decrease of 9.6%, mainly explained by a decrease in the exchange rate, which passed from US\$ 736.99 per dollar on average during first quarter of 2003 to US\$ 587,29 per dollar on average during the first quarter of 2004.

The non-operating result was a loss of Ch\$ 1,239 million (Ch\$ 499 million loss in 2003). During 2004 a higher loss in Cristalchile Comunicaciones (owner of 50% of Metropolis-Intercom) and lower net income in Envases CMF was registered. The former was partially compensated by higher net income from Vina Santa Rita and Cristalchile Inversiones (owner of 40% of Rayen Cura) and a lower loss at CIECSA.

#### 3b. Results in Subsidiaries

During 2004, Santa Rita's net income amounted Ch\$ 1,383 million, 14,7% higher than in 2003. In the local market, prices increased by 8.2% in real terms and volumes dropped by 3.4%. During the period, exports increased by 5.2% reaching US\$ 12.9 million (US\$ 11.0 million in 2003) and represented 52.2% of total revenues. Operating income reached Ch\$ 1,059 million, compared to Ch\$ 1,650 million in 2003, mainly due to higher costs of musts and higher marketing support expenses. The average price in dollars per case for the export market for Santa Rita was US\$ 34.9 (US\$ 31.4 in 2003) whereas the average price for the industry was US\$ 24.4 per case (US\$ 23.5 in 2003). Santa Rita recorded a Ch\$ 582 million non-operating profit, compared to a Ch\$ 24 million non-operating income in 2003, mainly due a profit from exchange differences and sale of assets.

Red Televisiva Megavision, CIECSA's main subsidiary, registered a Ch\$ 65 million operating loss, compared with an operating loss of Ch\$ 90 million in 2003. MEGA reached the first place audience share with an average viewership share of 25.3% during the period (22.9% in 2003)<sup>1</sup>. Net sales increased by 11.7% reaching Ch\$ 4,837 million, as a higher audience share has resulted in higher sales. MEGA had a net loss of Ch\$ 238 million (Ch\$ 248 million loss in 2003). CIECSA had a Ch\$ 300 million net loss, compared to a Ch\$ 445 million net loss the previous year.

Envases CMF S.A. registered a Ch\$ 372 million net income in 2004 compared with a Ch\$ 546 million net income in 2003. Net sales reached Ch\$ 7,839 million during the period (Ch\$ 8,857 million in 2003). Sales volume dropped by 3.9%, reaching 5,844 tons, due to a decrease of pre forms exports and lower sales of one way formats; while average prices

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1 Measured between 7:30AM and 1:30AM; i.e: 18 hours daily, Monday through Sunday.

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decreased by 7.9% influenced by a decrease of the exchange rate. Due to the aforementioned, operating income reached Ch\$ 740 million, compared to Ch\$ 1,174 million in 2003.

In the cable TV business, Cristalchile Comunicaciones S.A. (99.99% owned by Cristalerias), is the owner of 50% of Cordillera Comunicaciones Ltda., which in turn is the owner of Metropolis-Intercom S.A.

During 2004, Metropolis-Intercom S.A. registered sales of Ch\$ 10,782 million, practically equal to the previous year. Metropolis-Intercom had a net loss of Ch\$ 3,103 million compared with a net loss of Ch\$ 1,973 million in 2003. The lower result is due to a \$775 million one-time expense that affected the company's non-operating result. EBITDA reached Ch\$ 1,641 million in the period (\$1,614 million in 2003). This result includes a depreciation charge of Ch\$ 3,587 million (Ch\$ 3,204 million in 2003) mainly corresponding to the HFC network acquired in July 2000. The company ended the period with 223,957 subscribers of the basic service (240,119 in 2003), 35,514 premium subscribers (5.2% over 2003), 36,883 subscribers of broadband internet services (42.3% over 2003) and 6,376 subscribers of IP telephony.

As a result of the abovementioned and the negative goodwill amortization charge through Cordillera Comunicaciones of Ch\$ 1,040 million in the period (Ch\$ 1,034 million in 2003), Cristalchile Comunicaciones recorded a net loss of Ch\$ 2,151 million (net loss of Ch\$ 1,505 in 2003).

#### 4. CASH FLOW STATEMENT

As of March 31, 2004 a total net positive flow of Ch\$ 7,710 million was generated, which is explained by a positive flow generated by operating activities of Ch\$ 9,969 million, which was decreased by a negative financing flow of Ch\$ 953 million and a negative flow of investment activities for Ch\$ 1,606 million.

The operating flow corresponds basically to the collection of sales and interests income that were reduced by payment to suppliers, personnel and tax and interests payments.

The negative financing flow can be explained by the payment of dividends.

The investment flow is mainly explained by the incorporation of fixed assets for Ch\$ 1,605 million.

The foregoing results in an increase in the final balance of cash and cash equivalent, which passed from Ch\$ 59,700 million as of December 31, 2003 to Ch\$ 67,411 million as of March 31, 2004.

According to the current regulations of the SVS and the Association of Accountants of Chile, time deposits and agreements with due date under 90 days have been considered cash and cash equivalent.

#### 5. RISKS ANALYSIS

##### o Interest rates

The Company is exposed to the risk of fluctuations in interest rates on its long-term debt, corresponding to a credit of US\$ 50 million, which is subject

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to a variable annual rate of

Libor plus 0.8% percentage points. In addition, the Company issued bonds in two series, for a total of UF 4.1 million, for a period of 6 and 21 years, and which pay a fixed rate of 4.75% and 5.8% respectively (the actual placement rate was 5.3% and 6.5% respectively).

As of March 31, 2004, the Company had available funds in the amount of Ch\$ 66,050 million, invested at different terms in financial instruments such as time deposits, bonds, fixed rate mutual funds and agreements with resale commitment. This figure does not consider Ch\$ 8,272 million in bonds with maturity on September 15, 2005 and investments in shares for Ch\$ 4,134 million.

Currently the Company does not use secondary financial instruments to reduce risk in the event of fluctuations in interest rates. This policy will be studied permanently to evaluate the alternatives offered by the market.

### o Exchange rate

The Company maintains liabilities in dollars of US\$ 66.1 million, which represent 11.5% of its assets, and which include a balance of a long-term syndicated loan of US\$ 50 million.

As of March 31, the Company has investments in dollars of US\$ 69.8 million in time deposits, bonds and fixed rate mutual funds. In addition, it also has investments in Euros of (euro) 24.9 million in fixed rate instruments. It also has Dollar purchase future contracts of US\$ 37.6 million that they are compensated by sale future contracts for the same amount.

On the other hand, approximately 34% of the company's revenues are adjusted by the exchange rate variation. Costs in foreign currency represent approximately 23.9% of total costs.

FECU (Standardized Quarterly Financial Report)

### 1. IDENTIFICATION

1.01.05.00	Firm Name	
		CRISTALERIAS DE CHILE S.A.
1.01.04.00	Company RUT	90331000-6
1.00.01.10	Starting date	1/1/2004
1.00.01.20	Closing date	3/31/2004
1.00.01.30	Type of Currency	Chilean Pesos

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1.00.01.40 Type of Financial Statements Consolidated

ASSETS

2.0 FINANCIAL STATEMENTS  
2.01 BALANCE SHEET

1.00.01.30 Type of Currency: Thousands of Chilean Pesos  
1.00.01.40 Type of Balance : Consolidated

ASSETS		NOTE No.	03-31-04	03-31-03
5.11.00.00	TOTAL CURRENT ASSETS		173,361,246	189,995,600
5.11.10.10	Cash		2,858,397	1,690,000
5.11.10.20	Time deposits	45	7,210,791	19,415,100
5.11.10.30	Marketable securities (net)	4	61,782,216	68,519,200
5.11.10.40	Debtors from sales (net)	5	32,129,243	33,071,400
5.11.10.50	Documents receivable (net)		2,452,089	3,829,100
5.11.10.60	Sundry debtors (net)		1,742,278	1,304,100
5.11.10.70	Doc. & accts receivable related Co.	6	446,450	341,300
5.11.10.80	Inventories (net)		38,987,888	41,119,400
5.11.10.90	Recoverable taxes		4,451,767	1,129,300
5.11.20.10	Prepaid expenses		1,714,309	1,714,000
5.11.20.20	Deferred taxes	8	1,164,859	937,800
5.11.20.30	Other current assets	10	18,420,959	16,924,300
5.11.20.40	Leasing contracts (net)		0	
5.11.20.50	Leasing assets (net)		0	
5.12.00.00	TOTAL FIXED ASSETS		134,558,564	131,656,500
5.12.10.00	Land	12	13,267,675	12,995,400
5.12.20.00	High rises & infrastructure	12	61,837,949	60,645,600



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5.12.30.00	Machinery & equipment	12	144,684,218	123,793,4
5.12.40.00	Other fixed assets	12	12,168,156	17,455,5
5.12.50.00	Positive goodwill from technical revaluation of fixed assets	12	6,573,793	7,675,6
5.12.60.00	Depreciation (minus)	12	(103,973,227)	(90,909,1
5.13.00.00	TOTAL OTHER ASSETS		135,051,292	146,130,6
5.13.10.10	Investment in related companies	14	101,012,909	108,429,7
5.13.10.20	Investment in other companies	15	804,671	821,5
5.13.10.30	Negative goodwill	16	8,956,092	9,682,1
5.13.10.40	Positive goodwill (minus)		0	
5.13.10.50	Long-term debtors		206,230	184,6
5.13.10.60	Doc. & accts receivable related Co.		4,257	1,5
5.13.10.65	Long-term deferred taxes		0	
5.13.10.70	Intangibles	17	11,757,528	11,723,0
5.13.10.80	Amortization (minus)	17	(1,258,183)	(1,047,5
5.13.10.90	Other	18	13,567,788	16,335,4
5.13.20.10	Long-term leasing contracts (net)		0	
5.10.00.00	TOTAL ASSETS		442,971,102	467,782,7

LIABILITIES

1.00.01.30 Type of Currency: Thousands of Chilean Pesos  
 1.00.01.40 Type of Balance : Consolidated

LIABILITIES	NOTE No.	03-31-04	03-31-0
5.21.00.00	TOTAL CURRENT LIABILITIES	41,189,837	48,205,0
5.21.10.10	Short-term oblig. Banks & Fin. Inst.	15,223	9,8
5.21.10.20	Short-term portion - Long-term oblig. Banks & Financial Institutions	19	4,016,775
			4,376,7

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5.21.10.30	Obligations with the public (notes)		0	
5.21.20.40	Short-term portion oblig with public	22	1,123,089	1,323,5
5.21.10.50	Long-term oblig. due within 1 year		134,969	262,5
5.21.10.60	Dividends payable		41,296	78,5
5.21.10.70	Accounts payable		14,366,058	19,127,6
5.21.10.80	Notes payable		2,085,253	4,794,5
5.21.10.90	Sundry creditors		950,881	2,950,1
5.21.20.10	Notes & accts payable related Co.		265,586	210,9
5.21.20.20	Provisions	23	11,649,530	9,657,7
5.21.20.30	Withholdings		1,674,611	1,766,5
5.21.20.40	Income tax		0	
5.21.20.50	Earned income		2,738,293	2,534,1
5.21.20.60	Deferred taxes		0	
5.21.20.70	Other current liabilities	20	2,128,273	1,112,1
5.22.00.00	TOTAL LONG-TERM LIABILITIES		133,220,361	145,022,5
5.22.10.00	Oblig with Banks & Financial Inst.	21	33,924,299	44,457,0
5.22.20.00	Long-term oblig with public (bonds)	22	89,150,346	88,953,0
5.22.30.00	Long-term notes payable		0	127,4
5.22.40.00	Long-term sundry debtors		208,028	1,087,9
5.22.50.00	Long-term notes & accts. payable related companies		0	
5.22.60.00	Long-term provisions	23	6,001,842	6,063,2
5.22.70.00	Long-term deferred taxes	8	3,935,846	4,333,7
5.22.80.00	Other long-term liabilities		0	
5.23.00.00	MINORITY INTEREST	26	38,119,578	37,468,5
5.24.00.00	TOTAL EQUITY		230,441,326	237,086,5
5.24.10.00	Paid-in capital	27	65,396,749	64,749,2
5.24.20.00	Reserve capital revaluation	27	(326,984)	323,7
5.24.30.00	Premium in sale of own shares	27	27,735,005	27,736,3

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5.24.40.00	Other reserves	27	7,084,586	10,040,4
5.24.50.00	Retained earnings (addition of codes 5.24.51.00 to 5.24.56.00)		130,551,970	134,236,7
5.24.51.00	Reserve future dividends		122,544,319	115,487,2
5.24.52.00	Accrued profits		5,441,098	14,428,5
5.24.53.00	Accrued losses (minus)		0	
5.24.54.00	Profit (loss) for the year	27	2,566,553	4,321,0
5.24.55.00	Prov. dividends (minus)	27	0	
5.24.56.00	Accr. deficit dev. period		0	
5.20.00.00	TOTAL LIABILITIES		442,971,102	467,782,7

INCOME STATEMENT

2.02 INCOME STATEMENT

1.00.01.30 Type of Currency: Thousands of Chilean Pesos  
1.00.01.40 Type of Balance: Consolidated

INCOME STATEMENT	NOTE No.	03-31-04	03-31-0
5.31.11.00	OPERATING INCOME	5,325,255	7,435,1
5.31.11.10	Gross Margin	11,221,090	12,818,8
5.31.11.11	Sales	33,605,832	35,372,0
5.31.11.12	Costs (minus)	(22,384,742)	(22,553,2
5.31.11.20	Adm. & sales expenses (minus)	(5,895,835)	(5,383,7
5.31.12.00	NON-OPERATING RESULTS	(1,317,130)	(1,051,7
5.31.12.10	Interest income	567,421	504,3
5.31.12.20	Income investments Rel. Co.	14 523,548	549,1

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5.31.12.30	Other non-operating income	28	419,032	137,5
5.31.12.40	Loss investments Rel. Co. (-)		(2,234,036)	(1,649,8
5.31.12.50	Amortization neg.goodwill (-)		(159,224)	(162,0
5.31.12.60	Interest expenses (minus)		(1,641,425)	(1,713,0
5.31.12.70	Other non-operat expenses (-)	28	(501,109)	(536,1
5.31.12.80	Price level restatement	29	344,520	156,2
5.31.12.90	Exchange differences	30	1,364,143	1,661,9
5.31.10.00	RESULTS BEFORE INCOME TAX AND EXTRAORDINARY ITEMS		4,008,125	6,383,3
5.31.20.00	INCOME TAX	8	(815,387)	(1,521,3
5.31.30.00	EXTRAORDINARY ITEMS		0	
5.31.40.00	PROFIT (LOSS) BEFORE MINORITY INTEREST		3,192,738	4,861,9
5.31.50.00	MINORITY INTEREST	26	(626,185)	(540,9
5.31.00.00	NET INCOME (LOSS)		2,566,553	4,321,0
5.32.00.00	Amortization of positive goodwill		0	
5.30.00.00	INCOME (LOSS) FOR THE YEAR		2,566,553	4,321,0

DIRECT CASH FLOW STATEMENT

2.03 CASH FLOW STATEMENT

1.00.01.30 Type of Currency: Thousands of Chilean Pesos

1.00.01.40 Type of Balance : Consolidated

DIRECT CASH FLOW STATEMENT	NOTE No.	03-31-04	03-31-0
5.41.11.00	NET FLOW FROM OP. ACT.	14,861,608	14,616,3
5.41.11.10	Collection from sales debtors	49,140,874	50,076,0
5.31.11.20	Interests received	2,138,550	1,568,5
5.31.11.30	Dividends & other distributions funds received	1,031,758	54,7

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5.31.11.40	Other income	33	424,490	388,9
5.31.11.50	Payments to suppliers & personnel (-)		(30,828,771)	(31,004,0
5.31.11.60	Interest paid (minus)		(2,101,184)	(1,929,5
5.31.11.70	Income tax paid (minus)		(969,987)	(1,006,3
5.31.11.80	Other expenses (minus)	33	(236,122)	(467,1
5.31.11.90	V.A.T. & other taxes (minus)		(3,738,000)	(3,064,9
5.41.12.00	CASH FLOW FINANCING ACTIVITIES		(1,579,657)	(2,155,7
5.41.12.05	Proceeds from share issue		0	
5.41.12.10	Loans received		0	
5.41.12.15	Obligations with the public		0	
5.41.12.20	Secured loans from related companies		15,537	35,6
5.41.12.25	Other loans from related companies		0	
5.41.12.30	Other financing resources		0	
5.41.12.35	Dividends paid (minus)		(947,653)	(1,346,5
5.41.12.40	Capital distributions (minus)		0	
5.41.12.45	Repayment of loans (minus)		(632,004)	(815,8
5.41.12.50	Payment of obligations with the public (-)		0	
5.41.12.55	Repayment of secured loans from rel Co. (-)		(15,537)	(29,1
5.41.12.60	Repayment other loans from related Co. (-)		0	
5.41.12.65	Share issue payment (minus)		0	
5.41.12.70	Payment of issue publ oblig (minus)		0	
5.41.12.75	Other financing payments (minus)	33	0	
5.41.13.00	CASH FLOW FROM INVESTING ACTIVITIES		(3,783,342)	(4,190,7
5.41.13.05	Sale of fixed assets		8,111	176,1
5.41.13.10	Sale of permanent investments		0	
5.41.13.15	Sale of other investments	33	0	
5.41.13.20	Proceeds secured loans to related Comp.		0	

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5.41.13.25	Proceeds other loans to related companies		28,448	969,2
5.41.13.30	Other investment income	33	0	1,762,1
5.41.13.35	Incorporation of fixed assets (minus)		(3,587,573)	(7,064,5
5.41.13.40	Capitalized interests payment (minus)		0	
5.41.13.45	Permanent Investments (minus)		(240)	
5.41.13.50	Investments in financial instruments (minus)		0	(15,29
5.41.13.55	Other loans to related companies (minus)		0	
5.41.13.60	Other loans to related companies (minus)		(1,737)	(6,6
5.41.13.65	Other distrib of funds on invest activities (-)	33	(230,351)	(11,6
5.41.00.00	TOTAL NET CASH FLOW FOR THE PERIOD		9,498,609	8,269,8
5.42.20.00	EFFECT OF INFLATION ON CASH & CASH EQUIV.		771,498	(385,70
5.41.00.00	NET CHANGE IN & CASH EQUIVALENT		10,270,107	7,884,1
5.42.00.00	CASH & CASH EQUI AT BEGINNING OF PERIOD		75.292.336	93.762.7
5.43.00.00	CASH & CASH EQUIV BALANCE AT END OF PERIOD		85,562,443	101,646,8

INCOME STATEMENT RECONCILIATION

CONCILIATION BETWEEN CASH FLOW GENERATED BY THE OPERATION'S ACTIVITIES AND THE INCOME STATEMENT FOR THE YEAR

1.00.01.30 Type of Currency: Thousands of Chilean Pesos  
 1.00.01.40 Type of Balance: Consolidated

CASH FLOW - INCOME STATEMENT RECONCILIATION		NOTE No.	03-31-04	03-31-0
5.50.10.00	Profit (Loss) for the year		2,566,553	4,321,0
5.50.20.00	Profit (Loss) in sale of assets		49,459	5,6
5.50.20.10	(Profit) Loss in sale of fixed assets		49,459	5,6

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5.50.20.20	Profit in sale of investments (minus)		0	
5.50.20.30	Loss in sale of investments		0	
5.50.20.40	(Profit) Loss in sale of other assets		0	
5.50.30.00	Non-cash losses (gains)		6,343,048	6,013,8
5.50.30.05	Depreciation for the year	12	3,804,993	3,450,6
5.50.30.10	Amortization of intangibles		256,812	296,8
5.50.30.15	Write-offs and provisions		2,200,345	1,857,7
5.50.30.20	Accrued earnings from investments in related companies (minus)		(523,548)	(549,1
5.50.30.25	Accrued losses from investments in related Co.		2,234,036	1,649,8
5.50.30.30	Negative goodwill amortization		159,224	162,0
5.50.30.35	Positive goodwill amortization (minus)		0	
5.50.30.40	Price level restatement	29	(344,519)	(156,2
5.50.30.45	Net exchange difference	30	(1,364,142)	(1,661,9
5.50.30.50	Other non-cash credits to results (minus)		(230,595)	(8,4
5.50.30.55	Other non-cash debits to results		150,442	972,5
5.50.40.00	Changes in Assets affecting cash flow (incr) decreases		(4,935,059)	(9,206,9
5.50.40.10	Debtors from sales		2,491,768	1,789,2
5.50.40.20	Inventory		(7,249,279)	(9,041,6
5.50.40.30	Other assets		(177,548)	(1,954,5
5.50.50.00	Changes in liabilities affecting cash flow increases (decr)		10,211,422	12,941,8
5.50.50.10	Accounts payable related to results for the year		11,239,505	13,270,3
5.50.50.20	Interests payable		(570,488)	(336,1
5.50.50.30	Income tax payable (net)		99,559	572,8
5.50.50.40	Other accounts payable related to non-oper results		535,688	16,8
5.50.50.50	VAT and other taxes payable (net)		(1,092,842)	(582,0
5.50.60.00	Profit (Loss) of minority interest	26	626,185	540,9
5.50.00.00	NET OPERATING CASH FLOW		14,861,608	14,616,3

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### 01. Registration in the Securities Register

#### IDENTIFICATION OF THE COMPANY AND REGISTRATION IN THE SECURITIES REGISTER

The company is registered in the Securities Register under No. 061 and it is supervised by the Securities and Insurance Commission.

The subsidiary S.A. Vina Santa Rita is registered in the Securities Register under number 390 of the S.V.S. (Securities and Insurance Commission).

### 02. Applied Accounting Criteria

#### APPLIED ACCOUNTING CRITERIA

##### a) Accounting Period

These financial statements correspond to the period between January 1 and March 31 of 2004 and 2003.

##### b) Preparation basis of financial statements:

These consolidated financial statements as of March 31, 2004 and 2003 have been prepared on the basis of generally accepted accounting principles and specific norms issued by the S.V.S.; the former prevailing in case of discrepancies.

##### c) Presentation Basis

For comparison purposes, the financial statements and figures included in the disclosures for the 2003 fiscal year are presented at its nominal value since the CPI variation for the period is equal to zero (0%).

##### d) Consolidation Basis

The consolidated financial statements include the balances of the following subsidiaries: Cristalchile Comunicaciones S.A., Cristalchile Inversiones S.A., Ciecsa S.A. consolidated, S.A. Vina Santa Rita consolidated, and Constructora Apoger S.A. consolidated.

The company Ciecsa consolidated includes the balances of its subsidiary Red Televisiva Megavisión S.A. in which it has a 99.99% stake of its net worth and Simetral S.A. which it has a 81.5% stake of its net worth.

S.A. Vina Santa Rita consolidated includes the balances of its subsidiaries Vina Carmen S.A., with a 99.9% stake in its net worth, and Vina Centenaria S.A., with 99.9% stake, Vina Dona Paula S.A. with a 100% stake and Sur Andino S.A., with 100% stake in 2004 and 2003.



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Constructora Apoger S.A. includes the balances of its subsidiary Inmobiliaria Monte Azul S.A., in which it has a 99% stake.

Intercompany balances, transactions, debits, and refunds were eliminated in the consolidation and has being acknowledged the shareholding of the investments minorities shown in the balance as a minority interest.

The subsidiary companies included in the consolidation are presented on an attached chart.

### e) Adjustment for Currency Devaluation (Price Level Restatement)

Consolidated financial statements have been restated considering the variation in the purchasing power of the currency which occurred in the first quarter of 2004, which was -0.5% (0.5% in 2003).

### f) Conversion Basis

Balances in foreign currency and indexed currency units have been converted to pesos at the indicated parities:

	2004 Ch\$	2003 Ch\$
U.S. Dollar	616.41	731.56
Pound Sterling	1,136.24	1,156.25
Swiss Franc	486.59	540.65
EURO	758.38	797.34
Unidad de Fomento	16,820.82	16,783.60

### g) Marketable Securities and Time Deposits

Transactions in short-term fixed income instruments (PRC) are shown at the return value of the investment, which does not exceed the market value as of March 31, 2004 and 2003.

Investments in stock are shown at the lowest value between the corrected cost and market value.

Time deposits are shown at the value of the investment, plus adjustments and interest accrued as of the date of the fiscal year.

Investments carried out by the parent company in Celulosa Arauco bonds are registered at the par value, without adjusting to the market value because there is the intention of keeping them until their long term due date.

### h) Inventory

Inventory of finished products has been valued as of March 31, 2004 and 2003 at the direct production cost, duly updated, and raw materials and materials at the cost of the last purchase or its corrected cost. Those valuations do not exceed the net liquidation value.

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Inventory of foreign television programs to be exhibited are valued at the purchase cost at the exchange rate in effect at the closing of the fiscal year. Local programs are valued according to the terms of the respective contracts.

Inventory at the closing of each fiscal year represents the value of the films and videos contracted and the proportion of repeats that are pending exhibition. The actual cost of the programs is charged to results as they are shown.

### i) Bad Debts (Non-collectable)

The parent company and subsidiaries have made provision for bad debts that is deducted from debtors for sales and documents receivable. The criterion adopted to estimate them is the age of the balances.

### j) Fixed Assets

The property in fixed assets is shown at the purchase cost plus legal and regulatory revaluations accumulated until March 31, 2004 and 2003.

### k) Depreciation of Fixed Assets

Depreciation of these goods is calculated on updated values, according to the straight-line depreciation system, considering the estimated useful life of the goods.

### l) Assets in Leasing

None.

### m) Sales Transactions with Leaseback

None.

### n) Intangibles

The corrected purchase value of trademarks of the subsidiary Vina Santa Rita, that includes inscription costs is presented as intangibles. The subsidiary CIECSA consolidated includes TV channel 9 frequency, for which the amortization period is 40 years, and the amortization method is that of "Increasing Digits".

### o) Investments in Related Companies

Investments in stocks and rights in related companies have been valued according to the percentage of the holding that corresponds to the Company in the equity of its affiliates and subsidiaries (V.P.P.), according to procedures established for these purposes by circular 368 of the Securities and Insurance Commission. Investments abroad have been valued according to the provisions of Technical Bulletin No. 64 of the Accountants Association.

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### p) Goodwill Amortization

Goodwill amortization resulted from comparing the price paid for the investment with the proportional equity value (VPP) that corresponds to the investment in the company's equity.

Amortizations of these values are carried out in a period of twenty years.

As of March 31, 2004 and 2003 there is no positive goodwill.

### q) Operations with repurchase and resale agreement

Financial instruments acquired with a resale agreement are shown at their purchase value plus interest and adjustments accrued at the closing of the fiscal year, and they are classified in Other Current Assets, in the terms established in Circular No. 768 of the Securities and Insurance Commission.

### r) Obligations with public

Obligations for bonds issued are shown at their face value plus adjustments and interest accrued at the closing of each fiscal year. The negative goodwill obtained compared to par value is amortized proportionally to payment or redemption of the capital installments of those bonds and the expenses for the placement of long-term bonds.

### s) Deferred Taxes and Income Tax

The parent company and its subsidiaries has complied with deferred taxes, in accounting terms, as established in Technical Bulletin No. 60 and 71 of The Accountants Association and the norms indicated in circular 1466 of the S.V.S.

Income tax is recorded in the accounting on the basis of the calculation of net taxable income determined according to norms established in the Income Tax Law.

### t) Severance payment

The parent company has established a reserve for all of the personnel's severance payment, according to the union contracts signed with their workers. This reserve is shown at the present value of the obligation.

### u) Sales

The consolidated companies recognize operating income on an accrued basis according to generally accepted accounting principles in Chile.

### v) Derivative Contracts

The parent company and its subsidiaries Ciecsa S.A. and S.A. Vina Santa Rita maintain Future contracts in foreign currency recorded as established in Technical Bulletin 57 of the Accountants Association of Chile.

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w) Computer Software

The parent company and S.A. Vina Santa Rita develop computer software with their own resources and they also acquire computer packages from third parties. Disbursements due to their own development are charged to results as they are generated. Computer packages are recorded in Fixed Assets and amortized in 36 months by the parent company and in 48 months by the subsidiary S.A. Vina Santa Rita.

x) Research and development expenses

The companies register any expenses for this item directly to results as they generate.

y) Cash flow statement:

According to current regulations of the Securities and Insurance Commission and the Accountants Association of Chile, in preparing the cash flow statement, the Company has considered time deposits and deposits with maturities under 90 days as cash.

Such cash flows related to the Company's line of business, interest paid, interest income received, dividends received, and all such that is not defined as investment or Financing is included under the heading "Flow Originating in Activities of the Operation."

Disbursements originating in time deposits and deposits with maturities over 90 days have been classified in the item "Investments in Financial Instruments."

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 CRISTALERIAS DE CHILE S.A.  
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NOTE 2 - ACCOUNTING CRITERIA USED - COMPANIES INCLUDED IN THE CONSOLIDATED REPORT

R.U.T.	Company Name	Percentage of Shareholding			
		03.31.2004		03.31.2000	
		Direct	Indirect	Total	Total
96.721.580-5	Cristalchile Comunicaciones S.A.	99.9980	0.0000	99.9980	99.9980
96.767.580-6	Constructora Apoger S.A.	80.0000	0.0000	80.0000	80.0000
96.608.270-4	Ciecsa S.A.	98.4458	0.0000	98.4458	98.2737

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86.547.900-K	S.A. Vina Santa Rita	54.0970	0.0000	54.0970	54.0970
96.972.440-5	Cristalchile Inversiones S.A.	99.9900	0.0100	100.0000	100.0000

03. Accounting Changes

As of March 31, 2004 and 2003, there have not been any changes in the accounting criteria applied that affect the consolidated financial statements.

04. Marketable Securities

As of March 31, 2004, this item includes the following investments:

- a) Investments in bonds and Fixed Fate Instruments are included in the amount of Th Ch\$ 49,706,788 which are equivalent to US\$ 49,982,182 and 24,917,945 euros; which mainly correspond to state bonds and bonds of financial institutions in USA, Germany and Holland, Collateralized Bonds of Private Companies in USA (with accounts receivable guarantee) and USA Mortgage Bonds with state guarantee.
- b) Th Ch\$ 7,941,651 shares in investment funds in U.S dollars.
- c) Th Ch\$ 4,133,177 in shares.

At March 31, 2004, this item is composed by the following investments:

- a) Investments in bonds, Fixed Fate Instruments are included in the amount of Th Ch\$ 55,388,004; which mainly corresponds of Treasury Bills bonds, financial institutions in USA, Germany and Holland, Collateralized Bonds of Private Companies in USA (with receivable accounts guarantee) and USA Mortgage Bonds with state guarantee.
- b) Th Ch\$ 9,301,239 shares in investment funds in U.S dollars.
- c) Th Ch\$ 3,830,015 in shares.

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CRISTALERIAS DE CHILE S.A.  
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NOTE 4 -MARKETABLE SECURITIES- BALANCE COMPOSITION

Type of Security	Book Value	
	03-31-2004	03-31-2003
Shares	4,133,777	3,830,015
Bonds	49,706,788	55,388,004
Shares in mutual funds	0	0

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Shares in investment funds	7,941,651	9,301,239
Public tender notes	0	0
Mortgage bonds	0	0
Total Marketable Securities	61,782,216	68,519,258

CRISTALERIAS DE CHILE S.A.

NOTE 4 - MARKETABLE SECURITIES - SHARES

R.U.T.	Company Name	Number of Shares	Participation Percentage	Unit Market Value	In
96.512.200-1	Bodegas y Vinedos Santa Emiliana S.A.	63,642,856	9.9980	90	5
Value Investment Portfolio					5
Adjustment Provision					
Book value, Investment Portfolio					

CRISTALERIAS DE CHILE S.A.

NOTE 4 - MARKETABLE SECURITIES - FIXED RATE INSTRUMENTS

Type of Security	Par Value	Book Value	
		Amount	Rate % (3)
Financial Institutions bonds (USA, Germany and Holland)	21,676,997	21,676,997	0.56
US treasury bonds	16,721,713	16,721,713	1.44
Mortgage bonds USA (with state guarantee)	6,115,179	6,115,179	1.44

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Call Deposit	5,218,451	5,218,451	0.56
BBH U.S. Money Market Portfolio	7,916,099	7,916,099	0.00
TOTAL			-
	57,648,439	57,648,439	

Note:

- (1) The investments has been made in U.S. Dollar (67.2%) and EUROS (32.8%) these are in custody abroad.
- (2) These investments can be recovered with 48 hrs. previous notice.
- (3) Period from 01-01-2004 to 03-31-2004.

05. Short-Term and Long-Term Debtors

Balances for ST and LT debtors are presented in the annexed chart.

As of March 31, 2004 and 2003, there are balances for short-term debtors in the amount of Th \$36,323,610 (Th \$ 38,204,763 in 2003).

The bad debt reserve of Th \$ 439,117 in 2004 (Th \$ 649,839 in 2003) is shown deducting the balances of Debtors from Sales and Documents receivable.

The balances of Short-term Debtors are shown net of Customer Advance Payments.

Also, there is a balance of Th \$ 206,230 in Long Term Debtors in 2004 (Th \$ 184,616 in 2003).

CRISTALERIAS DE CHILE S.A.

NOTE 5 -SHORT AND LONG TERM DEBTORS

Item	Current Assets Over 90 days				Subtotal	Total Curre
	Up to 90 days		up to 1 year			
	03-31-2004	03-31-2003	03-31-2004	03-31-2003		03-31-2004
Debts from Sales	30,264,538	31,875,185	2,303,822	1,644,088	32,568,360	32,129,243
Estimate of bad debtors	-	-	-	-	439,117	-
Documents receivable	2,572,500	3,958,138	123,504	73,013	2,696,004	2,452,089
Estimate of bad debtors	-	-	-	-	243,915	-

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Misc. Debtors	1,709,985	1,255,253	32,293	48,925	1,742,278	1,742,278
Estimate of bad debtors	-	-	-	-	-	-
						Total Long T

06. Balances and Transactions with related entities

Balances receivable in the Short-Term as of March 31, 2004 that total Th Ch\$ 446,450 (Th Ch\$ 341,341 in 2003) correspond mainly to a loan granted by the subsidiary Ciecsa to Editorial Zig Zag for Th Ch\$ 105,098 (Th Ch\$ 161,146 in 2003) including interests, with maturity on 06-30-2004 at an annual interest rate of 1% and advertising sold by Red Televisiva Megavisión S.A. to Metropolis Intercom for Th Ch\$ 76,874 (Th Ch\$ 88,565 in 2003). The balance corresponds to invoicing receivable for Th Ch\$ 369,576 (Th Ch\$ 91,630 in 2003).

Balances payable in the short term totaling Th Ch\$ 265,586 at March 31, 2004 (Th Ch\$ 210,952 in 2003) and mainly corresponds to commercial transactions under 90 days.

In 2004 there is a long-term receivable corresponding to invoices totaling Ch Th\$ 4,257 (Ch Th\$ 1,504 in 2003).

CRISTALERIAS DE CHILE S.A.

NOTE 6 - BALANCE AND TRANSACTIONS WITH RELATED COMPANIES

DOCUMENTS AND ACCOUNTS RECEIVABLE

R.U.T.	Company	Short Term		Long Term	
		03-31-2004	03-31-2003	03-31-2004	03-31-2003
89.150.900-6	Vina Los Vascos S.A.	169,953	78,594	0	
0-E	Rayen Cura SAIC	69,860	0	0	
83.032.100-4	Serv. Y Consultorias Hendaya S.A.	249	253	0	
90.684.000-6	Editorial Zig-Zag S.A.	105,098	161,146	0	
86.881.400-4	Envases CMF S.A.	16,047	5,085	0	
90.320.000-6	Cia. Electro Metalurgica S.A.	130	108	0	



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96.539.380-3	Ediciones Financieras S.A.	6,654	2,751	0	
79.753.810-8	Claro y Cia.	129	125	0	
96.787.775-1	Metropolis Intercom S.A.	76,874	78,646	0	
90.160.000-7	Sudamericana de Vapores S.A.	1,456	591	0	
96793770-3	Ediciones Chiloe S.A.	0	0	4,257	1,
86963200-7	Forus S.A.	0	14,042	0	
	Total	446,450	341,341	4,257	1,

CRISTALERIAS DE CHILE S.A.

NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES

DOCUMENTS AND ACCOUNTS PAYABLE

R.U.T.	Company	Short Term		Long Term	
		03-31-04	03-31-2003	03-31-04	03-31-2003
90.320.000-6	Cia. Electro Metalurgica S.A.	3,185	11,599	0	
83.032.100-4	Serv. Y Consultorias Hendaya S.A.	26,386	0	0	
89.150.900-6	Vina Los Vascos S.A.	13,204	1,109	0	
79.753.810-8	Claro y Cia.	6,349	27,639	0	
96.539.380-3	Ediciones Financieras S.A.	5,399	11,281	0	
86.881.400-4	Envases CMF S.A.	175,752	134,718	0	
90.160.000-7	Cia. Sudamericana de Vapores S.A.	21,926	12,500	0	
77.658.870-9	Marketing Meter Ltda.	9,358	391	0	
0-E	Rayen Cura S.A.I.C.	1,165	11,715	0	
92.048.000-4	Sudamericana Agencias Maritimas S.A.	2,862	0	0	
	Total	265,586	210,952	0	

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CRISTALERIAS DE CHILE S.A. NOTE 6 - BALANCES AND TRANSACTIONS WITH RELATED COMPANIES

TRANSACTIONS

Company	R.U.T.	Relationship	Description of Transaction
Serv. Y Consultorias Hendaya S.A.	83.032.100-4	Majority shareholder	Services received
		-	Dividends paid
		-	Services supplied
		-	Products sold
Claro y Cia.	79.753.810-8	With the Chairman	Advice received
		-	Products sold
Quemchi S.A.	96.640.360-8	Same Parent	Services rendered
Rayen Cura S.A.I.C.	0-E	Indirect affiliate	Direct sales
Navarino S.A.	96.566.900-0	Same Parent	Services supplied
Ediciones Financieras S.A.	96.793.77-3	Indirect affiliate	Products sold
		-	Services purchased
		-	Services received
Soc Agric. Cullipeumo Ltda.	77489-K	Indirect	Raw Material Purchased
Metropolis Intercom S.A.	96.787.750-6	Indirect affiliate	Product sold
			Advertising hired
Envases CMF S.A.	86.881.400-4	Indirect affiliate	Materials purchased
		-	Products sold
		-	Other sales
Forus S.A.	86.963.200-7	Affiliate	Advertising hired
Inversiones Bayona S.A.	86.755.600-1	Majority shareholder	Dividends paid
Vina Los Vascos S.A.	89.150.900-6	Indirect affiliate	Direct sales
		-	Materials purchased
Cia. Sud-Americana de Vapores S.A.	90.160.000-7	Same Parent	Freight services received
		-	Other sales
		-	Product sold

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Cia. Electro Metalurgica S.A. 90.320.000-6 Majority shareholder Dividends paid

		-	Materials purchased
		-	Other sales
Sudamericana Agencias Maritimas S.A.	92.048.000-4	Indirect affiliate	Freight services received
		-	Containers rented
Empresa Editora Zig-Zag	90.684.000-6	Indirect affiliate	Services purchased

TRANSACTIONS Company	03-31-2004		03-31-2003	
	Amount	Effect on Result	Amount	Effect on Result
Serv. Y Consultorias Hundaya S.A.	346,258	-346,258	320,898	-320,898
	85,190	0	119,267	0
	4,615	4,615	5,034	5,034
	67	21	0	0
Claro y Cia.	20,560	-20,560	15,474	-15,474
	96	30	108	36
Quemchi S.A.	2,545	2,545	3,135	3,135
Rayen Cura S.A.I.C.	32,033	9,241	37,895	0
Navarino S.A.	2,531	2,531	2,506	2,506
Ediciones Financieras S.A.	0	0	2,379	788
	68	-68	64	-64
	4,657	-4,657	10,297	-10,297
Soc Agric. Cullipeumo Ltda.	9,728	0	0	0
Metropolis Intercom S.A.	0	0	3,518	1,166
	79,834	-79,924	67,950	58,722
Envases CMF S.A.	169,248	0	115,018	0
	0	0	92	30

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	1,313	0	146	0
Forus S.A.	7,632	3,816	11,900	11,900
Inversiones Bayona S.A.	88,688	0	124,163	0
Vina Los Vascos S.A.	204,434	48,994	141,924	40,130
	18,179	0	7,531	0
Cia. Sud-Americana de Vapores S.A.	13,458	-10,684	125,723	-12,223
	0	0	659	0
	5,879	5,523	903	299
Cia. Electro Metalurgica S.A.	326,700	0	457,380	0
	2,676	0	1,800	0
	812	226	92	0
Sudamericana Agencias Maritimas S.A.	33,429	-33,429	0	0
	1,582	0	0	0
Empresa Editora Zig-Zag	107	-107	0	0

07. Inventory

An itemized list of inventory, valued according to note 2 h), is presented on an attached chart.

CRISTALERIAS DE CHILE S.A.  
NOTE 7 - INVENTORY (Consolidated)

	2004 Th Ch\$	2003 Th Ch\$
Finished Products		
* Cristalerias de Chile S.A.	3,578,344	2,350,612
* S.A. Vina Santa Rita	9,081,250	7,854,776
Subtotal Finished Products	12,659,594	10,205,388
Raw Materials and Fuel		
* Cristalerias de Chile S.A.	1,018,554	1,611,679

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* S.A. Vina Santa Rita	21,079,905	21,876,798
Subtotal Raw Materials and Fuel	22,098,459	23,488,477

Supply Materials and Parts		
* Cristalerias de Chile S.A.	952,789	1,049,208
* S.A. Vina Santa Rita	1,037,395	1,881,918
Subtotal Supply Materials and Parts	1,990,184	2,931,126

Materials in Transit	448,866	627,189
----------------------	---------	---------

Red Televisiva Megavision S.A. (CIECSA S.A.)

* Foreign, taped, for broadcast	1,232,555	3,230,256
* Domestic programming, to be broadcast	558,230	636,964

Subtotal Red Televisiva Megavision S.A.	1,790,785	3,867,220
---	-----------	-----------

Total	38.987.888	41.119.400
-------	------------	------------

08. Deferred taxes and income taxes

A) DEFERRED TAXES.

Accumulated balances of deferred taxes for temporary differences, and their composition in the income tax account for effects of fiscal year results and recognition of deferred taxes, are presented on the attached charts.

Amortization periods of deferred taxes have been estimated on average at 1 year for Short-Term Assets, 4 years for Long-Term Assets, and 14 years for Long-term Liabilities.

B) INCOME TAX

The parent company and its subsidiary S.A. Vina Santa Rita, made tax provisions of 17% of taxable income in 2004 (16.5% in 2003) subject to the First Category and 35% for the Single Income Tax under Art. 21, for the 2004 and 2003 fiscal years.

The other consolidated subsidiaries maintain negative taxable incomes and therefore have not provisioned for this concept.

Credits against taxes are shown deducting the payable obligation.

The itemized list is the following:

	2004	2003
	Th Ch\$	Th Ch\$

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Fiscal year income tax reserve	(1,002,751)	(1,115,303)
Single tax reserve	(3,023)	(2,646)
	-----	-----
SUB TOTAL	(1,005,774)	(1,117,949)
Credits:		
Monthly reserve payments	1,029,319	967,800
Training expenditures	2,255	13,191
Fixed Assets credit	1,397	13,167
Donations	1,113	45,940
	-----	-----
CREDIT SUB TOTAL	1,061,217	1,040,098
Income Tax	55,443	(77,851)
Income Tax to be Recovered	0	0
Other Taxes to be recovered:		
VAT Fiscal Credit	729,854	593,618
Income tax credit, previous year	3,693,603	613,563
TOTAL TAXES TO BE RECOVERED	-----	-----
	4,451,767	1,129,330

C) TAXABLE PROFIT FUND

The parent company registered the following balance of profits to be distributed:

	2004 Th Ch\$	2003 Th Ch\$
Generated as of 12.31.1983:		
Profits adjustment	1,909,034	1,909,034
Generated since 01.01.1984:		
Without Credit	1,927,678	1,072,115
With 10% First Category Credit	22,604	22,694
With 15% First category Credit	85,494,024	92,502,240
With 15% Additional rate Credit	722	722
With 16% First Category Credit	14,420,569	16,906,651
With 16.5% First Category Credit	7,535,097	0
With 17% First Category Credit	4,612,724	0
	-----	-----
SUB-TOTAL TAX PROFITS	114,013,418	116,454,445
Non-income revenues	6,798,030	6,825,087
	-----	-----
TOTAL RETAINED EARNINGS	120,811,448	128,279,532

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CRISTALERIAS DE CHILE S.A.

NOTE 8 - DEFERRED TAXES AND INCOME TAX

DEFERRED TAXES	03-31-2004				
	Item	Asset Deferred Tax		Liability Deferred Tax	
		Short term	Long Term	Short Term	Long Term
Temporary Differences					
Reserve non-collectable accounts	116,115	0	0	0	
Prepaid Income	465,510	0	0	0	
Vacation provision	128,915	0	0	0	
Intangible Amortization	0	0	0	0	
Leased assets	0	0	0	0	
Manufacturing expenses	0	0	0	0	
Depreciations fixed assets	0	0	0	8,514,349	
Severance payments	1,510	143,689	0	0	
Other events	0	0	0	0	
Packaging reserve	174,115	0	0	0	
Furnace repair provision	0	646,311	0	0	
Stock obsolescence provision	35,900	0	0	0	
Spare parts obsolescence provision	100,106	0	0	0	
Lower value sale of bonds	91,812	0	0	0	
Non realized profits	145,232	7,993	0	0	
Other provisions	0	0	0	0	
Direct labor	11,337	0	0	0	
Depreciation accumulated automobile	0	18,596	0	0	
Tax losses	0	4,598,484	0	0	
Lower bonds placement	0	0	53,428	749,877	
Prepaid expenses	0	0	51,054	0	
Banking reserve	0	0	0	34,869	
Fixed assets, molds	0	0	0	248,990	
Commercial brands	1,264	0	0	0	

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Amortization commercial brands	0	0	0	0
Expenses assetted	0	0	215,807	0
Deferred customs duties	116,369	20,334	0	75,915
Valuation provision Machinery repair provision	6,967	0	0	0
Other expenses provision	95,001	0	0	0
Others				
Supplementary accounts-net of amort.	5,005	3,353,293	0	3,606,040
Valuation provision	0	0	0	0
Total	1,485,148	2,082,114	320,289	6,017,960

DEFERRED TAXES

03-31-2003

Item	Asset Deferred Tax		Liability Deferred Tax	
	Short term	Long Term	Short Term	Long Term
Temporary Differences				
Reserve non-collectable accounts	109,758	0	0	0
Prepaid Income	430,798	0	0	0
Vacation provision	116,444	0	0	0
Intangible Amortization	0	0	0	0
Leased assets	0	0	0	0
Manufacturing expenses	0	0	0	0
Depreciations fixed assets	0	14,781	0	8,206,606
Severance payments	2,131	148,063	0	0
Other events	0	0	0	0
Packaging reserve	172,496	0	0	0
Furnace repair provision	193,105	354,571	0	0
Stock obsolescence provision	35,356	0	0	0
Spare parts obsolescence provision	97,193	0	0	0
Lower value sale of bonds	0	0	0	0
Non realized profits	124,257	61,912	0	0
Other provisions	63,435	0	14,644	0



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Direct labor	21,502	0	0	0
Depreciation accumulated automobile	0	0	0	0
Tax losses	0	4,639,753	0	0
Lower bonds placement	67,740	0	53,357	810,398
Prepaid expenses	0	0	25,705	0
Banking reserve	0	0		0
Fixed assets, molds	0	0	0	0
Commercial brands	33,175	0	0	
Amortization commercial brands		0	0	0
Expenses assetted		0	240,003	0
Deferred customs duties	2,305	592	0	83,578
Valuation provision Machinery repair provision	0	0	0	0
Other expenses provision	0	0	0	0
Others				
Supplementary accounts-net of amort.	198,083	3,950,255	0	3,821,025
Valuation provision	0	0	0	0
Total	1,271,582	1,269,417	333,709	5,603,178

CRISTALERIAS DE CHILE S.A.

NOTE 8 - DEFERRED TAXES AND INCOME TAX

INCOME TAX	03/31/
	Th C
Current tax expense (tax provision)	-1,0
Adjustment tax expense (previous year)	
Effects from assets or liabilities, deferred year's tax	3
Tax benefit from tax losses	
Effect of amortiz. of supplementary accounts for deferred assets and liabilities	-1
Effect on assets or liabilities from deferred tax from changes in assessment provision	
Other charges or credits to the account	

Total

-8

09. Short and Long-term Leasing Contracts and Assets for Leasing

As of March 31, 2004 balances for this concept are not included.

10. Other current assets

As of March 31, 2004, investments under this item are included in

- A) Financial instruments with resale agreements for Th Ch\$ 18,045,225 valued according to note 2 q),
- B) Deferred expenses for bonds placement for Th Ch\$ 360,720,
- C) Th Ch\$ 15,014 for cash reserve

As of March 31, 2003, there were investments in:

- a) Financial instruments with resale agreements for Th Ch\$ 16,447,554 valued according to note 2 q),
- b) Deferred expenses for bonds placement for Th Ch\$ 362,238,
- c) Th Ch\$ 28,452 for cash reserve and
- d) Balance in favor for Th Ch\$ 86,144 for Future Contracts in foreign currency.

- 11. Information on operations involving purchase agreements, sales agreements, sale with repurchase agreement, and purchase with resale agreement of titles or movable securities

Information about these transactions is presented in attached charts.

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NOTE 11 - INFORMATION ON PURCHASE COMMITMENT, SALE COMMITMENT,  
 SALE WITH REPURCHASE AGREEMENTS AND PURCHASE WITH RESALE AGREEMENTS  
 OPERATIONS OF TITLES AND REAL ESTATE SECURITIES  
 PURCHASE (CV) AND SALE (CV) COMMITMENT OPERATIONS

Code	Dates		Counterpart	Original Currency	Price Set	Rate	Final Value	Inst
	Start	End						
CRV	03.28.2004	04.06.2004	B.C.I. C.B.	Pesos	1,825,000	0.16	1,825,584	BCP
CRV	03.22.2004	04.02.2004	Banco de Chile	Pesos	600,000	0.16	600,352	
CRV	03.28.2004	04.08.2004	Banco de Chile	Pesos	950,000	0.18	950,456	
CRV	03.22.2004	04.02.2004	Banco de Chile	Pesos	80,000	0.16	80,047	
CRV	03.28.2004	04.08.2004	Banco de Chile	Pesos	450,000	0.18	450,216	
CRV	03.28.2004	04.08.2004	Banco de Chile	Pesos	80,000	0.18	80,038	
CRV	03.28.2004	04.08.2004	Banco de Chile	Pesos	45,000	0.18	45,022	
CRV	03.28.2004	04.02.2004	Banchile	Pesos	1,460,000	0.18	1,460,350	
CRV	02.05.2004	04.05.2004	Banco Santander	Pesos	280,000	0.18	281,008	
CRV	02.18.2004	04.26.2004	Banco Santander	Pesos	280,000	0.18	281,142	
CRV	02.25.2004	04.05.2004	Banco Santander	Pesos	250,000	0.17	250,567	
CRV	02.25.2004	04.23.2004	Banco Santander	Pesos	250,000	0.18	250,870	
CRV	02.27.2004	07.19.2004	Banco Santander	Pesos	200,000	0.18	201,716	
CRV	03.08.2004	05.05.2004	Banco Santander	Pesos	280,000	0.17	280,920	
CRV	03.08.2004	05.25.2004	Banco Santander	Pesos	200,000	0.17	200,884	
CRV	03.19.2004	04.20.2004	Banco Santander	Pesos	250,000	0.16	250,427	
CRV	03.31.2004	04.07.2004	Banco Santander	Dollars	2,781,443	1.65	2,725,913	PR
CRV	03.26.2004	04.01.2004	Santander Investment	Pesos	3,500,000	0.11	3,500,770	PD
CRV	03.30.2004	04.05.2004	Santander Investment	Pesos	2,120,000	0.15	2,120,636	PR
CRV	03.18.2004	04.08.2004	Santander Agente de Valores	Pesos	800,000	0.18	801,008	
CRV	03.05.2004	04.02.2004	BankBoston N.A.	Pesos	366,945	0.14	367,424	
CRV	03.28.2004	04.07.2004	Banco Bilbao Vizcaya Argentaria	Dollars	604,514	1.40	598,697	

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CRV	03.31.2004	04.07.2004	Banco BBVA	Dollars	137,106	1.40	135,647
CRV	03.31.2004	04.07.2004	Banco BBVA	Dollars	259,879	1.40	257,113

12. Fixed Assets

Fixed Assets:

CRISTALERIAS DE CHILE S.A.

The Fixed Assets are revalued according to note 2 j) and the main goods under this item as of March 31, 2004 and 2003 are the ones detailed in the annexed chart.

The items that make up the Company's fixed assets as of March 31, 2004 and 2003 include mainly Land, Industrial Constructions, Infrastructure Works, Machinery, and Equipment distributed between the Padre Hurtado and other minor.

S.A.Vina Santa Rita

The increase in lands corresponds to the operation of exchange conducted between Vina Santa Rita S.A. and Empresa ded Transporte y Excavaciones Ltda. (TRANSEX LTDA.)

TRANSEX LTDA. granted Vina Santa Rita two pieces of land that totalize 27,242.67 m2, and Vina Santa Rita S.A. granted TRANSEX LTDA. a piece of land of 30,983.35 m2, both located in Buin. Both parts agreed the price of exchange for the sum of Ch\$ 269,000.

Technical Reappraisal and Adjustment of Accounting Values

The parent company carried out a technical reappraisal of its fixed assets in 1979. In June 1986 it also adjusted the assets. Both operations were carried out according to the provisions established in Circular Letters No. 1529 and No. 550 respectively of the Securities and Insurance Commission.

The effects of these operations, including write-offs of property, are shown on the attached chart.

Depreciations

The charge against results for this item is Th Ch\$ 3,611,972 in 2004 and Th Ch\$ 3,450,711 in 2003.

The detail is shown on an attached chart.

CRISTALERIAS DE CHILE S.A. AND SUBSIDIARIES

NOTE 12 - FIXED ASSETS

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	2004 Th Ch\$	2003 Th Ch\$
Land		
Land and Mining Properties	13,267,675	12,995,463
Subtotal Lands	13,267,675	12,995,463
Buildings and Infrastructure Projects		
Hi rises and industrial buildings	30,351,913	29,971,138
Installations	31,459,955	30,648,388
Residences	26,081	26,083
Subtotal	61,837,949	60,645,609
Depreciations		
Accumulated	(21,703,441)	(18,736,333)
Fiscal year	(751,977)	(742,349)
Subtotal Depreciations	(22,455,418)	(19,478,682)
Subtotal Constructions and Projects	39,382,531	41,166,927
Machinery and Equipment		
Machinery	94,429,339	83,977,342
Furnaces	46,032,554	35,912,456
Furniture and Furnishings	2,632,148	2,454,254
Tools	685,673	624,165
Rolling Stock	904,504	825,224
Subtotal	144,684,218	123,793,441
Depreciations		
Accumulated	(73,429,332)	(62,792,548)
Fiscal year	(3,001,256)	(2,656,474)
Subtotal Depreciations	(76,430,588)	(65,449,022)
Subtotal Machinery and Equipment	68,253,630	58,344,419
Other Fixed Assets		
Spare parts	5,608,473	5,394,574
Imports in transit	155,403	785,913

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Work in progress	3,387,817	8,205,218
Lots in Pirque and Leyda	447,233	472,652
Deferred Customs Duties	162,282	383,750
Packages and Bundling	302,092	234,545
Other	2,104,856	1,978,851
Subtotal Other Fixed Assets	12,168,156	17,455,503
Subtotal Fixed Assets	231,957,998	214,890,016
Subtotal Accumulated Depreciation	(95,132,773)	(81,528,881)
Subtotal Depreciation of the Period	(3,753,233)	(3,398,823)
Net Total	133,071,992	129,962,312

TECHNICAL REVALUATION AND ADJUSTMENT TO ACCOUNTING VALUES

	2004 Th Ch\$	2003 Th Ch\$
Land		
Land	311,360	311,374
Subtotal net land and mining properties	311,360	311,374
Buildings and Infrastructure Projects		
High rises and industrial buildings	6,221,315	6,221,626
Installations	41,118	41,120
Subtotal Buildings	6,262,433	2,262,746
Depreciation:		
Accumulated	(5,035,336)	(4,828,036)
Fiscal year	(51,885)	(51,889)
Subtotal depreciation	(5,087,221)	(4,879,925)
Subtotal Net Buildings	1,175,212	1,382,821
Machinery and Equipment		
Furnaces	0	526,694
Machinery	0	574,817

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Subtotal Machinery and Equipment	0	1,101,511
-----	-----	-----
Depreciation Accumulated	0	(1,101,511)
-----	-----	-----
Subtotal depreciation	0	(1,101,511)
-----	-----	-----
Subtotal Machinery and Equipment	0	0
-----	-----	-----
Subtotal Net Technical Revaluation	1,486,572	1,694,195
-----	-----	-----
TOTAL REVALUED ASSETS	6,573,793	7,675,631
-----	-----	-----
TOTAL ACCUMULATED DEPRECIATION	(5,035,336)	(5,929,547)
-----	-----	-----
TOTAL DEPRECIATION OF THE PERIOD	(51,885)	(51,889)
-----	-----	-----
NET TOTAL	1,486,572	1,694,195
-----	-----	-----

13. Sales transactions with leaseback

These type of transactions were not carried out as of March 31, 2004 and 2003.

14. Investments in related companies

Investments outstanding as of March 31, 2004 and 2003 are detailed as follows:

METROPOLIS INTERCOM S.A.

On April 30, 2003 the shareholders of Metropolis -Intercom S.A. decided to increase the capital of the company by means of the issue of 3,923,834 shares with a price of Ch\$ 1,256.67 each, which represented Th Ch\$ 4,931,000. This increase was subscribed 50% by Cristalchile Comunicaciones S.A., and 50% by Liberty Comunicaciones de Chile Uno Ltda.

The payment of this subscription was made by de subsidiary Cristalchile Comunicaciones S.A. on September 29, 2003, paying 1,961,917 shares for a value of Th Ch\$ 2,462,794.

With this purchase the subsidiary participates indirectly in a 47.795% and directly in 2.205% of the equity of Metropolis -Intercom S.A.

CIECSA S.A.

On August 26, 2003 the shareholders of CIECSA S.A. agreed to increase the capital of the company by means of the issue of 36,400,000 shares, equivalent to Th Ch\$ 9,10,000, which were totally subscribed and paid by Cristalerias de Chile S.A.

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This capital increase allowed CIECSA S.A. to complete financing to pay to the balance of Th US\$ 2,100 that was owed to Televisa S.A., from the purchase of 7,885,472 shares of Megavision S.A. made in August, 2002.

### MEGAVISION S.A.

On August 27, 2002, CIECSA purchased from Televisa S.A. the amount of 7,885,472 shares of Megavision, corresponding to the totality of Televisa S.A.'s participation in Megavision.

The price of the shares of Televisa S.A. in Megavision was US\$ 4,200,000, equivalent to US\$ 0.532625 per share. The companies agreed that the price would be paid as follows: US\$ 2,100,000 in cash, on August 27, 2002 and the balance to be paid on August 27, 2003.

On the other hand CIECSA S.A. sold to the related company Servicios y Consultorias Hundaya S.A. 3,600 shares of Megavision S.A. at a price of US\$ 0.532625 per share.

As a result of these transactions, the participation of CIECSA in the equity of Megavision reached 99.99%.

### EDICIONES CHILOE S.A.

On September 27, 2003, the shareholders of Ediciones Chiloe agreed to increase capital by Th Ch\$ 684,308 through the issue of 1,500,395 shares, which were subscribed both by CIECSA S.A. and Recoletos Chile Ltda.

From the mentioned capital increase there are 135,030 shares outstanding payment, for which the payment due date is September 2004.

### INVESTMENTS ABROAD

#### RAYEN CURA S.A.I.C.

On January 31, April 25 and June 30 of 2003 Rayen Cura S.A.I.C. carried out repayment of capital paid on April 29, 2002. Amounts reimbursed totaled Th US\$ 2,600.

As of March 31, 2004 the financial statements of Rayen Cura S.A.I.C. recognize an exchange rate of \$ 2.84 Argentine pesos per US dollar. CristalChile Inversiones S.A in turn adjusted the financial statements of Rayen Cura S.A.I.C. in order to acknowledge the devaluation from \$2.91 (exchange rate as of December 31, 2003) and \$2.84 Argentine pesos per US dollar as of March 31, 2004.

For the effect of results of this affiliate and the conversion of financial statements of Rayen Cura S.A.I.C. according to the Chilean normative, CristalChile Inversiones S.A. has acknowledged an income of Th Ch\$ 237,283 as of March 31, 2004 and Th Ch\$ 167,109 as of March 31, 2003.

On the other hand, the variations in the exchange rate of the dollar in Chile during 2004 originated adjustments in the investment in Rayen Cura S.A.I.C. for goodwill from the purchase of shares of such subsidiary, a credit of Th



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Ch\$ 697,051 in 2004 (credit of Th Ch\$ 278,770 in March 2003).

As stipulated in Technical Bulletin No. 64 of the Accountants Association of Chile, following is the information related to investments abroad is presented:

	2004 Th\$	2003 Th\$
CristalChile Inversiones's share of Rayen Cura S.A.I.C.	12,628,259	14,694,495
Negative goodwill (net of amortization)	4,305,901	5,439,971
<b>TOTAL</b>	<b>16,934,160</b>	<b>20,134,466</b>
Loss from devaluation	(2,004,292)	(1,955,840)
Accrued Income (loss)	237,283	(167,109)

The investment in Rayen Cura S.A.I.C. is controlled in dollars of the United States of America.

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CRISTALERIAS DE CHILE S.A.  
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NOTE 14 - INVESTMENTS IN RELATED COMPANIES  
BREAKDOWN OF INVESTMENTS

R.U.T.	COMPANY	Investment			Sharehol (Percenta
		Country of Origin	Control Currency	Number of Shares	
					03-31-2004    03
78.619.410-5	Cordillera Comunicaciones Holding	Chile	Peso	0	50.00000
78.619.370-2	Cordillera Comunicaciones Ltda.	Chile	Peso	0	0.25000
89.150.900-6	Vina Los Vascos S.A.	Chile	Peso	60,000,000	43.00000
90.684.000-6	Editorial Zig-Zag S.A.	Chile	Peso	114,596,213	49.89000
96.793.770-3	Ediciones Chiloe S.A.	Chile	Peso	1,570,146	50.00000
96.826.870-8	Inmobiliaria Don Alberto S.A.	Chile	Peso	3,817	38.17000
86.881.400-4	Envases CMF S.A.	Chile	Peso	28,000	50.00000
0-E	Rayen Cura S.A.I.C	Argentina	Dollar	1,376,000	40.00000

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96.806.690.-0	Proser S.A.	Chile	Peso	0	0.50000
96.787.750-6	Metropolis Intercom S.A.	Chile	Peso	88,970,214	2.20514
96,939,140-6	Simetral S.A.	Chile	Peso	1,188,006	81.50000
	TOTAL				

CRISTALERIAS DE CHILE S.A.

NOTE 14 - INVESTMENTS IN RELATED COMPANIES  
BREAKDOWN OF INVESTMENTS

R.U.T.	COMPANY	Company Equity		Net Income	
		03-31-2004	03-31-2003	03-31-2004	03-31-2003
78.619.410-5	Cordillera Comunicaciones Holding	127,447,675	141,897,532	-4,115,681	-2,992,322
78.619.370-2	Cordillera Comunicaciones Ltda.	128,118,266	142,701,308	-4,136,363	-3,007,359
89.150.900-6	Vina Los Vascos S.A.	13,529,814	12,073,526	115,782	253,477
90.684.000-6	Editorial Zig-Zag S.A.	926,272	711,576	100,711	-61,764
96.793.770-3	Ediciones Chiloe S.A.	1,278,550	1,390,352	-155,329	-230,614
96.826.870-8	Inmobiliaria Don Alberto S.A.	-118	35	0	0
86.881.400-4	Envases CMF S.A.	32,865,650	32,696,734	372,423	546,135
0-E	Rayen Cura S.A.I.C	31,570,646	36,736,238	593,207	417,772
96.806.690.-0	Proser S.A.	-12,200	0	-61	0
96.787.750-6	Metropolis Intercom S.A.	72,669,634	0	-3,269,310	0
96,939,140-6	Simetral S.A.	0	0	0	0
	TOTAL				

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 CRISTALERIAS DE CHILE S.A.  
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NOTE 14 - INVESTMENTS IN RELATED COMPANIES  
 BREAKDOWN OF INVESTMENTS

R.U.T.	COMPANY	VPP		Income not Realized	
		03-31-2004	03-31-2003	03-31-2004	03-31-2003
78.619.410-5	Cordillera Comunicaciones Holding	63,738,838	70,993,766	0	0
78.619.370-2	Cordillera Comunicaciones Ltda.	320,295	356,753	0	0
89.150.900-6	Vina Los Vascos S.A.	5,817,820	5,191,616	0	0
90.684.000-6	Editorial Zig-Zag S.A.	462,336	355,040	0	0
96.793.770-3	Ediciones Chiloe S.A.	639,275	695,176	165,313	205,441
96.826.870-8	Inmobiliaria Don Alberto S.A.	-45	13	0	0
86.881.400-4	Envases CMF S.A.	15,969,037	16,348,367	0	0
0-E	Rayen Cura S.A.I.C	12,628,259	14,694,495	0	0
96.806.690.-0	Proser S.A.	-60	0	0	0
96.787.750-6	Metropolis Intercom S.A.	1,602,467	0	0	0
96,939,140-6	Simetral S.A.	0	0	0	0
	TOTAL	101,178,222	108,635,226	165,313	205,441

15. Investments in other companies

Investments in other companies that totaled Th Ch\$ 804,671 in March 31, 2004 (Th Ch\$ 821,513 in 2003) are shown on attached charts.

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CRISTALERIAS DE CHILE S.A.

NOTE 15 - INVESTMENTS IN OTHER CORPORATIONS

R.U.T.	Company Name	Number of Shares	Shareholding (Percentage)	Book Value	
				03-31-2004	03-
96.895.100-9	Internet Holding S.A.	57,104	7.4200	204,171	
0-E	Bazuca.com Inc.	266,500	7.8900	600,500	

16. Goodwill Amortization

NEGATIVE GOODWILL

Stock purchases made in different periods of S.A. Vina Santa Rita, Vina Los Vascos S.A., Ciecsa S.A., Ediciones Financieras S.A. and Rayen Cura S.A.I.C. have produced negative goodwill whose net balance to be amortized as of March 31, 2004 totaled Th Ch 8,956,092 (Th Ch\$ 9,682,180 in 2003).

POSITIVE GOODWILL

As of March 31, 2004 and 2003 the parent company and the subsidiaries do not show any balance for this item.

More information is available on attached charts.

CRISTALERIAS DE CHILE S.A.

NOTE 16 - GOODWILL ON INVESTMENTS

NEGATIVE GOODWILL

R.U.T.	Company Name	03-31-2004		
		Amount Amortiz. this period	Goodwill Balance	Amount Amorti this period
0-E	Rayen Cura S.A.	69,450	4,305,901	82,424
86.547.900-K	S.A. Vina Santa Rita	12,482	543,761	12,482

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96.608.270-4	Ciecsa S.A.	30,157	1,296,762	30,159
89.150.900-6	Vina Los Vascos S.A.	23,268	1,139,810	22,181
90.684.000-6	Editorial Zig-Zag S.A.	1,580	100,310	1,580
79.952.350-7	Red Televisiva Megavision S.A.	13,249	864,612	13,250
96.787.750-6	Metropolis Intercom S.A.	9,038	704,936	0
	TOTAL	159,224	8,956,092	162,076

17. Intangibles

The following values are included in this item:

	Th Ch\$ 2004	Th Ch\$ 2003
Concession of Channel 9 frequency and regional network	10,129,357	10,129,861
Trademarks	1,628,171	1,593,224
TOTAL INTANGIBLES	11,757,528 =====	11,723,085 =====

ACCUMULATED AMORTIZATIONS

From Channel 9 Frequency	(1,003,671)	(862,391)
From Trademarks	(254,512)	(185,151)
TOTAL AMORTIZATIONS	(1,258,183) =====	(1,047,542) =====

18. Others (Assets)

As of March 2004 and 2003 its composition is the following:

	2004 Th Ch\$	2003 Th Ch\$
Celulosa Arauco bonds (*)	9,068,445	10,754,702
Price differential bond acquisition(*)	46,601	170,716
Negative goodwill Bond Sale (Net)	2,219,922	2,414,627
Expenses of bond sales	1,008,015	1,174,189
Cash Reserve	0	16,597

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Foreign programs to be exhibited over a year from the present	629,035	1,351,598
Long-Term Tax VAT Vina Dona Paula	567,415	355,419
Share of Las Araucarias Golf Club	2,495	2,495
Other	25,860	95,116
	-----	-----
Total	13,567,788	16,335,459
	=====	=====

(\*) Investment in Celulosa Arauco bonds equivalent to US\$ 13,420,000 at an annual rate of 6.95% and maturity on September 15, 2005, Th Ch\$ 46,601 for Price differential paid in the acquisition of Celulosa Arauco bonds will be amortized in the same term of the due date.

Considering that there is the intention of maintaining the Celulosa Arauco and Constitucion S.A. bonds until their due date on September 15, 2005, the valuation and registration of the bonds fulfills the provisions in Circular Letter No. 368 of the S.V.S., as Long-term Fixed Rate Instruments.

19. Short-term obligations with banks and financial institutions

A detailed list of operations is shown on the attached chart.

CRISTALERIAS DE CHILE S.A.

NOTE 19- OBLIGATIONS WITH BANKS AND FINANCIAL INSTITUTIONS, SHORT TERM

R.U.T.	Bank or Financial Institution	Type of Currency and Readjustm					
		Dollars		Euros		Yen	
		03-31-2004	03-31-2003	03-31-2004	03-31-2003	03-31-2004	03-31-2003
Short term (code: 5.21.10.10)							
0-E	Banco Regional de Cuyo	0	0	0	0	0	0
97.036.000-K	Banco Santander Santiago	0	0	0	0	0	0
	Other	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
	Amount capital due	0	0	0	0	0	0

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Annual average interest rate	0.00	0.00	0.00	0.00	0.00
Long Term - Short Term (code: 5.21.10.20)					
0-E	JP Morgan Chase Bank	129,318	445,743	0	0
97.036.000-K	Banco Santander Santiago	0	0	0	0
97.008.000-7	Citibank NA	1,691,314	2,020,655	0	0
0-E	Banco Dresner	0	0	0	0
0-E	Banco Argentaria	225,241	267,739	0	0
97.018.000-1	Scotiabank	0	0	0	0
97.006.000-6	Banco Credito e Inversiones	0	0	0	0
97.004.000-4	Banco de Chile	0	0	0	0
97.030.000-5	Banco Estado	0	0	0	0
	Other	0	0	0	0
	TOTAL	2,045,873	2,734,137	0	0
	Amount capital due	1,905,492	2,261,452	0	0
	Average annual interest rate	1.72	2.01	0.00	0.00
	Percentage oblig. foreign curr. (%)		51.0000		
	Percentage oblig. foreign curr. (%)		49.0000		

R.U.T.	Bank or Financial Institution	Type of Currency and Readjustment Index		Non adjustable \$	
		U.F.			
		03-31-2004	03-31-2003	03-31-2004	03-31-2003
Short term (code: 5.21.10.10)					
0-E	Banco Regional de Cuyo	0	0	0	0
97.036.000-K	Banco Santander Santiago	0	0	0	0
	Other	0	0	0	0
	TOTAL	0	0	0	0
	Amount capital due	0	0	0	0
	Annual average interest rate	0.00	0.00	0.00	0.00
Long Term - Short Term (code: 5.21.10.20)					
0-E	JP Morgan Chase Bank	0	0	0	0
97.036.000-K	Banco Santander Santiago	475,428	476,661	0	0
97.008.000-7	Citibank NA	0	0	0	0
0-E	Banco Dresner	0	0	0	0
0-E	Banco Argentaria	0	0	0	0
97.018.000-1	Scotiabank	441,121	421,201	0	0
97.006.000-6	Banco Credito e Inversiones	168,738	168,462	0	0
97.004.000-4	Banco de Chile	616,738	307,485	0	0
97.030.000-5	Banco Estado	0	0	268,877	268,804
	Other	0	0	0	0
	TOTAL	1,702,025	1,373,809	268,877	268,804
	Amount capital due	1,634,018	1,310,821	264,447	264,374
	Average annual interest rate	5.78	3.79	4.94	4.94

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20. Other Current Liabilities

As of March 31, 2004 and 2003 there are balances of Th Ch\$ 2,128,273 and Th Ch\$ 1,112,135 respectively, corresponding to differentials in favor of financial institutions for future contracts in foreign currency subscribed by the parent company and the subsidiaries S.A. Vina Santa Rita and Ciecsa S.A. (see note 34).

21. Long-term obligations with banks and financial institutions

The obligations with banks and financial institutions are presented on the charts attached.

CRISTALERIAS DE CHILE S.A.

NOTE 21: LONG-TERM OBLIGATIONS WITH BANKS AND FINANCIAL INSTITUTIONS

R.U.T.	Institution ----- Bank or Financial Institution -----	Currency adjustment index -----	Years of Maturity		
			More than 1 up to 2	More than 2 up to 3	More than 3 up to 5
			Thou Ch\$	Thou Ch\$	Thou Ch\$
0-E	Banco Regional de Cuyo	Other currency	10,140	28,493	10,000
97.030.000-7	Banco Estado	Non- adjustment	273,379	264,375	0
97.036.000-K	Banco Santander Santiago	UF	455,283	455,283	227,643
97.018.000-1	Banco Scotiabank	UF	403,665	403,665	403,665
0-E	J.P. Morgan Chase Bank	Dollars	0	15,410,250	15,410,250
90.008.000-K	Citibank N.A.	Dollars	0	0	0
		Dollars	0	0	0
97.006.000-6	Banco Credito e Inversiones	UF	168,208	0	0
97.004.000-5	Banco de Chile	UF	0	0	0
0-E	Banco Argentaria	Dollars	0	0	0
	Total		1,310,675	16,562,066	16,051,558



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Percentage of obligations in foreign currency 91.0000%  
 Percentage of obligations in local currency 9.0000%

R.U.T.	Institution	Currency adjustment index	Years of Maturity		Closing da Current pe
			More than 10 years		
			Amount	Period	
			Thou Ch\$		
0-E	Banco Regional de Cuyo	Other currency	0	0	48,633
97.030.000-7	Banco Estado	Non- adjustment	0	0	537,754
97.036.000-K	Banco Santander Santiago	UF	0	0	1,138,209
97.018.000-1	Banco Scotiabank	UF	0	0	1,210,995
0-E	J.P. Morgan Chase Bank	Dollars	0	0	30,820,500
90.008.000-K	Citibank N.A.	Dollars	0	0	0
97.006.000-6	Banco Credito e Inversiones	UF	0	0	168,208
97.004.000-5	Banco de Chile	UF	0	0	0
0-E	Banco Argentaria	Dollars	0	0	0
	Total		0		33,924,299

22. Short-term and long-term obligations with the public  
 (promissory notes and bonds)

The balance for the short-term as of March 31, 2004 was Th Ch\$ 1,123,089, Th Ch\$ 1,323,579 in 2003, corresponding to accrued interests for bonds issued by the Parent Company. In addition there is a balance of Th Ch\$ 214,367 for principal amortization of bonds series A of the subsidiary S.A. Vina Santa Rita.

As of March 31, 2004, there are long-term obligations with the public for Th Ch\$ 89,150,346 (Th Ch\$ 88,953,080 in 2003), of which Th Ch\$ 68,965,362 (Th Ch\$ 68,812,760 in 2003) correspond to bonds issued in UF's by the parent company of series C1, C2, D1, D2 and Th Ch\$ 20,184,984 (Th Ch\$ 20,140,320 in 2003) correspond to bond of series C and D issued by the subsidiary S.A. Vina Santa Rita.

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This liability is shown in detail in the appendix.

Cristalerias de Chile S.A.

NOTE 22: SHORT-TERM AND LONG-TERM OBLIGATIONS WITH PUBLIC  
(PROMISSORY NOTES AND BONDS)  
BONDS

REGISTRATION OR IDENTIFICATION No. OF INSTRUMENT	SERIES	CURRENT DEPOSIT FACE VALUE	INDEXING UNIT OF BOND	INTEREST RATE	FINAL MATURITY	INSTALLMENTS	
						INTEREST PAYMENT	AMORTIZ PAYM
LONG-TERM BONDS- CURRENT PORTION							
296-09.07.02	C1 Interests	0	UF	4.75	07-15-2004	SEMI-ANNUAL	SEMI-A
296-09.07.02	C2 Interests	0	UF	4.75	07-15-2004	SEMI-ANNUAL	SEMI-A
296-09.07.02	D1 Interests	0	UF	5.80	07-15-2004	SEMI-ANNUAL	SEMI-A
296-09.07.02	D2 Interests	0	UF	5.80	07-15-2004	SEMI-ANNUAL	SEMI-A
144-12.07.91	A	0	UF	6.70	06-01-2004	SEMI-ANNUAL	SEMI-A
241-15.12.00	C1 Interests	0	UF	6.25	06-01-2004	SEMI-ANNUAL	SEMI-A
241-15.12.00	D1 Interests	0	UF	6.25	06-01-2004	SEMI-ANNUAL	SEMI-A
241-15.12.00	D2 Interests	0	UF	6.25	06-01-2004	SEMI-ANNUAL	SEMI-A
TOTAL CURRENT PORTION							
LONG-TERM BONDS							
296-09.07.02	C1	1,500,000	UF	4.75	07-15-2008	SEMI-ANNUAL	SEMI-A
296-09.07.02	C2	500,000	UF	4.75	07-15-2008	SEMI-ANNUAL	SEMI-A
296-09.07.02	D1	1,900,000	UF	5.80	07-15-2023	SEMI-ANNUAL	SEMI-A
296-09.07.02	D2	200,000	UF	5.80	07-15-2023	SEMI-ANNUAL	SEMI-A
241-15.12.00	C1	200,000	UF	6.25	12-15-2005	SEMI-ANNUAL	SEMI-A
241-15.12.00	D1	100,000	UF	6.25	12-15-2021	SEMI-ANNUAL	SEMI-A
241-15.12.00	D2	900,000	UF	6.25	12-15-2021	SEMI-ANNUAL	SEMI-A
144-12/07/91	A	0	UF	6.70	06-01-2003	SEMI-ANNUAL	SEMI-A
LONG-TERM TOTAL							

REGISTRATION OR IDENTIFICATION No. OF INSTRUMENT	SERIES	PAR VALUE		ISSUE IN CHILE OR ABROAD
		03-31-2004	03-31-2003	
LONG-TERM BONDS- CURRENT PORTION				

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296-09.07.02	C1 Interests	250,078	246,241	LOCAL
296-09.07.02	C2 Interests	83,359	82,080	LOCAL
296-09.07.02	D1 Interests	385,812	379,893	LOCAL
296-09.07.02	D2 Interests	40,612	39,989	LOCAL
144-12.07.91	A	0	214,367	LOCAL
241-15.12.00	C1 Interests	60,538	60,168	LOCAL
241-15.12.00	D1 Interests	30,269	30,084	LOCAL
241-15.12.00	D2 Interests	272,421	270,757	LOCAL
TOTAL CURRENT PORTION		1,123,089	1,323,579	
LONG-TERM BONDS				
296-09.07.02	C1	25,231,230	25,175,400	LOCAL
296-09.07.02	C2	8,410,410	8,391,800	LOCAL
296-09.07.02	D1	31,959,558	31,888,840	LOCAL
296-09.07.02	D2	3,364,164	3,356,720	LOCAL
241-15.12.00	C1	3,364,164	3,356,720	LOCAL
241-15.12.00	D1	1,682,082	1,678,360	LOCAL
241-15.12.00	D2	15,138,738	15,105,240	LOCAL
144-12/07/91	A	0	0	LOCAL
LONG-TERM TOTAL		89,150,346	88,953,080	

### 23. Provisions and Write-Offs

#### Provisions

The Company has short-term provisions of Th Ch\$ 11,649,530 as of March 31, 2004, and Th Ch\$ 9,657,719 in 2003.

Long-term provisions of Th Ch\$ 6,001,842 and Th Ch\$ 6,063,280 are recorded for the years 2004 and 2003 respectively.

In the attached chart a detail for provisioned amounts is shown.

#### Bad Debt Provisions:

The parent company and the subsidiaries S.A. Vina Santa Rita and Ciecsa S.A. have established a bad debt provision of Th Ch\$ 683,032 and Th Ch\$ 649,839 as of March 31, 2004 and 2003, respectively.

This provision is deducted from the balance of Debtors from Sales and Documents Receivable.

#### Vacation Provision:

The parent company and its subsidiaries have established provisions for the total cost of vacations pending as of March 31, 2004 and 2003, as established in Technical Bulletin No. 47 of the Accountants Association of Chile.

The net balance for this item is Th Ch\$ 755,921 as of March 31, 2004 (Th Ch\$ 694,013 in 2003).

#### Provision for Furnace Reconstruction:

This reserve is established throughout the useful life of the refractants of

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each smelting furnace so their repair will not distort the result of the fiscal year when the repairs are made.

The Company has established a reserve in the amount of Th Ch\$ 3,801,830 and Th Ch\$ 3,268,385 as of March 31, 2004 and 2003, respectively.

CRISTALERIAS DE CHILE S.A.

NOTE 23: PROVISIONS AND WRITE-OFFS

CONSOLIDATED		
	03-31-2004	03-31-2003
	Thou Ch\$	Thou Ch\$
Short Term		
Commissions and Fees	2,991,204	2,500,931
Furnace reconstruction	1,935,527	1,170,334
Share of Board of Directors	464,570	1,086,638
Legal holidays	755,921	694,013
Local and foreign suppliers	758,044	728,114
Packing return to clients	965,535	1,024,731
Spareparts reserve	438,189	463,350
Insurance Policies	0	464,977
Advertising and marketing	861,653	154,275
Copyright	38,334	29,895
Severance Legal	182,055	171,373
Severance payments	0	133,484
Reserve (loss) exported product	84,362	109,734
Grape harvest expenses	1,108,087	370,398
Reserve indirect cost	257,556	334,781
Other reserves	898,493	220,691
<b>TOTAL</b>	<b>11,649,530</b>	<b>9,657,719</b>
Long Term		
Severance payment	4,135,539	3,965,229
Furnace reconstruction	1,866,303	2,098,051
<b>TOTAL</b>	<b>6,001,842</b>	<b>6,063,280</b>

### 24. Severance Payment

The provision for severance payments to personnel is included at its current value, as expressed in note 2 t).

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As of March 31, 2004 it amounts to Th Ch\$ 4,317,594 (Th Ch\$ 4,136,602 in 2003).

As of March 31, 2004, the parent company has paid severance payments of Th Ch\$ 70,729 (Th Ch\$ 802 in 2003) chargeable against the provision.

### 25. Other long-term liabilities

As of March 31, 2004 and 2003 there are no balances for this item.

### 26. Minority interest

The subsidiaries that generate minority interests as of March 31, 2004 and 2003 are shown on the attached chart.

CRISTALERIAS DE CHILE S.A.

NOTE 26: MINORITY INTEREST

SUBSIDIARY COMPANY	NET WORTH		RESULTS	
	Thou Ch\$ 2004	Thou Ch\$ 2003	Thou Ch\$ 2004	Thou Ch\$ 2003
S.A.Vina Santa Rita	37,814,344	37,208,571	(634,973)	(553,704)
CIECSA Consolidated	303,108	257,393	8,721	12,698
Apoger S.A. and subsidiaries	910	1,172	27	60
Cristalchile Comunicaciones S.A.	1,216	1,412	40	30
TOTAL	38,119,578	37,468,548	(626,185)	(540,915)

### 27. Changes in Equity

#### a. Activity in 2004 and 2003

The activity of the capital and reserve accounts in the fiscal years ended in March 31, 2004 and 2003, are shown in the attached charts.

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b. Other Reserves

The detail of this item is as follows:

	2004		2003	
	Th	Ch\$	Th	Ch\$
Future capital increases	4,671,348		4,464,029	
Reserve for adjustment of value of fixed assets	1,486,571		1,694,196	
Adjustment for conversion difference in investment in Rayen Cura S.A.I.C.	1,143,830		4,099,356	
Difference VPP Sodex	(217,163)		(217,173)	
	-----		-----	
TOTAL OTHER RESERVES	7,084,586		10,040,408	
	=====		=====	

CRISTALERIAS DE CHILE S.A.  
NOTE 27: CHANGES IN NET WORTH

ITEM	Paid-in Capital	Reserve capital revaluation	Premium in sale of shares
Balances as of 03/31/2004			
-----	-----	-----	-----
Initial balance	65,396,749	0	27,874,377
Distribution result previous fiscal year	0	0	0
Final dividend previous fiscal year	0	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or Profits Capitalization	0	0	0
Development period Accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Owner's equity Revaluation	0	-326,984	-139,372
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances as of 03/31/2004	65,396,749	-326,984	27,735,005
Initial balance as of 03/31/2003	64,749,257	0	27,598,393
Distribution result previous fiscal year	0	0	0
Final dividend previous fiscal year	0	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or profit Capitalization	0	0	0
Development period accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Owner's equity revaluation	0	323,746	137,992
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances	64,749,257	323,746	27,736,385

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Updated Final Balances as of 03/31/2003 64,749,257 323,746 27,736,385

ITEM Balances as of 03/31/2004	Accumulated Results	Provisional Dividends	Devel. Period Deficit
Initial balance	0	0	0
Distribution result previous fiscal year	6,426,520	0	0
Final dividend previous fiscal year	-958,080	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or Profits Capitalization	0	0	0
Development period Accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Owner's equity Revaluation	-27,342	0	0
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances as of 03/31/2004	5,441,098	0	0
Initial balance as of 03/31/2003	0	0	0
Distribution result previous fiscal year	17,660,662	0	0
Final dividend previous fiscal year	-3,303,936	0	0
Capital increases with cash stock issue	0	0	0
Reserves and/or profit Capitalization	0	0	0
Development period accumulated deficit	0	0	0
Accumulated conversion difference adjustment	0	0	0
Owner's equity revaluation	71,784	0	0
Fiscal Year Result	0	0	0
Provisional Dividends	0	0	0
Final balances	14,428,510	0	0
Updated Final Balances as of 03/31/2003	14,428,510	0	0

CRISTALERIAS DE CHILE S.A.

NOTE 27: CHANGES IN NETWORTH - NUMBER OF SHARES

SERIES	No. SHARES SUBSCRIBED	No. SHARES PAID	No. SHARES WITH VOTING RIGHT
SINGLE	64,000,000	64,000,000	64,000,000

CRISTALERIAS DE CHILE S.A.

NOTE 27: CHANGES IN NETWORTH - CAPITAL (AMOUNT - TH CH\$)

SERIES	SUBSCRIBED CAPITAL	PAID-IN CAPITAL

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SINGLE

65,396,749

65,396,749

28. Other Non-Operating Income and Disbursements

As of March 31, 2004 and 2003 the non-operating income totals Th Ch\$ 419,032 and Th Ch\$ 137,520 respectively.

Non-operating Expenditures were Th Ch\$ 501,109 in 2004 and Th Ch\$ 536,153 in 2003.

More detail is shown on the attached chart.

CRISTALERIAS DE CHILE S.A.

NOTE 28: OTHER NON-OPERATING INCOME AND EXPENSES

	2004	2003
	-----	-----
	Th Ch\$	Th Ch\$
INCOME		
Offices and establishments rental	52,757	43,860
Tax exemptions	45,130	4,139
Benefit Fontec proyect	0	5,443
Amortization of non-realized profits	18,218	18,732
Sale of fixed assets	0	4,041
Exchange of lands	230,883	0
Agriculture division	0	20,846
Sale of materials	4,591	4,753
Miscellaneous Income	67,453	35,706
<b>TOTAL NON-OPERATING INCOME</b>	<b>419,032</b>	<b>137,520</b>
EXPENSES		
Charges drama series and others	0	32,376
Frequency and internet amortization	40,147	37,060
Professional advice	189,112	194,021
Share of Board of Directors	27,652	23,388
Contracts and eventualities	0	45,527
Loss in sales of fixed assets	49,479	2,373
Honorary audits	1,615	0
Amortization Fontec proyect	0	30,727
Trademarks amortization	13,850	13,074
Insurance	12,541	10,691
Personnel Contracts Finished	25,665	21,311
Other expenses	141,048	125,605
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>501,109</b>	<b>536,153</b>

29. Adjustment for Price Level Restatements



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As a result of the application of the adjustment for price level restatements as described in Note 2 e), there was a net credit to results in the 2004 fiscal year in the amount of Th Ch\$ 344,520 and of Th Ch\$ 156,293 in 2003.

Additional information organized by item on the Balance Sheet is shown on the attached chart.

Cristalerias de Chile S.A.

### NOTE 29: ADJUSTMENT FOR PRICE LEVEL RESTATEMENTS

ASSETS (DEBITS)/CREDITS	ADJUSTABILITY INDEX	03-31-2004	03-31-2003
-----	-----	-----	-----
INVENTORY	CPI	-100,070	87,714
FIXED ASSETS	CPI	-676,034	668,346
INVESTMENTS IN RELATED COMPANIES	CPI	-614,868	1,288,877
MARKETABLE SECURITIES	CPI	-20,773	18,997
SHORT-TERM DEBTORS	CPI	-16,398	-22,518
SHORT-TERM DEBTORS	UF	867	809
LONG-TERM DEBTORS	UF	-983	725
ACCOUNTS RECEIVABLE RELATED COMPANIES	UF	-121,857	51,766
OTHER NON-MONETARY ASSETS	CPI	-3,855	233,538
EXPENSE AND COST ACCOUNTS	CPI	-292,687	238,627
 TOTAL (DEBITS)/CREDITS		 -1,846,658	 2,566,881
 LIABILITIES (DEBITS)/CREDITS			
NET WORTH	CPI	1,141,608	-1,990,017
ACCOUNTS PAYABLE RELATED COMPANIES	UF	33	-5
BANK LOANS	UF	10,263	-3,965
SHORT-TERM RESERVES	CPI	-364	-11,709
LONG-TERM BANK LOANS	UF	15,065	-10,307
LONG-TERM RESERVES	CPI	-3,554	-20,061
LONG-TERM CREDITORS	CPI	196	-109
OBLIGATIONS WITH THE PUBLIC	UF	525,654	-209,738
MINORITY INTEREST	CPI	172,819	-428
NON-MONETARY LIABILITIES	UF	932	-21,092
NON-MONETARY LIABILITIES	CPI	18,996	1,954
INCOME ACCOUNTS	CPI	309,530	-145,111
 TOTAL (DEBITS)/CREDITS		 2,191,178	 -2,410,588
 (LOSS) PROFIT FROM ADJUSTMENT FOR CURRENCY DEVALUATION		 344,520	 156,293

### 30. Rate of Exchange Differential

There is a net credit to results in the 2004 fiscal year of Th Ch\$ 1,364,143

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and of Th Ch\$ 1,661,984 in 2003 because of a rate of exchange differential.

According to circular No. 1560 of the SVS, the net effect of adjustments of assets and liabilities adjustable in foreign currency minus local inflation effect, is presented under this item.

More information is shown on the attached chart.

Cristalerias de Chile S.A.

### NOTE 30: EXCHANGE DIFFERENCES

ITEM	CURRENCY	AMOUNT	
		03-31-2004	03-31-2003
CURRENT ASSETS	DOLLARS	414,721	150,763
CURRENT ASSETS	OTHER CUR.	6,342	-35,202
LONG-TERM ASSETS	DOLLARS	23,073	0
CLIENTS	DOLLARS	73,170	234,582
CLIENTS	OTHER CUR	258,623	35,503
TIME DEPOSITS	DOLLARS	43,797	-102,492
INVENTORY	DOLLARS	45,249	150,432
BOND INVESTMENT	DOLLARS	305,398	231,941
FUTURE CONTRACT EFFECT	DOLLARS	-9,609	1,304,942
OTHER ASSETS	DOLLARS	104,637	2,196
OTHER ASSETS	OTHER CUR	-10,343	4,190
INFLATIONARY EFFECT	DOLLARS	135,607	-170,436
MARKETABLE SECURITIES	DOLLARS	1,118,588	974,083
MARKETABLE SECURITIES	EUROS	334,861	0
<b>TOTAL (CHARGES) CREDITS</b>		<b>2,884,114</b>	<b>2,780,502</b>
SHORT-TERM BANK CREDITS	DOLLARS	-739	0
ACCOUNT PAYABLE	DOLLARS	-30,939	0
DOCUMENTS PAYABLE	DOLLARS	-91,103	-61,673
DOCUMENTS PAYABLE	OTHER CUR.	-8,571	-15,647
MISCELLANEOUS CREDITORS SHORT TERM	DOLLARS	-25,108	-40,833
SHORT TERM RESERVES	DOLLARS	-3,449	-58,122
LONG-TERM BANK CREDITS	DOLLARS	-1,130,500	-647,500
LONG TERM RESERVES	DOLLARS	-136,718	-28,590
OTHER LONG-TERM LIABILITIES	DOLLARS	36,686	-205,311
OTHER LONG-TERM LIABILITIES	OTHER CUR.	-84,109	-29,330
LONG-TERM CREDITORS	DOLLARS	-5,421	-31,512
<b>TOTAL (CHARGES) CREDITS</b>		<b>-1,479,971</b>	<b>-1,118,518</b>
<b>(LOSS) PROFIT FROM RATE OF EXCHANGE DIFFERENCE</b>		<b>1,364,143</b>	<b>1,661,984</b>

### 31. Extraordinary Items

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As of March 31, 2004 and 2003 there are no transactions in this item.

### 32. Expenses for the issue and placement of stocks and debt instruments

The parent company and the subsidiary S.A. Vina Santa Rita carried out bond placements in August 2002 and March 2001 respectively, incurring in placement expenses that as of March 31, 2004 totaled Th Ch\$ 3,588,657 (Th Ch\$ 3,951,054 in 2003).

The charge against results for the amortization of these expenses is Th Ch\$ 114,044 (Th Ch\$ 90,829 in 2003) during the 2004 fiscal year. It is done according to the maturity of each series.

Detail is as follows:

DETAILS	2004		2003	
	Th Ch\$		Th Ch\$	
	Short-Term	Long-Term	Short-Term	Long-Term
Difference in placement rate	196,663	2,219,923	196,228	2,414,628
Stamps tax	153,559	1,008,014	154,967	1,163,147
Bonds placement Commission and others	10,498	0	11,042	11,042
Total	360,720	3,227,937	362,237	3,588,817

### 33. Cash Flow Statement

#### CASH FLOW STATEMENT

The values included in MISCELLANEOUS on the Cash Flow Statement are detailed in the attached appendix.

CRISTALERIAS DE CHILE S.A.

#### CASH FLOW STATEMENT

1. The following is the detail of the item: OTHERS:

2004

2003

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	-----	-----
	Th Ch\$	Th Ch\$
541.11.40 Other Income Received		
VAT exports recovery	161,063	114,352
Discount customs duties payment	7,376	0
Perceived Readjustments	128,298	0
Income Tax refund	0	133,416
Rentals	14,058	12,779
Tax exemption	45,130	4,139
Other income	68,565	124,311
Total	424,490	388,997
541.11.80 Other expenses paid		
Exchange difference	26,047	168,532
Donations	26,794	7,770
Municipal Patents	378	0
Finished personnel contracts	25,665	21,311
Advisory services	38,312	34,470
Board participation	27,652	23,388
Other expenses	91,274	211,683
Total	236,122	467,154
541.13.30 Other income from investments		
Maturity of future contracts	0	1,762,160
Total	0	1,762,160
541.13.65 Other investment disbursements		
Purchase of shares	0	11,680
Total	0	11,680

Following are financing and investment activities that did not generate cash flow during the fiscal year, but that commit future parent company cash flows:

ITEM	Amount Th Ch\$	Due Date
-----	-----	-----
Dividend 157	(1,612,800)	April-2004
Amounts payable investment	(113,317)	2nd Semester 2004
Total	(1,726,117)	

34. Derivative Contracts

FUTURE CONTRACTS IN FOREIGN CURRENCY

The parent company and its subsidiary S.A. Vina Santa Rita have signed future purchases contracts in foreign currency of Th US\$ 42,600 and sales of Th Ch\$ 39,600 in 2004 (Th US\$ 131,200 in 2003) subject to the regulations of

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Chapter VII of the Compendium of International Exchange Regulations of the Central Bank of Chile and Chapter 13-2 of the compilation of Regulations of Banks and Financial Institutions.

Additional information is presented on the attached chart listed in the order of each quarterly expiration period.

The Contracts maintained by the companies as of March 31, 2004 and 2003 have been taken to shelter from the variations of the exchange rate of the American dollar (contracts of existing and expected transactions) as well as investment.

Forward contracts are taken in order to hedge existing parties are related, according to administration, with hedging dollar obligations maintained by the Company. As stated in technical Bulletin No. 57 of the Chilean Accountants Association, results generated by these contracts are recognized in results as long as they recognize the effects of parties subject to hedging.

CRISTALERIAS DE CHILE S.A.

NOTE 34: DERIVATIVE CONTRACTS

				DESCRIPTION OF CONTRACTS			
				-----			
				PROTECTED ITEM OR TRANSACTION			
				-----			
TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	MATURITY OR EXPIRATION DATE	SPECIFIC ITEM	PURCHASE/ SALE POSITION	NAME	AMOUNT
-----							
FR	CI	23,177,016	THIRD 2004	EXCH RATE	P	INVESTMENT	-
FR	CI	21,327,786	THIRD 2004	EXCH RATE	S	INVESTMENT	-
FR	CCPE	2,769,040	THIRD 2004	EXCH RATE	P	DOLLAR LOAN	2,769,040
FR	CI	692,260	THIRD 2004	EXCH RATE	P	INVESTMENT	-
FR	CI	621,570	THIRD 2004	EXCH RATE	S	INVESTMENT	-
FR	CI	633,250	THIRD 2004	EXCH RATE	S	INVESTMENT	-
				ACCOUNTS AFFECTED			
				-----			
				ASSETS/LIABILITIES		EFFECT ON RESULT	
				-----			
TYPE OF DERIVATIVE	TYPE OF CONTRACT	VALUE OF CONTRACT	VALUE OF PROTECTED ITEM	NAME	AMOUNT	REALIZED	NOT REALIZED
-----							

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FR	CI	23,177,016	-	LIABILITIES	2,729,917	-2,729,917	-
FR	CI	21,327,786	-	ASSETS	964,133	964,133	-
FR	CCPE	2,769,040	2,465,640	LIABILITIES	312,601	-4,006	-
FR	CI	692,260	-	LIABILITIES	78,150	21,608	-
FR	CI	621,570	-	ASSETS	11,046	-18,613	-
FR	CI	633,250	-	ASSETS	17,216	-19,445	-

35. Contingencies and Restrictions

CONTINGENCIES AND COMMITMENTS

As of March 31, 2004, there is a guarantee delivered in the amount of Th Ch\$ 7,885 (Th Ch\$ 7,868 in 2003), according to the detail in the attached chart.

LAWSUITS OR OTHER LEGAL ACTIONS THE COMPANY IS INVOLVED IN

As of March 31, 2004 and 2003 there are no lawsuits and other legal actions pending.

RESTRICTIONS

I. SYNDICATED LOAN

In relation to the syndicated loan subscribed with JP Morgan Chase Bank and other 8 creditor banks for US\$ 50 million, there are certain financial obligations mentioned as follows:

a) TOTAL CONSOLIDATED DEBT TO CAPITALIZATION RATIO

Cristalerias de Chile S.A will not allow the Total Consolidated Debt to Capitalization Ratio exceed the 0.45 to 1.0 ratio at any time.

Capitalization is defined as the sum of Net Worth plus Minority Interest plus total consolidated debt.

b) TOTAL CONSOLIDATED DEBT TO EBITDA RATIO

Cristalerias de Chile S.A will not allow the Net Consolidated Debt to EBITDA ratio to exceed the 2.5 to 1.0 ratio at any time.

Consolidated EBITDA is defined as the following: operating income plus depreciation and amortization, plus non-cash charges (as long as they have been deduced when determining operating income) and cash income from interests minus non-cash credits (as long as they have been added when determining operating income), in each case for each period.

c) INTEREST COVERAGE RATIO

Cristalerias de Chile S.A. will not allow the Interest Coverage Ratio to be

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lower than the following ratios during the following periods: 3.5 from January 01, 2001 to December 31, 2003; 4.0 from January 01, 2004 onwards.

Interest coverage at the day of determination is defined as the ratio between unconsolidated EBITDA for the period of four consecutive fiscal quarters that end on or most recently ended before, that date; and interest expenses for that period.

### d) NET EQUITY

Cristalerias de Chile S.A. should maintain a minimum amount of UF 10,000,000 at any time.

As of March 2004 and 2003 Cristalerias de Chile S.A. complies with 100% of the restrictions agreed with the creditor banks.

## II. BOND ISSUE

The bond issue contract signed on May 29, 2002 with Banco de Chile as the bonds owners' representative, establishes among others the following obligations:

### a) Financial Indicators

Individual Balance: Indebtedness not higher than 1.2 times.

Consolidate Balance: Indebtedness not higher than 1.4 times.

### b) Insurances for the Company and its subsidiaries' fixed assets.

### c) The operations refered to by art. 44 and 89 of law 18,046 must be carried out according to the conditions that these establish.

### d) Other minor restrictions related with the bond issue contract.

Cristalerias de Chile S.A. complies with 100% of restrictions agreed with the bonds' creditors.

## OTHER CONTINGENCIES

As of March 31, 2004 and 2003, management is not aware of any other contingencies that could affect the company.

CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - DIRECT GUARANTEES

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CREDITOR OF GUARANTEE	DEBTOR NAME	RELATIONSHIP	TYPE OF GUARANTEE	ASSETS COMMITTED		OF FIN 03/31/
				TYPE	BOOK VALUE	
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	COMMERCIAL	TIME DEPOSIT	FLOOR	7,885	7
BANCO SANTANDER CHILE	RED TELEVISIVA MEGAVISION	COMMERCIAL	MORTGAGE	LAND	3,402,272	1,613
SCOTIABANK	RED TELEVISIVA MEGAVISION	COMMERCIAL	PLEDGE	TV EQUIP	182,174	1,652
BANCO CREDITO E INVERSIONES	RED TELEVISIVA MEGAVISION	COMMERCIAL	MORTGAGE	TV EQUIP	34,079	336
SUNDRY CLIENTS	RED TELEVISIVA MEGAVISION	COMMERCIAL	ADVERTISING	-	0	12,434
GRUPO TELEVISA S.A. (MEXICO)	RED TELEVISIVA MEGAVISION	COMMERCIAL	PLEDGE	SHARE	0	

CREDITOR OF GUARANTEE	DEBTOR NAME	RELEASE OF GUARANTEES				
		03/31/2005	ASSETS	03/31/2006	ASSETS	03/31/2007
EDIFICIO METROPOLIS AGF	CRISTALERIAS DE CHILE S.A.	0	0	0	0	7,885
BANCO SANTANDER CHILE	RED TELEVISIVA MEGAVISION	472,428	0	455,284	0	455,284
SCOTIABANK	RED TELEVISIVA MEGAVISION	441,122	0	403,665	0	403,665
BANCO CREDITO E INVERSIONES	RED TELEVISIVA MEGAVISION	168,737	0	168,209	0	0
SUNDRY CLIENTS	RED TELEVISIVA MEGAVISION	0	0	0	0	0
GRUPO TELEVISA S.A. (MEXICO)	RED TELEVISIVA MEGAVISION	0	0	0	0	0



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CRISTALERIAS DE CHILE S.A.

NOTE 35: CONTINGENCIES AND RESTRICTIONS - INDIRECT GUARANTEES

CREDITOR OF GUARANTEE	DEBTOR		TYPE OF GUARANTEE	ASSETS COMMITTED		OF FIN 03/31/
	NAME	RELATIONSHIP		TYPE	BOOK VALUE	
Societe des Participations Financieres et Industrielles	RAYEN CURA S.A.I.C.	AFFILIATE	SOLIDARY	0	0	2,130
Envases CMF guarantee P.I.A.S	CRISTALERIAS DE CHILE S.A.	AFFILIATE	SOLIDARY	0	0	224

CREDITOR OF GUARANTEE	DEBTOR NAME	RELEASE OF GUARANTEES				03/31/2007
		03/31/2005	ASSETS	03/31/2006	ASSETS	
Societe des Participations Financieres et Industrielles	RAYEN CURA S.A.I.C.	710,104	0	710,104	0	710,104
Envases CMF guarantee P.I.A.S	CRISTALERIAS DE CHILE S.A.	0	0	0	0	224,261

CRISTALERIAS DE CHILE S.A.

NOTE 35: Trials Pending

Court	Cause Rol No.	Origin	Stage	Comm (approx)
12	3025-1997	Civil	First instance in favor of Mega	

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16	4822-1999	Civil	First instance against Mega
1	1242-2000	Labor	First instance pending
5	3468-2001	Labor	First instance pending
1	4391-2003	Labor	First instance: dictates prove
Court of Appeals	7643-2000	CNTV	Verdict pending

### 36. Guarantees obtained from third parties

As of March 31, 2004 and 2003 the company has received guarantees from third parties that are shown below:

Item	2004		2003	
	-----	-----	-----	-----
	Th	Ch\$	Th	Ch\$
Rental of Property Office Banco Security (UF 304)	5,114		5,102	
Rental of Property to Telecomunicaciones Cono Sur Ltda. (UF 130)	0		2,182	
Rental of Property Office AGF Building (UF 365.9)	6,155		6,141	
Rental of Property Office Metropolis (UF 189.2)	3,182		3,175	
Sight drafts suppliers	1,674		1,675	
Installation of Buin Tanks (Tersanoix S.A.)	0		155,111	
Grape purchase	1,048,057		0	
Mortgages	138,523		0	
C y CPO Constructora	162,860		0	
Purchase of vine stem cuttings and plants (Intelmaq)	0		36,383	
Garantia Transportistas	42,000		0	
Underground materials storehouse Buin Salfa Montajes	0		33,044	
	-----		-----	
	1,407,565		242,813	
	=====		=====	

### 37. Local and Foreign Currency

Charts are attached showing the foreign currency balance as of March 31, 2004 and 2003.

Cristaleras de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - ASSETS

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Items	Currency	Am 03-31-2004
Available funds	Non-adjust. Ch\$	1,761,345
	Other currencies	443,528
	Dollars	607,331
	Euros	14,571
	Argentine Peso	31,622
Time deposits	Dollars	3,414,232
	Adjustable Ch\$	30,338
Marketable Securities	Adjustable Ch\$	4,133,777
	Dollars	38,725,616
Sales receivable	Non-adjust Ch\$	24,114,505
	Dollars	3,518,556
	Euros	2,550,939
	Other currencies	1,916,352
	Argentine Peso	28,891
Documents Receivable	Non-adjust. Ch\$	2,446,906
	Argentine Peso	5,183
Sundry Debtors	Euros	20,003
	Non-adjust. Ch\$	1,213,511
	Adjustable Ch\$	264,881
	Dollars	162,351
	Other currencies	0
	Argentine Peso	81,532
Documents and Accts. Receivable	Dollars	0
	Non-adjust. Ch\$	326,016
	Adjustable Ch\$	120,434
Inventory	Adjustable Ch\$	34,887,365
	Non-adjust. Ch\$	558,230
	Dollars	2,828,322
	Argentine Peso	713,971
Taxes Receivable	Non-adjust. Ch\$	130,634
	Adjustable Ch\$	4,213,427
	Dollars	63,118
Prepaid expenses	Adjustable Ch\$	796,868
	Non-adjust. Ch\$	541,268
	Dollars	373,011
	Argentine Peso	3,162
Deferred Taxes	Non-adjust. Ch\$	701,052
Other Current Assets	Non-adjust. Ch\$	14,400,359
	Adjustable Ch\$	248,586
	Dollars	3,772,014
Marketable Securities	Non-adjust. Ch\$	25,552
Time Deposits	Non-adjust. Ch\$	3,766,221
Taxes Receivable	Argentine Peso	44,588
Deferred taxes	Adjustable Ch\$	463,807
Marketable Securities	Euros	18,897,271
Fixed Assets	Adjustable Ch\$	134,092,667
	Dollars	13,944
	Euros	451,953
Investments in related companies	Adjustable Ch\$	88,384,650
	Dollars	12,628,259
Investments in other companies	Adjustable Ch\$	804,671

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Negative Goodwill	Adjustable Ch\$	4,650,191
	Non-adjust. Ch\$	0
Long-term debtors	Adjustable Ch\$	144,589
Documents receivable in rel.companies	Adjustable Ch\$	4,257
Intangibles	Adjustable Ch\$	11,757,528
Amortization	Adjustable Ch\$	-1,003,671
	Non-adjust. Ch\$	-254,512
Other	Adjustable Ch\$	3,171,829
	Non-adjust. Ch\$	879,712
	Dollars	8,948,707
	Argentine Peso	567,540
Negative Goodwill	Dollars	4,305,901
Long-term debtors	Dollars	61,641
Total Assets		
	Non-adjust. Ch\$	50,610,799
	Other currencies	2,359,880
	Dollars	79,423,003
	Euros	21,934,737
	Argentine Peso	1,476,489
	Adjustable Ch\$	287,166,194

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - CURRENT LIABILITIES

ITEM	Currency	Up to 9	
		03.31.2004	
		Amount Thou Ch\$	Avg. Annual Int. Rate
Current Liabilities			
Short-term obligations with banks and financial institutions	Argentine Peso	0	-
Long-term obligations with banks and financial institutions	Adjust. Ch\$	110,059	5.780
	Dollars	134,438	2.470
	Non-adjust. Ch\$	733,148	1.720
Obligations with the public	Adjust. Ch\$	759,861	10.550
Long-term obligations with 1 year maturity	Adjust. Ch\$	0	0
	Dollars	129,318	1.9875
	Dollars	70,997	10.900
Dividends payable	Non-adjust. Ch\$	41,296	0
Accounts payable	Non-adjust. Ch\$	12,521,072	0
	Dollars	1,068,829	0
	Euros	147,793	0
	Other currencies	161,898	0
	Argentine Peso	290,156	0
Documents Payable	Dollars	2,063,346	0

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	Adjust. Ch\$	0	0
	Euros	20,507	0
	Other currencies	1,400	0
Sundry Creditors	Non-adjust. Ch\$	266,357	0
	Dollars	684,524	11.060
Withholdings	Non-adjust. Ch\$	1,674,611	0
	Dollars	0	0
	Argentine Peso	0	0
Prepaid income	Non-adjust. Ch\$	2,738,293	0
Docts and accts payable to rel co.	Non-adjust. Ch\$	250,257	0
Provisions	Adjust. Ch\$	19,798	0
	Euros	657,964	0
	Dollars	1,350,955	0
	Non-adjust. Ch\$	6,924,738	0
	Argentine Peso	11,462	0
	Other currencies	366,545	0
Other Current Liabilities	Dollars	1,765,784	0
Docts and accts payable to rel co.	Adjust. Ch\$	15,329	0
Other Current Liabilities	Adjust. Ch\$	362,489	0
Total Current Liabilities			
-	Argentine Peso	301,618	-
-	Adjust. Ch\$	1,267,536	-
-	Non-adjust Ch\$	24,551,062	-
-	Dollars	7,866,901	-
-	Euros	826,264	-
-	Other currencies	529,843	-

ITEM	Currency	90 Days t	
-----	-----	-----	
		03.31.2004	
		Amount	Avg. Annual
		Thou Ch\$	Int. Rate
		-----	-----
Current Liabilities			
Short-term obligations with banks and financial institutions	Argentine Peso	15,223	2.480
Long-term obligations with banks and financial institutions	Adjust. Ch\$	1,591,966	5.780
	Dollars	134,439	2.470
	Non-adjust. Ch\$	1,183,407	1.720
Obligations with the public	Adjust. Ch\$	363,228	6.060
Long-term obligations with 1 year maturity	Adjust. Ch\$	1,257	7.000
	Dollars	0	0
	Dollars	62,715	11.330
Dividends payable	Non-adjust. Ch\$	0	0
Accounts payable	Non-adjust. Ch\$	63,093	0
	Dollars	113,217	0
	Euros	0	0
	Other currencies	0	0
	Argentine Peso	0	0
Documents Payable	Dollars	0	0
	Adjust. Ch\$	0	0
	Euros	0	0
	Other currencies	0	0
Sundry Creditors	Non-adjust. Ch\$	0	0

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	Dollars	0	0
Withholdings	Non-adjust. Ch\$	0	0
	Dollars	0	0
	Argentine Peso	0	0
Prepaid income	Non-adjust. Ch\$	0	0
Docts and accts payable to rel co.	Non-adjust. Ch\$	0	0
Provisions	Adjust. Ch\$	182,055	0
	Euros	0	0
	Dollars	1,935,527	0
	Non-adjust. Ch\$	200,486	0
	Argentine Peso	0	0
	Other currencies	0	0
Other Current Liabilities	Dollars	0	0
Docts and accts payable to rel co.	Adjust. Ch\$	0	0
Other Current Liabilities	Adjust. Ch\$	0	0
Total Current Liabilities			
-	Argentine Peso	15,223	-
-	Adjust. Ch\$	2,138,506	-
-	Non-adjust. Ch\$	398,018	-
-	Dollars	3,294,866	-
-	Euros	0	-
-	Other currencies	0	-

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - LONG-TERM LIABILITIES CURRENT  
PERIOD 03-31-2004

ITEM	Currency	1-3 Years		A Th
		Amount Thou Ch\$	Average Interest Rate	
Obligations with Banks and Financial Institutions	Dollars	15,410,250	1.9875	15
	Argentine Peso	48,633	2.48	
	Non-adjust. Ch\$	537,754	4.94	
	Adjustable Ch\$	2,517,412	5.78	
Obligations with the public	Adjustable Ch\$	21,026,025	4.75	12
	Adjustable Ch\$	3,364,164	6.25	
Deferred Custom duties	Dollars	119,614	11.06	
Long-term creditors	Adjustable Ch\$	33,249	0	
	Adjustable Ch\$	15,234	7.000	
	Dollars	15,688	11.54	
	Dollars	24,243	0	
Deferred taxes	Non-adjust. Ch\$	2,347,230	0	
	Adjustable Ch\$	1,588,616	0	
Long-term provisions	Dollars	1,866,303	0	
	Adjustable Ch\$	4,135,539	0	
Total long-term liabilities				
-	Dollars	17,436,098	-	15
-	Argentine Peso	48,633	-	
-	Non-adjust. Ch\$	2,884,984	-	

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- Adjustable Ch\$ 32,680,239 - 12

ITEM	Currency	5-10 Years		A Th
		Amount Thou Ch\$	Average Interest Rate	
Obligations with Banks and Financial Institutions	Dollars	0	0	
	Argentine Peso	0	0	
	Non-adjust. Ch\$	0	0	
	Adjustable Ch\$	0	0	
Obligations with the public	Adjustable Ch\$	0	0	30
	Adjustable Ch\$	4,937,743	58000	16
Deferred Custom duties	Dollars	0	0	
Long-term creditors	Adjustable Ch\$	0	0	
	Adjustable Ch\$	0	0	
	Dollars	0	0	
	Dollars	0	0	
Deferred taxes	Non-adjust. Ch\$	0	0	
	Adjustable Ch\$	0	0	
Long-term provisions	Dollars	0	0	
	Adjustable Ch\$	0	0	
Total long-term liabilities				
-	Dollars	0	-	
-	Argentine Peso	0	-	
-	Non-adjust. Ch\$	0	-	
-	Adjustable Ch\$	4,937,743	-	47

Cristalerias de Chile S.A.

NOTE 37: LOCAL AND FOREIGN CURRENCY - LONG-TERM LIABILITIES PERIOD PREVIOUS  
TO 03-31-2003

ITEM	Currency	1-3 Years		A Th
		Amount Thou Ch\$	Average Interest Rate	
Obligations with banks and financial institutions	Dollars	2,801,667	282	36
	Argentine peso	48,569	0	
	Adjustable Ch\$	4,117,845	379	
Documents payable	Non-adjust. Ch\$	14,102	0	
Obligations with public	Adjustable Ch\$	3,356,720	609	
	Adjustable Ch\$	0	0	

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Sundry creditors	Dollars	1,060,574	1121	
	Adjustable Ch\$	3,525	7	
	Argentine peso	21,370	0	
Long-term creditors	Adjustable Ch\$	0	0	
Long-Term provisions	Dollars	2,098,052	0	
	Adjustable Ch\$	3,965,228	0	
Deferred taxes	Non-adjust. Ch\$	4,333,761	0	
Documents payable	Dollars	113,392	0	
Total long-term liabilities				
-	Dollars	6,073,685	-	36
-	Argentine peso	69,939	-	
-	Adjustable Ch\$	11,443,318	-	
-	Non-adjust. Ch\$	4,347,863	-	

ITEM	Currency	5-10 Years		A Th
		Amount Thou Ch\$	Average Interest Rate	
Obligations with banks and financial institutions	Dollars	0	0	
	Argentine peso	0	0	
	Adjustable Ch\$	0	0	
Documents payable	Non-adjust. Ch\$	0	0	
Obligations with public	Adjustable Ch\$	33,567,200	475	16
	Adjustable Ch\$	0	0	35
Sundry creditors	Dollars	0	0	
	Adjustable Ch\$	0	0	
	Argentine peso	0	0	
Long-term creditors	Adjustable Ch\$	0	0	
Long-Term provisions	Dollars	0	0	
	Adjustable Ch\$	0	0	
Deferred taxes	Non-adjust. Ch\$	0	0	
Documents payable	Dollars	0	0	
Total long-term liabilities				
-	Dollars	0	-	
-	Argentine peso	0	-	
-	Adjustable Ch\$	33,567,200	-	52
-	Non-adjust. Ch\$	0	-	

38. Penalties

The SVS and other administrative authorities have not imposed any penalties during the 2004 and 2003 fiscal years.



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### 39. Subsequent Events

On April 28, 2004, the parent company paid dividend N(degree) 157 of Ch\$ 25.2 per share over 64,000,000 shares (Th Ch\$ 1,612,800).

Between the closing date of the financial statements and the date of this report there were no more subsequent events that could significantly affect the Company's economic and financial situation.

### 40. COMPANIES UNDER SPECIAL NORM

The Company is not subject to special norms.

### 41. ENVIRONMENT

#### ENVIRONMENT

The company is permanently committed with environment preservation, during the fiscal year 2003 invested Th Ch\$ 205,409 corresponding to the purchase of processing equipment for nitrous oxide (NOX) installed in the new furnace B.

The subsidiary S.A. Vina Santa Rita has invested Th Ch\$ 13,542 in the January - March 2004 (Th Ch\$ 4,561 in 2003) period to comply with the ordinances and laws related to Industrial Process and Installations.

### 42. STOCK TRANSACTIONS

During 2004 members of the board, controlling stockholders, related individuals and entities did not carry out stock transactions.

### 43. DISTRIBUTION OF SHAREHOLDERS

The distribution of stockholders as of March 31, 2004 and 2003 is the following:

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TYPE OF SHAREHOLDER -----	% of Shareholding -----		No. of Shareholders -----	
	2004 -----	2003 -----	2004 -----	2003 -----
10% or more shareholding	34.03	34.03	1	1
Less than 10% shareholding with investment equal to or higher than 200 UF	65.84	65.83	265	270
Less than 10% shareholding with investment lower than 200 UF	0.13	0.14	762	787
TOTAL	100.00	100.00	1,028	1,058
CONTROLLER OF THE COMPANY	52.14	52.14	3	3

44. REMUNERATIONS OF THE BOARD OF DIRECTORS

As of March 31, 2004 and 2003 the parent company and the subsidiary S.A. Vina Santa Rita paid and provisioned for diverse concepts the sum of Th Ch\$ 464,570 and Th Ch\$ 1,086,756 as follows:

	2004		2003	
	Th	Ch\$	Th	Ch\$
	-----	-----	-----	-----
Share of previous fiscal year profits	334,256		890,581	
Provision fiscal year	130,314		196,057	
Fees paid		0		118
	-----	-----	-----	-----
TOTAL	464,570		1,086,756	
	=====		=====	

45. TIME DEPOSITS

As of March 31, 2004 and 2003 the company presents the following information:

INSTITUTION -----	CURRENCY -----	2004	2003
		Th\$ -----	Th\$ -----

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Banco de Santander Santiago	US\$	0	73,355
Banco Scotiabank	US\$	0	0
Banco J.P. Morgan Chase Bank	US\$	0	341,299
Banco Deutsche Bank Chile S.A.	US\$		2,064,301
Banco Santander	US\$	1,178,299	2,483,315
Banco Chile	US\$	2,235,933	2,606,863
Banco Santander	\$	3,452,208	924,992
Banco de Chile	\$	344,351	3,001,203
Banco Scotiabank	\$	0	5,009,100
HSBC Bank Chile	\$	0	2,910,728
		-----	-----
TOTAL		7,210,791	19,415,156
		=====	=====

RELEVANT EVENTS

None.

CRISTALERIAS DE CHILE S.A.

RATIO ANALYSIS TO CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 30, 2004

1.- CONSOLIDATED FINANCIAL INDICATORS

		03-31-2004	03-31-2003	12-31-2003
		-----	-----	-----
LIQUIDITY				
Current liquidity	times	4.2	3.9	4.4
Acid ratio	times	3.1	3.0	3.4
DEBT				
Debt ratio	times	0.8	0.8	0.8
Short-term debt	%	23.6	24.9	21.6
Long-term debt	%	76.4	75.1	78.4
Coverage of interest expenses	times	3.1	4.4	2.0
ACTIVITY				
Total assets	MM Ch\$	442,971	467,783	435,756
Investments	MM Ch\$	3,193	6,455	27,446
Disposal of property	MM Ch\$	8	176	367
Inventory turnover	Times	n.a.	n.a.	n.a.
Inventory permanence	Days	n.a.	n.a.	n.a.
RESULTS				
Operating income	MM Ch\$	33,606	35,372	169,091
Operating costs	MM Ch\$	22,385	22,553	105,157
Operating results	MM Ch\$	5,325	7,435	37,454
Financial expenses	MM Ch\$	1,641	1,713	6,795

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Non-operating results	MM Ch\$	(1,317)	(1,052)	(27,887)
R.A.I.I.D.A.I.E.	MM Ch\$	9,046	11,205	29,009
After-tax profit	MM Ch\$	2,567	4,321	6,694

### RATE OF RETURN

Return on equity	%	1.1	1.8	2.8
Return on assets	%	0.6	0.9	1.5
Return on operating assets	%	2.3	3.4	16.3
Profit per share	\$	40.10	67.5	99.91
Return on dividends	%	2.6	2.6	2.4

Current liquidity	Ratio of current assets to current liabilities.
Acid ratio:	Ratio of uncommitted funds to current liabilities.
Debt ratio:	Ratio of total current liabilities to net worth.
Coverage of Interest Expenses:	Result before taxes and interest divided by financial expenses.
Inventory turnover:	Ratio between sales cost of the period and average inventory.
Inventory permanence:	Ratio between average inventory and sales cost of the period, multiplied by 360 days.
R.A.I.I.D.A.I.E.:	Result before taxes, interest, depreciation, amortization, and special items.
Return on dividends:	Sum of dividends paid in the last twelve months divided by market price of stock at closing of period.

The main trends observed in the 2004 fiscal year indicators are:

### LIQUIDITY INDICES

A stability in the liquidity index is observed, having the acid ratio decreased slightly as a consequence of the increase of the inventory and taxes to recover.

### INDEBTEDNESS INDICES

Indebtedness ratio is stable in respect to the previous fiscal year.

The interest expenses coverage index has registered slight decrease with respect to the previous year due to lower income during the present fiscal year.

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### PROFITABILITY INDICES

A decrease in the profitability indices of equity and assets is observed with respect to the same period in 2003, due to lower income during the present fiscal year.

Likewise, a decrease in the profitability of operating assets is observed due to lower operating income.

On the other hand, in spite of higher dividends distributed during the last 12 months, the return on dividends indexes shows stable with respect to the previous year due to an increase in the price of the company's shares in the stock exchange, which passed from Ch\$ 4,620 each as of March 31, 2003 to Ch\$ 5,000 as of March 31, 2004.

### 2. DIFFERENCE BETWEEN BOOK VALUE AND MARKET VALUE OF MAIN ASSETS.

The financial statements as of March 31, 2004 have been prepared according to generally accepted accounting principles and general and specific norms of the Securities and Insurance Commission, which is the agency that regulates the Company. The valuation of the assets includes adjustment for currency devaluation, provisions, and technical revaluations. We believe the foregoing is a reasonable way to value the company's permanent investments.

As of March 31, 2004 there were financial investments in stocks recorded in the accounting according to their purchase price at Ch\$ 4,134 million whose market value on the same date was Ch\$ 5,728 million.

### 3. RESULTS FOR THE PERIOD

#### 3a. Consolidated Result

Cristalerias de Chile S.A. consolidates its results with Vina Santa Rita, CIECSA, Cristalchile Comunicaciones S.A., Cristalchile Inversiones S.A. and Apoger.

Cristalerias' consolidated sales reached Ch\$ 33,606 million, compared to Ch\$ 35,372 in 2003. This lower consolidated sales level results fundamentally from lower sales in the glass container business (11.8%) and Santa Rita (2.3%); partially compensated by higher sales at CIECSA (12.6%). Consolidated operating income reached Ch\$ 5,325 million, compared to Ch\$ 7.435 million in 2003, of which the glass container business contributed Ch\$ 4,289 million (Ch\$ 5,850 million in 2003) and Santa Rita Ch\$ 1,059 million (Ch\$ 1,650 million in 2003). CIECSA, in turn, registered an operating loss of Ch\$ 50 million (Ch\$ 116 million operating loss in 2003).

Company's net income was Ch\$ 2,567 million, compared to Ch\$ 4,321 million in 2003. This result is mainly due to lower operating result in the glass container business and Vina Santa Rita, and a higher non-operating loss mainly due to a higher net loss from subsidiaries.

During the present fiscal year, the Company registered a consolidated

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non-operating loss of Ch\$ 1,317 million, that compares to a Ch\$ 1,052 million loss in 2003. The aforementioned is mainly explained by a higher net loss from subsidiaries that do not consolidate, that passed from Ch\$ 1,101 million in 2003 to Ch\$ 1,710 million in 2004, due to lower results at Metropolis-Intercom and Envases CMF. The net loss from subsidiaries includes a Ch\$ 1,040 million charge (Ch\$ 1,034 million charge in 2003) corresponding to goodwill amortization, which does not constitute cash flow.

The following analysis explains Cristalerias' result based on individual financial statements, as well as those of its main subsidiaries.

### 3b. Individual Result

The Company had non-consolidated sales of Ch\$ 15,387 million as of March 2004, compared to Ch\$ 17,448 million in the previous year. Volumes sold decreased by 2.4% reaching 56,856 tons, mainly due to lower sales of bottles of non-returnable beer and liquor, partially compensated by higher sales of bottles for wine, and analcoholic one way formats.

Operating income reached of Ch\$ 4,289 million in 2004 (Ch\$ 5,850 million income in 2003), due to lower volumes sold and an average price decrease of 9.6%, mainly explained by a decrease in the exchange rate, which passed from US\$ 736.99 per dollar on average during first quarter of 2003 to US\$ 587,29 per dollar on average during the first quarter of 2004.

The non-operating result was a loss of Ch\$ 1,239 million (Ch\$ 499 million loss in 2003). During 2004 a higher loss in Cristalchile Comunicaciones (owner of 50% of Metropolis-Intercom) and lower net income in Envases CMF was registered. The former was partially compensated by higher net income from Vina Santa Rita and Cristalchile Inversiones (owner of 40% of Rayen Cura) and a lower loss at CIECSA.

### 3c. Results in Subsidiaries

During 2004, Santa Rita's net income amounted Ch\$ 1,383 million, 14,7% higher than in 2003. In the local market, prices increased by 8.2% in real terms and volumes dropped by 3.4%. During the period, exports increased by 5.2% reaching US\$ 12.9 million (US\$ 11.0 million in 2003) and represented 52.2% of total revenues. Operating income reached Ch\$ 1,059 million, compared to Ch\$ 1,650 million in 2003, mainly due to higher costs of musts and higher marketing support expenses. The average price in dollars per case for the export market for Santa Rita was US\$ 34.9 (US\$ 31.4 in 2003) whereas the average price

for the industry was US\$ 24.4 per case (US\$ 23.5 in 2003). Santa Rita recorded a Ch\$ 582 million non-operating profit, compared to a Ch\$ 24 million non-operating income in 2003, mainly due to a profit from exchange differences and sale of assets.

Red Televisiva Megavisión, CIECSA's main subsidiary, registered a Ch\$ 65 million operating loss, compared with an operating loss of Ch\$ 90 million in 2003. MEGA reached the first place audience share with an average viewership share of 25.3% during the period (22.9% in 2003). Net sales increased by 11.7% reaching Ch\$ 4,837 million, as a higher audience share has resulted in higher sales. MEGA had a net loss of Ch\$ 238 million (Ch\$ 248 million loss in 2003). CIECSA had a Ch\$ 300 million net loss, compared to a Ch\$ 445 million net loss the previous year.

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Envases CMF S.A. registered a Ch\$ 372 million net income in 2004 compared with a Ch\$ 546 million net income in 2003. Net sales reached Ch\$ 7,839 million during the period (Ch\$ 8,857 million in 2003). Sales volume dropped by 3.9%, reaching 5,844 tons, due to a decrease of pre forms exports and lower sales of one way formats; while average prices decreased by 7.9% influenced by a decrease of the exchange rate. Due to the aforementioned, operating income reached Ch\$ 740 million, compared to Ch\$ 1,174 million in 2003.

In the cable TV business, Cristalchile Comunicaciones S.A. (99.99% owned by Cristalerias), is the owner of 50% of Cordillera Comunicaciones Ltda., which in turn is the owner of Metropolis-Intercom S.A.

During 2004, Metropolis-Intercom S.A. registered sales of Ch\$ 10,782 million, practically equal to the previous year. Metropolis-Intercom had a net loss of Ch\$ 3,103 million compared with a net loss of Ch\$ 1,973 million in 2003. The lower result is due to a \$775 million one-time expense that affected the company's non-operating result. EBITDA reached Ch\$ 1,641 million in the period (\$1,614 million in 2003). This result includes a depreciation charge of Ch\$ 3,587 million (Ch \$3,204 million in 2003) mainly corresponding to the HFC network acquired in July 2000. The company ended the period with 223,957 subscribers of the basic service (240,119 in 2003), 35,514 premium subscribers (5.2% over 2003), 36,883 subscribers of broadband internet services (42.3% over 2003) and 6,376 subscribers of IP telephony.

As a result of the abovementioned and the negative goodwill amortization charge through Cordillera Comunicaciones of Ch\$ 1,040 million in the period (Ch \$1,034 million in 2003), Cristalchile Comunicaciones recorded a net loss of Ch\$ 2,151 million (net loss of Ch\$ 1,505 in 2003).

#### 4. CASH FLOW STATEMENT

As of March 2004 a total net positive flow of Ch\$ 9,499 million was generated, which is explained by a positive flow generated by operating activities of Ch\$ 14,862 million which were partially offset by a negative financing flow of Ch\$ 1,580 million, and a negative flow of investment activities of Ch\$ 3,783 million.

The operating flow corresponds basically to the collection of sales and financial interests and other income received that were reduced in part by payment to suppliers, taxes and interests.

The negative financing flow can be explained mainly by dividends paid of Ch\$ 948 million and payment of obligations with the public and loans for Ch\$ 648 million.

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1 Measured between 7:30AM and 1:30AM; i.e: 18 hours daily, Monday through Sunday.

The negative investment flow is mainly explained by the incorporation of fixed assets of Ch\$ 3,588 million and investment payments for Th Ch\$ 230.

The foregoing results in an increase in the final balance of cash and cash equivalent, which passed from Ch\$ 72,292 million as of December 31, 2003 to Ch\$ 82,562 million as of March 31, 2004.

According to the current regulations of the SVS and the Association of

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Accountants of Chile, term deposits and agreements with due date less than 90 days have been considered cash and cash equivalent.

### 5. RISKS ANALYSIS

#### a. Interest rates

Cristalerias and its Subsidiaries are exposed to the risk of fluctuations in interest rates on its short-term and long-term debts. As of March 31, 2004 Short-Term and Long-Term bank liabilities and obligations with the public totaled Ch\$ 128,230 million, which represents 29% of the Company's consolidated assets.

On the other hand, bank credits totaled Ch\$ 37,956 million of which Ch \$32,930 million correspond to credits in foreign currency agreed at variable rates related to the six-month Libor plus 0.8% percentage points annually, Ch\$ 4,219 million correspond to credits in pesos adjustable in unidades de fomento (indexed currency units) that are exposed to changes in the 90 and 180 days TAB rate, and Ch\$ 807 million correspond to credits in pesos at an annual rate of 4.94%.

Of obligations with the public for Ch\$ 90,274, Ch\$ 70,089 million correspond to bonds issued by Cristalchile and Ch\$ 20,185 million to bonds issued by the subsidiary Vina Santa Rita, both a fixed interest rate.

As of December 31, 2003, the Company had funds available of Ch\$ 72,096 million invested in instruments at different terms like term deposits, bonds, fixed-rate mutual funds and resale agreements. Such amount does not include bonds for Ch \$9,068 million with maturity on September 15, 2005 and share investments for Ch \$4,134 million.

The company and its subsidiaries do not use secondary financial instruments at the present to reduce risk in the event of fluctuations in interest rates. That policy will be studied permanently to evaluate the alternatives offered by the market.

#### b) Exchange rate

The Company and its Subsidiaries maintain liabilities in foreign currency of US\$ 68.9 million, which represent 10.3% of its consolidated assets, and include a long-term syndicated loan of US\$ 50 million in the parent company and Long-Term bank credits in Vina Santa Rita of US\$ 3.1 million.

As of March 31 the Company and its Subsidiaries maintain its investments in Dollars of US\$ 86.1 million; in time deposits, bonds and fixed rate mutual funds. In addition it also has (euro) 24.9 million in fixed rate instruments. Likewise, it has dollar purchase future contracts of US\$ 42.6 million that are compensated by sale future contracts for US \$39.6 million.

On the other hand, approximately 38.2% of consolidated income of the company is adjusted to the exchange rate variation. At the same time, consolidated costs in foreign currency represent approximately 28.4% of total costs.



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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GLASSWORKS OF CHILE  
(Registrant)

By: /s/ Benito Bustamante C.

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Benito Bustamante C.  
Controller

Date: October 6, 2004